

Supplementary Material for “Unbundling the State: Legal Development in an Era of Global, Private Governance”

Table of Contents

A	Consistency of Model Law Implementation	1
B	List of Included Model Law Countries	2
C	V-Dem Rule of Law Index Sub-components	4
D	The Panel Match Estimator and Alternative Specifications	5
D.1	Point estimates for Figure 3 & additional results	6
D.2	Covariate balance pre- and post-refinement	7
D.3	10-year window, Low Rule of Law Sample	8
D.4	Excluding non-Model Law arbitration “hubs”	9
D.5	Alternative Rule of Law cut-offs	10
D.6	Adjusting for Polyarchy	11
E	Fraser Institute’s Rule of Law Indices	12
F	Instrumental Variables Estimates	14
G	Full Tables for ICC Case Analyses	23
G.1	Panel A: Seat of ICC arbitrations	23
G.2	Panel B: Nationality of parties to ICC arbitration	25
H	References	28
I	Software Used	29

A Consistency of Model Law Implementation

Table A1 presents a list of key features and their adoption rates as coded by Binder (2010).

Key Features of the UNCITRAL Model Law	% Adoption
<i>Agreement to Arbitration</i>	
Article 7: Def. of Arbitration Agreement	100%
Article 8: Arb. Agreement and Claim Before Court	
8(1): Court referral of dispute to arbitration	99%
8(2): Arb. may proceed during Court referral	99%
<i>Choice of Arbitrators</i>	
Article 11: Appointment of Arbitrators	100%
No nationality restriction on arbitrators	100%
<i>Decisions of the Tribunal</i>	
Article 16: Competence to Rule on Own Jurisdiction	
“Kompetenz-Kompetenz”	100%
Separability	98%
Article 17: Interim Measures	98%
<i>Enforcement of Awards</i>	
Article 34: Restrictions on Challenging an Award	95%
Article 35: Enforcement of International Awards	91%
Article 36: Grounds for Refusing Enforcement	93%

Note: Data obtained from (Binder 2010). Adoption among Model Law countries. Adoption is coded as incorporating the relevant Model Law provision verbatim, with minor revisions, more or less detail or if Binder codes the state as arriving “at a similar result” to the Model Law but with different language. States that create a “different solution” or do not implement the respective Model Law provision are coded as not adopting.

Table A1. Key features of the UNCITRAL Model Law

B List of Included Model Law Countries

Country	t_i	Rule of Law	Country	t_i	Rule of Law
Armenia	2006	0.25	Mexico	1993	0.36
Azerbaijan	1999	0.04	Nicaragua	2005	0.39
Bahrain	1994	0.21	Oman	1997	0.57
Bangladesh	2001	0.29	Paraguay	2002	0.35
Belarus	1999	0.30	Peru	1996	0.14
Cambodia	2006	0.09	Philippines	2004	0.48
Croatia	2001	0.77	Russia	1993	0.31
Domin. Rep.	2008	0.31	Rwanda	2008	0.66
Egypt	1994	0.25	Saudi Arabia	2012	0.27
Guatemala	1995	0.29	Serbia	2006	0.58
Honduras	2000	0.31	Sri Lanka	1995	0.62
India	1996	0.70	Thailand	2002	0.51
Iran	1997	0.37	Tunisia	1993	0.22
Jordan	2001	0.61	Turkey	2001	0.73
Kenya	1995	0.21	Uganda	2000	0.41
Macedonia	2006	0.65	Ukraine	1994	0.27
Madagascar	1998	0.26	Venezuela	1998	0.54
Malaysia	2005	0.40	Zambia	2000	0.62
Maldives	2013	0.27	Zimbabwe	1996	0.62
Mauritius	2009	0.77			

Table A2. List of Low Rule of Law Countries

Country	t_i	Rule of Law	Country	t_i	Rule of Law
Australia	2010	0.99	Hungary	1994	0.90
Austria	2006	0.96	Ireland	1998	0.96
Belgium	2013	0.98	Japan	2004	0.97
Bhutan	2013	0.92	Lithuania	2012	0.95
Bulgaria	2002	0.82	Malta	1996	0.89
Chile	2004	0.97	New Zealand	1997	0.99
Costa Rica	2011	0.96	Norway	2004	0.99
Denmark	2005	1.00	Poland	2005	0.95
Estonia	2006	0.97	Singapore	1995	0.97
Georgia	2010	0.81	Slovakia	2014	0.83
Germany	1998	0.99	Slovenia	2008	0.90
Greece	1999	0.85	Spain	2003	0.99
Hong Kong	2010	0.94			

Table A3. List of High Rule of Law Countries

C V-Dem Rule of Law Index Sub-components

Table A4 lists all of the sub-components that make up the V-Dem Rule of Law Index that I use as the outcome variable in the results presented in the main text. I also indicate which indicators are theoretically relevant to the quality of domestic legal institutions for the purpose of this paper. I include *v2exrescon* as a theoretically-relevant indicator because the component's question-wording is directly related to the strength of legal sanction against an executive that violates the constitution and is therefore of relevance to the independence and standing of the judiciary.

Indicator	Theory Relevant?	Est. Effect	Description
<i>v2juhccomp</i>	✓	–	Compliance with high court rulings
<i>v2jucomp</i>	✓	–	Compliance with the judiciary
<i>v2juhcind</i>	✓		High court independence
<i>v2juncind</i>	✓		Lower court independence
<i>v2exrescon</i>	✓		Exec. respects the constitution without legal sanction?
<i>v2clrspct</i>		–	Rigorous and impartial public administration
<i>v2cltrnslw</i>	✓	–	Transparency and predictability of the laws of the land
<i>v2clacjstm</i>	✓	–	Access to judicial justice — Men
<i>v2clacjstw</i>	✓	–	Access to judicial justice — Women
<i>v2juacct</i>	✓		Judicial accountability
<i>v2jucorrdc</i>	✓		Judicial corruption
<i>v2excrptps</i>			Public sector corrupt exchanges
<i>v2exthftps</i>			Public sector theft
<i>v2exbribe</i>			Executive bribery and corrupt exchanges
<i>v2exembez</i>			Executive embezzlement and theft

Note: The “Est. Effect” column indicates the sign of the coefficient found in the Figure 5 only if it is significant at the 90% level. An empty cell means the estimated coefficient is null.

Table A4. Overview of V-Dem Rule of Law Index Sub-components

D The Panel Match Estimator and Alternative Specifications

I estimate the effect of Model Law enactment on subsequent legal development using the difference-in-differences estimator proposed by Imai, Kim and Wang (2021). The goal of the procedure is to estimate change in the trajectory of the quality of a country's legal institutions caused by enacting the Model Law. The problem is that we cannot observe what a country that did enact the Model Law would have looked like if it had not enacted the Model Law. To estimate that counterfactual, I construct a unique "control group" for each Model Law country made up of non-enacting countries. To improve the comparability between each Model Law country and its matched set, I weight the observations within every matched set based on how similar (based on observables) each country is to its matched Model Law country. Countries that did not enact the Model Law but are just as likely to have enacted the Model Law (compared to the country the *did* enact it) are given a greater weight than countries that are more or less likely to have done so. I then calculate the change in the weighted control group's rule-of-law score from the year prior to the Model Law entering into force and subtract this from the change in the Model Law country's rule-of-law score over the same duration. I average the difference-in-differences across all of the Model Law countries for each time period to yield an average effect of the Model Law on legal development for the year it enters into force and each of the following five (or ten) years. Importantly, this estimator relies on the common trends assumption that the difference between the trajectories of the treated and control units would have remained stable in the absence of treatment, conditional on a set of time varying covariates (10-11).

First, I set a time-window for the analysis, F . I then construct a matched set for each treated unit i , denoted \mathcal{M}_i , which includes all countries that have not yet enacted legislation based on the Model Law. Any unit that enacts the Model Law between the time country i enacts the Model Law and five years thereafter is dropped from i 's matched set. The next step is to refine each matched set to improve the comparability between the Model Law countries and their matched sets through propensity-score weighting. The weights used in the results reported in Table A5 are calculated from either propensity scores (PS) or the covariate-balancing propensity score (CBPS) developed by Imai and Ratkovic (2014). I use the covariates described in the main text to estimate the propensity scores. A further benefit of this method is that it allows for the simple evaluation of covariate balance (see Figure A1).

D.1 Point estimates for Figure 3 & additional results

Years in Force (F)	PanelMatch				BJS
	(1)	(2)	(3)	(4)	(5)
0	-0.006 (0.004)	-0.009 (0.007)	-0.009 (0.007)	-0.001 (0.002)	-0.013 (0.012)
1	-0.010* (0.006)	-0.017* (0.010)	-0.017* (0.010)	0.001 (0.002)	-0.016 (0.013)
2	-0.015* (0.009)	-0.025* (0.015)	-0.025* (0.015)	0.000 (0.002)	-0.024 (0.015)
3	-0.018** (0.009)	-0.031** (0.016)	-0.031** (0.016)	0.001 (0.002)	-0.028* (0.016)
4	-0.028*** (0.012)	-0.047*** (0.021)	-0.047*** (0.021)	-0.001 (0.002)	-0.048*** (0.018)
5	-0.026** (0.013)	-0.047** (0.024)	-0.047** (0.024)	0.001 (0.003)	-0.045** (0.021)
Refinement Sample ML Countries	CBPS Full 64	CBPS Low RoL 39	PS Low RoL 39	CBPS High RoL 25	N/A Low RoL 39

Note: * $p < .1$, ** $p < .05$, *** $p < .01$. Table reports yearly estimates of the average treatment effect on the treated using the difference-in-differences methods recommended by Imai, Kim and Wang (2021) and Borusyak, Jaravel and Spiess (2022). See Figure A1 for plot of improvement in covariate balance. PanelMatch standard errors in parentheses are estimated via blocked bootstrap with 5,000 iterations.

Table A5. Main Results

D.2 Covariate balance pre- and post-refinement

This figure presents the standardized mean difference between treated and control countries for all covariates each year prior to enactment of the Model Law. This graph is based on the analysis summarized in Table A5, Column 2 (see Imai, Kim and Wang 2021, 10-1).

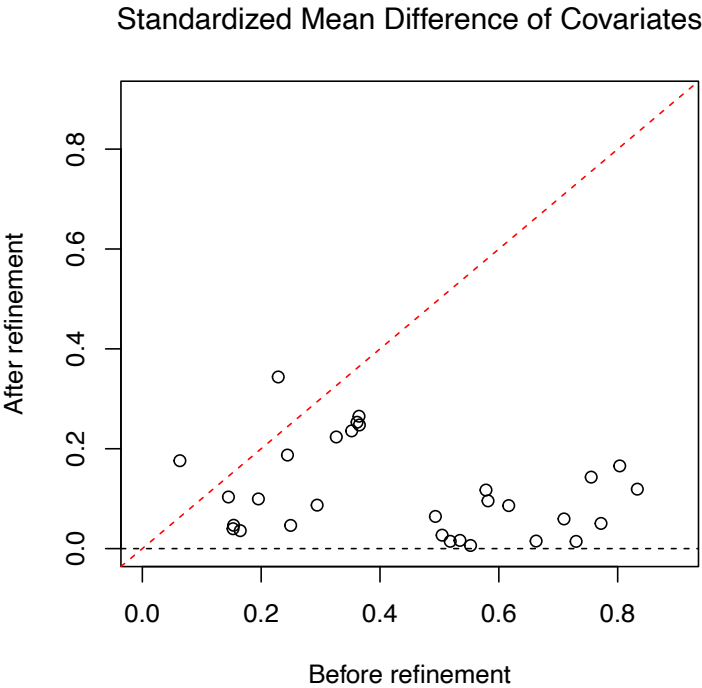
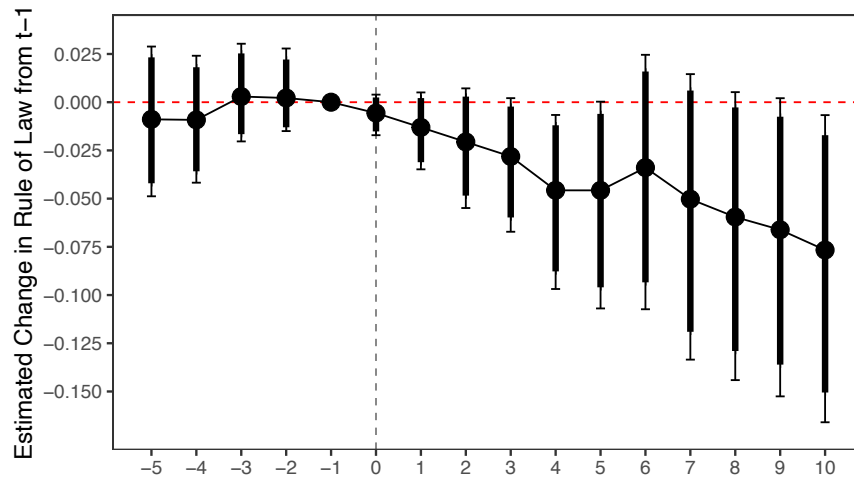


Figure A1. Covariate Balance

D.3 10-year window, Low Rule of Law Sample

In Figure A2, I re-estimate the model on the low rule-of-law sample but over a 10-year window. This reduces the number of Model Law countries included in the sample to 37 and reduces the average size of their matched sets. As was the case with the 5-year sample, the non-Model Law and Model Law groups are statistically indistinguishable for the first 3 years after enactment. While the estimates lose statistical significance from years 6 and 7, there is a clear, increasingly negative trend in the Model Law group. After a decade, I estimate a decline of roughly 25% of a SD.



Note: Plots yearly estimated change in Rule of Law Index over a decade from the year prior to Model Law enactment for the low rule of law sample (where year 0 is the year the Model Law was implemented). 90% and 95% confidence intervals are estimated via blocked bootstrap with 5,000 iterations.

Figure A2. Estimated change in Rule of Law Index after Model Law enactment

D.4 Excluding non-Model Law arbitration “hubs”

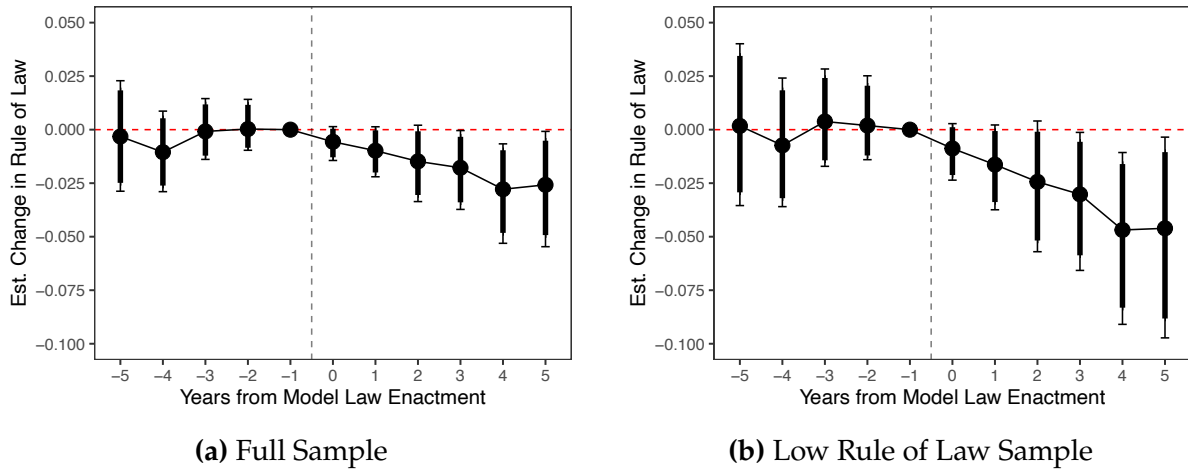


Figure A3. Results after excluding non-Model Law arbitration hubs (USA, UK, France, Sweden, and Switzerland)

D.5 Alternative Rule of Law cut-offs

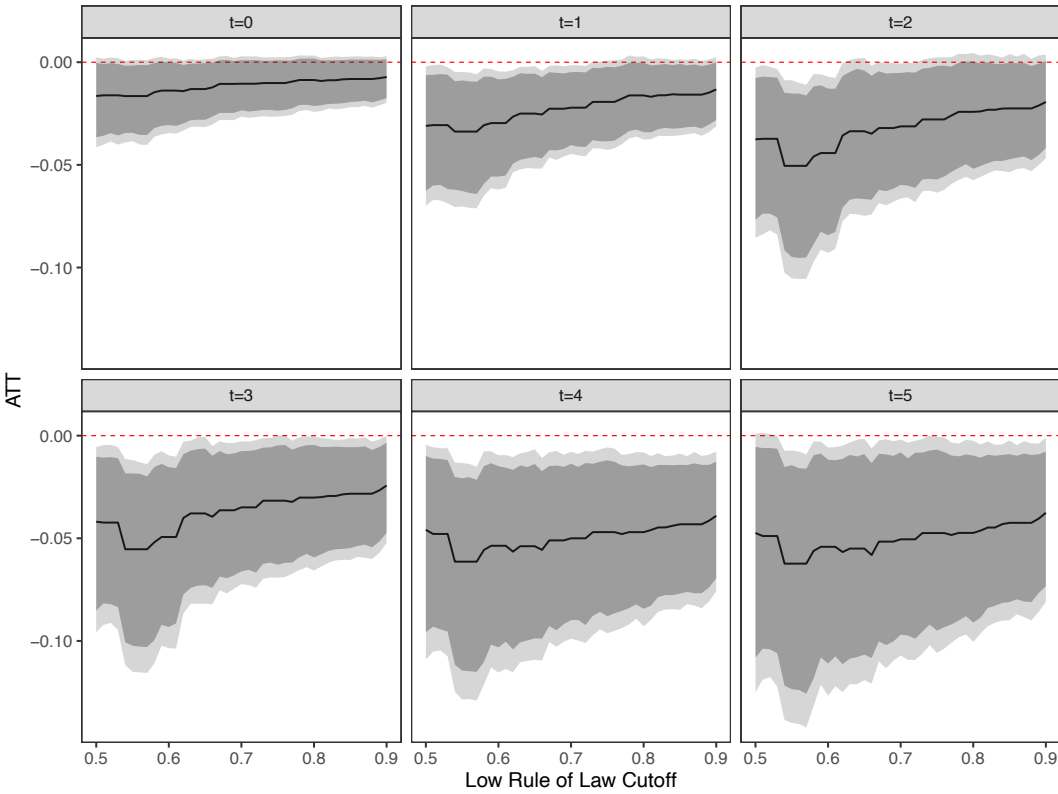


Figure A4. Alternative Low Rule of Law Cut Points

D.6 Adjusting for Polyarchy

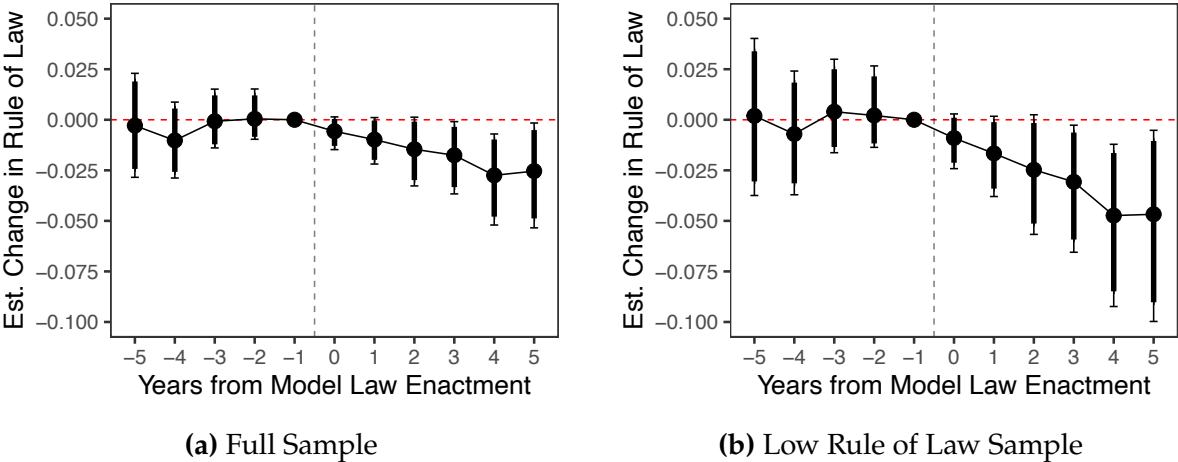
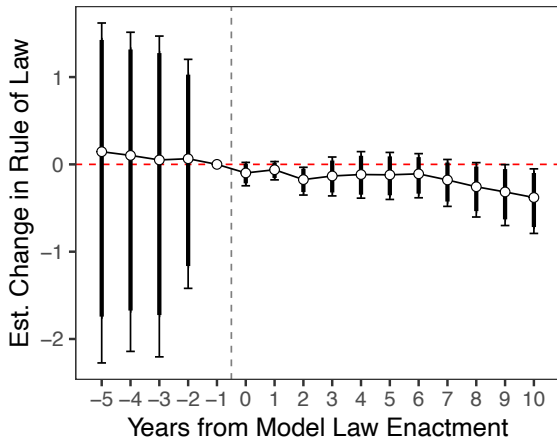


Figure A5. Main results replicated while also adjusting propensity score estimates for V-Dem’s Polyarchy index

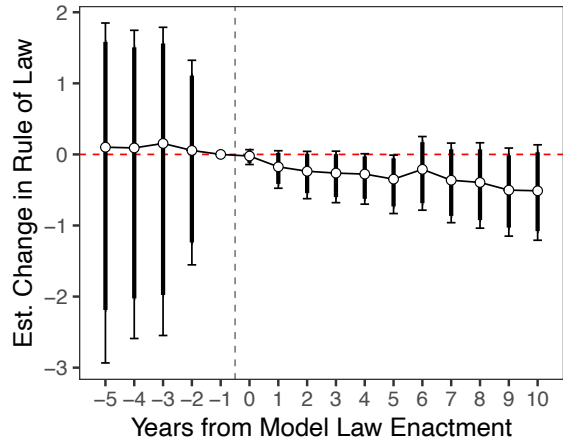
E Fraser Institute's Rule of Law Indices

The primary concern in interpreting these data is missingness, because the dataset is only updated every five years prior to 2000. Requiring complete pre-enactment data, limits the number of cases of enactment I can analyze to 6. Therefore, I relax this constraint and include countries with missing pre-treatment data. This increases my sample size to 18 instances of Model Law enactment. As in the main low rule of law sample, I drop countries that enact with values on each indicator in the top quartile. This discrepancy in pre- and post-missingness explains the shrinkage of the estimated confidence intervals after enactment of the Model Law, as seen in Figure A6.

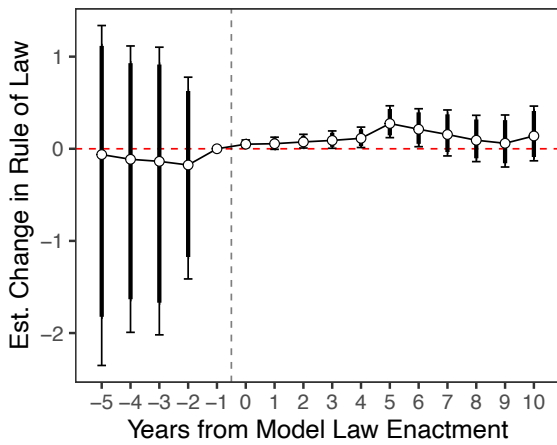
In summary, I find that the Model Law is associated with declines in the Fraser Institute Judicial Independence and Integrity of the Legal System indices. I also find an *increase* in their Contract Enforcement index. I do, however, find a null result on their Impartial Courts index. This result is likely due to the index's construction as it aggregates V-Dem's Judicial Corruption measure (which I found to be essentially unrelated to Model Law enactment) and the World Bank's Rule of Law Index, which is itself an aggregation of numerous outcomes that are not directly tied to the theoretical outcomes of interest. More information on each measure can be found at <https://www.fraserinstitute.org/sites/default/files/uploaded/2022/economic-freedom-of-the-world-2022-appendix.pdf>.



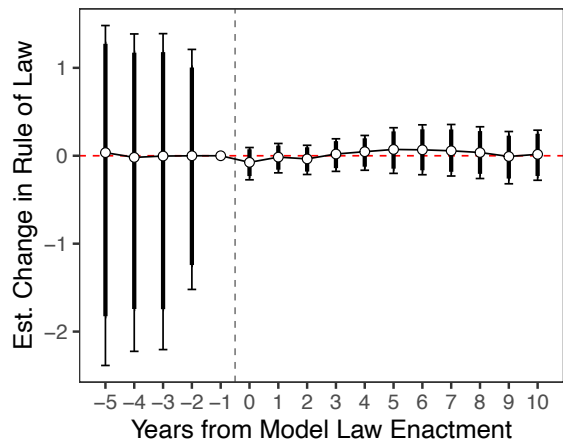
(a) Judicial Independence



(b) Integrity of the Legal System



(c) Contract Enforcement



(d) Impartial Courts

Figure A6. Results, Various Fraser Institute's Rule of Law Indices

F Instrumental Variables Estimates

Data. I first obtain trade data from Gaulier and Zignago (2010). This dataset covers bilateral, product-level trade between over 200 countries at the 6-digit HS1 level between 1996–2019. These data are originally sourced from the United Nation’s Comtrade service, though Gaulier and Zignago (2010) improve these data in various ways such as by reconciling discrepancies in reported trade flows between importers and exporters. I then aggregate these data into 1,217 4-digit HS1 product categories.

I identify differentiated and undifferentiated products based on data from Rauch (1999). Rauch (1999) classifies 4-digit SITC Rev. 3 product codes into one of three categories. A product is either (a) traded on an exchange, (b) subject to a reference price, or (c) neither (which Rauch classifies as a “differentiated” good). In line with earlier work on contract-intensity and trade (e.g., Berkowitz, Moenius and Pistor 2006; Nunn 2007), I consider products that are exchange-traded or reference-priced to be less contract intensive because such goods are categorized and priced independently from any negotiation with the supplier. Alternatively, I consider differentiated products to be more complex and therefore more likely to rely on negotiation and agreement prior any transaction occurring. Trade in such goods is therefore more likely to be sensitive to the contracting environment. These data are commonly used to measure the contract-intensity of trade (see, e.g., Berkowitz, Moenius and Pistor 2006; Nunn 2007; Ma, Qu and Zhang 2010; Antràs and Chor 2013; Azomahou, Maemir and Wako 2021).

Estimation. I estimate the effect of Model Law enactment on the V-Dem Rule of Law Index using two-stage least squares (2SLS) regression. I also adjust for a variety of covariates. I first include a set of institutional variables equal to 1 if a country has ratified the New York Convention and the log of 1 + the number of BITs a country has ratified. I include log of a country’s inbound FDI stock (from UNCTADstat). I also adjust for trade dependence ($\frac{\text{imports+exports}}{\text{GDP}}$), log GDP and GDP per capita, and GDP growth, which I obtained from the World Bank’s World Development Indicators. In the first stage, I predict Model Law enactment using the following equation:

$$\text{Model Law}_{it} = \tau \text{Exp. Comp.}_{i,t-1} + \delta \mathbf{X}_{i,t-1} + \gamma_i + \omega_t + \varepsilon_{it}$$

Where $\mathbf{X}_{i,t-1}$ is a vector of time-varying covariates lagged by one year and γ_i and ω_t denote country- and year-fixed effects, respectively. I then use the predictions from this model to estimate the following equation in the second stage:

$$\text{Rule of Law}_{it} = \beta \widehat{\text{Model Law}}_{i,t} + \rho \mathbf{X}_{i,t-1} + \gamma_i + \omega_t + \varepsilon_{it}$$

I cluster standard errors at the country level and exclude Model Law countries without pre-enactment data.

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
<i>Panel A</i> — Second stage				
Model Law	-0.267** (0.113)	-0.244** (0.103)	-0.262** (0.116)	-0.325* (0.194)
NYC		0.033 (0.027)	0.019 (0.027)	0.027 (0.030)
log BITs+1		-0.006 (0.014)	-0.002 (0.016)	-0.002 (0.021)
log FDI Stock			0.002 (0.012)	0.005 (0.013)
log Trade Dep.			0.055* (0.033)	0.051* (0.030)
log GDP per cap.				0.203 (0.146)
log GDP				-0.099 (0.109)
Growth				-0.001 (0.001)
Adj. R ²	0.916	0.923	0.914	0.895
<i>Panel B</i> — First stage				
Export Competition _{Diff.}	0.068*** (0.021)	0.071*** (0.021)	0.067*** (0.023)	0.052** (0.024)
NYC		0.049 (0.061)	0.052 (0.067)	0.068 (0.065)
log BITs+1		0.018 (0.036)	0.023 (0.042)	0.025 (0.045)
log FDI Stock			0.009 (0.023)	0.013 (0.021)
log Trade Dep.			0.040 (0.042)	0.027 (0.036)
log GDP per cap.				0.498*** (0.162)
log GDP				-0.299* (0.176)
Growth				-0.001 (0.001)
Adj. R ²	0.702	0.703	0.707	0.718
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Effective F-stat	10.17	11.33	8.83	4.63

Notes: * p < 0.1, ** p < 0.05, *** p < 0.01. Table presents 2SLS estimates. All explanatory variables are lagged by one year.

Table A6. 2SLS estimates. Export competition in contract intensive products.

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
Export Competition _{Diff.}	-0.018*** (0.006)	-0.017*** (0.006)	-0.017*** (0.006)	-0.017** (0.007)
NYC		0.022 (0.021)	0.006 (0.019)	0.004 (0.018)
log BITs+1		-0.010 (0.011)	-0.009 (0.011)	-0.010 (0.011)
log FDI Stock			0.000 (0.009)	0.001 (0.009)
log Trade Dep.			0.045* (0.024)	0.042* (0.023)
log GDP per cap.				0.041 (0.055)
log GDP				-0.002 (0.043)
Growth				0.000 (0.000)
<i>Omitted Variable Bias Robustness Values</i>				
$R^2_{Y \sim Z X}$	1.4%	1.3%	1.2%	1.0%
$RV_{q=1}$	11.2%	10.6%	10.5%	9.6%
$RV_{q=1, \alpha=0.05}$	8.1%	7.6%	7.2%	6.2%
Country & year FE	✓	✓	✓	✓
Adj. R^2	0.954	0.954	0.952	0.952
Observations	3,529	3,529	3,127	3,093

Notes: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$. Robust standard errors are clustered on country. Export Competition is scaled to have mean 0, SD 1. OVB Robustness Values are derived from the method proposed by Cinelli and Hazlett (2020). These statistics provide the percentage of variation a potential, unobserved confounder would have to account for in both the treatment and outcome to drive the coefficient on Export Competition to 0 ($RV_{q=1}$) or its p-value above .05 ($RV_{q=1, \alpha=0.05}$). $R^2_{Y \sim Z|X}$ denotes the partial R^2 of export competition conditional on the included covariates.

Table A7. Reduced-form estimates. Export competition in contract intensive products

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
Model Law	-0.267** (0.112)	-0.244** (0.102)	-0.262** (0.115)	-0.325* (0.192)
Weak-IV Robust CI	[-0.72, -0.10]	[-0.63, -0.08]	[-0.78, -0.08]	[-3.68, -0.05]
<i>p-value</i>	0.002	0.003	0.006	0.022
<i>Controls</i>				
Legal		✓	✓	✓
Econ. International			✓	✓
Econ. Domestic				✓
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
1 st Stage <i>F</i> -stat	9.66	10.76	8.36	4.38

Notes: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$. Standard errors are clustered by country.

Table A8. Limited information maximum likelihood estimates. Export competition in contract-intensive products

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
<i>Panel A</i> — Second stage				
Model Law	-0.096 (0.198)	-0.065 (0.176)	-0.131 (0.277)	-0.377 (1.595)
NYC		0.028 (0.023)	0.015 (0.024)	0.030 (0.099)
log BITs+1		-0.009 (0.011)	-0.005 (0.013)	-0.001 (0.049)
log FDI Stock			0.001 (0.011)	0.006 (0.024)
log Trade Dep.			0.049 (0.034)	0.053 (0.061)
log GDP per cap.				0.232 (0.920)
log GDP				-0.119 (0.635)
Growth				-0.001 (0.002)
Adj. R^2	0.949	0.951	0.943	0.875
<i>Panel B</i> — First stage				
Export Competition _{Undiff.}	0.024 (0.019)	0.026 (0.019)	0.022 (0.021)	0.007 (0.022)
NYC		0.035 (0.061)	0.035 (0.067)	0.060 (0.065)
log BITs+1		0.017 (0.037)	0.023 (0.043)	0.028 (0.046)
log FDI Stock			0.008 (0.023)	0.011 (0.021)
log Trade Dep.			0.045 (0.040)	0.031 (0.035)
log GDP per cap.				0.552*** (0.166)
log GDP				-0.381** (0.175)
Growth				-0.001 (0.001)
Adj. R^2	0.698	0.698	0.703	0.715
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Effective F -stat	1.61	1.90	1.10	0.09

Notes: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$. Table presents 2SLS estimates. All explanatory variables are lagged by one year.

Table A9. 2SLS estimates. Export competition in non-contract intensive products does not predict Model Law enactment or the quality of domestic legal institutions.

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
Export Competition _{Undiff.}	-0.002 (0.004)	-0.002 (0.004)	-0.003 (0.005)	-0.002 (0.006)
NYC		0.026 (0.022)	0.011 (0.019)	0.007 (0.018)
log BITs+1		-0.010 (0.011)	-0.008 (0.011)	-0.011 (0.011)
log FDI Stock			0.000 (0.009)	0.002 (0.009)
log Trade Dep.			0.043* (0.025)	0.041* (0.024)
log GDP per cap.				0.024 (0.055)
log GDP				0.024 (0.040)
Growth				0.000 (0.000)
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Adj. R ²	0.953	0.953	0.951	0.951

Notes: * p < 0.1, ** p < 0.05, *** p < 0.01. Robust standard errors are clustered by country.

Table A10. Reduced-form estimates. Export competition in non-contract intensive products is uncorrelated with change in quality of domestic legal institutions.

	DV: ln(BITS+1)			
	(1)	(2)	(3)	(4)
Export Competition _{Diff.}	-0.036 (0.025)	-0.027 (0.024)	-0.024 (0.026)	0.010 (0.024)
NYC		0.186** (0.081)	0.171** (0.082)	0.132* (0.079)
log FDI Stock			0.082** (0.036)	0.086** (0.034)
log Trade Dep.			0.070* (0.041)	0.068* (0.036)
log GDP per cap.				-0.172 (0.154)
log GDP				0.411** (0.166)
Growth				-0.004** (0.002)
Year & Unit FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Adj. R ²	0.961	0.962	0.960	0.963

Notes: * p < 0.1, ** p < 0.05, *** p < 0.01. Robust standard errors are clustered by country.

Table A11. Export competition in contract-intensive products is uncorrelated with BIT ratification.

	DV: Model Law in force			
	(1)	(1)	(1)	(1)
Export Competition _{Total Diff.}	-0.016 (0.014)	-0.015 (0.014)	-0.023 (0.016)	-0.022 (0.015)
NYC		0.024 (0.060)	0.019 (0.065)	0.050 (0.064)
log BITs+1		0.014 (0.037)	0.018 (0.042)	0.026 (0.046)
log FDI Stock			0.008 (0.023)	0.010 (0.021)
log Trade Dep.			0.050 (0.038)	0.033 (0.034)
log GDP per cap.				0.558*** (0.160)
log GDP				-0.403** (0.169)
Growth				-0.001 (0.001)
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Adj. R ²	0.697	0.698	0.704	0.716

Notes: * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$. Robust standard errors are clustered by country. Export Competition_{Total Diff.} is the yearly sum of a country's differentiated product market export competition scores. It is meant to measure total levels of export competition in contract intensive trade, not just that with Model Law countries. It is scaled to have mean 0 and SD 1.

Table A12. Total export competition, First stage estimates

	DV: V-Dem Rule of Law Index			
	(1)	(2)	(3)	(4)
Export Competition _{Total Diff.}	0.004 (0.004)	0.004 (0.004)	0.005 (0.005)	0.007 (0.005)
NYC		0.028 (0.021)	0.014 (0.019)	0.010 (0.017)
log BITs+1		-0.009 (0.011)	-0.007 (0.011)	-0.011 (0.011)
log FDI Stock			0.000 (0.009)	0.002 (0.009)
log Trade Dep.			0.042* (0.025)	0.041* (0.024)
log GDP per cap.				0.022 (0.053)
log GDP				0.032 (0.039)
Growth				0.000 (0.000)
Country & year FE	✓	✓	✓	✓
Observations	3,529	3,529	3,127	3,093
Adj. R ²	0.953	0.953	0.952	0.951

Notes: * p < 0.1, ** p < 0.05, *** p < 0.01. Robust standard errors are clustered by country. Export Competition_{Total Diff.} is the yearly sum of a country's differentiated product market export competition scores. It is meant to measure total levels of export competition in contract intensive trade, not just that with Model Law countries. It is scaled to have mean 0 and SD 1.

Table A13. Total export competition, Reduced-form estimates

G Full Tables for ICC Case Analyses

G.1 Panel A: Seat of ICC arbitrations

	Total			ICC	Parties
	(1)	(2)	(3)	(4)	(5)
Model Law	0.437** (0.190)	0.209 (0.129)	0.230* (0.126)	0.430* (0.224)	0.202* (0.116)
ln Trade Openness		0.467 (0.382)	0.353 (0.357)	0.510 (0.557)	0.319 (0.340)
ln FDI stock		0.288*** (0.081)	0.276*** (0.080)	0.252* (0.145)	0.267*** (0.079)
ln GDP		2.020*** (0.488)	1.706*** (0.475)	1.599* (0.889)	1.734*** (0.475)
ln GDP per cap.		-1.648*** (0.545)	-1.363** (0.543)	-1.076 (0.997)	-1.412*** (0.532)
Growth		-0.013 (0.009)	-0.014 (0.009)	-0.000 (0.017)	-0.016* (0.009)
NYC			1.477** (0.629)	0.431 (0.706)	1.641*** (0.603)
Rule of Law			0.024 (0.522)	0.247 (1.080)	0.022 (0.644)
Start Year	1992	1992	1992	1994	1994
Year FE?	✓	✓	✓	✓	✓
Country FE?	✓	✓	✓	✓	✓
Pre-trends p-value	.115	.539	.514	.052	.664
Observations	3,186	2,764	2,764	1,951	2,611

Note: * $p < .1$, ** $p < .05$, *** $p < .01$. Regression coefficients using either Poisson PML estimator. Standard errors in parentheses are clustered by country.

Table A14. ICC Seats, PPML estimator

	Total			ICC	Parties
	(1)	(2)	(3)	(4)	(5)
Model Law	0.233** (0.091)	0.153 (0.095)	0.152 (0.095)	0.061** (0.026)	0.114* (0.068)
ln Trade Openness		0.099 (0.072)	0.102 (0.068)	0.019 (0.018)	0.056 (0.054)
ln FDI stock		-0.001 (0.010)	0.000 (0.011)	0.003 (0.003)	0.008 (0.009)
ln GDP		-0.368 (0.472)	-0.363 (0.469)	0.123 (0.112)	-0.022 (0.441)
ln GDP per cap.		0.350 (0.485)	0.347 (0.481)	-0.077 (0.108)	0.015 (0.461)
Growth		-0.004** (0.002)	-0.004** (0.002)	-0.001 (0.000)	-0.003* (0.001)
Rule of Law			-0.047 (0.274)	0.037 (0.049)	-0.064 (0.293)
<i>Pretrends</i>					
Model Law _{t-1}	0.194** (0.087)	0.151 (0.097)	0.151 (0.097)	0.046 (0.048)	0.148 (0.094)
Model Law _{t-2}	0.154* (0.087)	0.122 (0.095)	0.123 (0.095)	0.071* (0.041)	0.120 (0.091)
Model Law _{t-3}	0.101 (0.076)	0.078 (0.082)	0.079 (0.082)	0.073* (0.043)	0.057 (0.073)
Joint p-value	0.161	0.474	0.468	0.226	0.432
Economic Controls		✓	✓	✓	✓
Political Controls			✓	✓	✓
Observations	5,056	4,077	4,077	3,713	3,713

Note: * $p < .1$, ** $p < .05$, *** $p < .01$. Regression coefficients using BJS estimator. Standard errors in parentheses are clustered by country. Country, year and NYC fixed effects not reported.

Table A15. ICC Seats, BJS estimator

G.2 Panel B: Nationality of parties to ICC arbitration

	Total			Complain.	Defendant
	(1)	(2)	(3)	(4)	(5)
Model Law	0.263** (0.107)	0.202*** (0.075)	0.223*** (0.069)	0.295*** (0.082)	0.166** (0.072)
ln Trade Openness		0.299* (0.175)	0.266* (0.162)	0.059 (0.204)	0.381** (0.155)
ln FDI stock		0.071 (0.060)	0.062 (0.056)	0.089* (0.048)	0.036 (0.056)
ln GDP		1.836*** (0.229)	1.619*** (0.219)	1.279*** (0.237)	1.825*** (0.261)
ln GDP per cap.		-1.430*** (0.198)	-1.228*** (0.212)	-0.942*** (0.214)	-1.419*** (0.274)
Growth		-0.015*** (0.004)	-0.016*** (0.004)	-0.009** (0.004)	-0.018*** (0.006)
NYC			0.653** (0.316)	0.830** (0.390)	0.562** (0.252)
Rule of Law			0.295 (0.204)	0.019 (0.263)	0.460* (0.242)
Start Year	1993	1993	1993	1994	1994
Year FE?	✓	✓	✓	✓	✓
Country FE?	✓	✓	✓	✓	✓
Pretrends p-value	.619	.955	.975	.679	.721
Observations	4,811	3,992	3,992	3,763	3,854

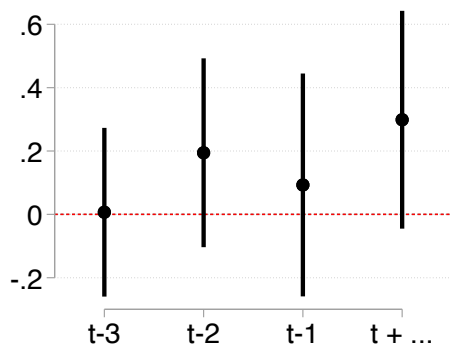
Note: * $p < .1$, ** $p < .05$, *** $p < .01$. Regression coefficients using either Poisson PML estimator. Standard errors in parentheses are clustered by country.

Table A16. Full party analysis, PPML estimator

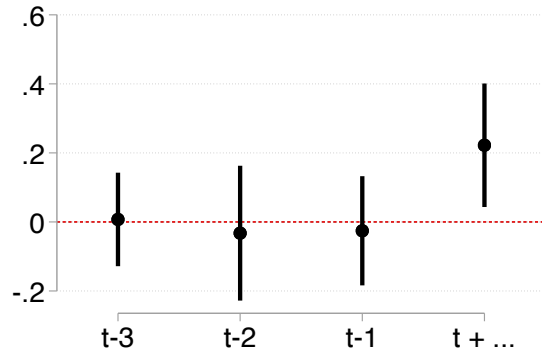
	Total			Complain.	Defendant
	(1)	(2)	(3)	(4)	(5)
Model Law	0.229*** (0.084)	0.164* (0.086)	0.169* (0.086)	0.170*** (0.064)	0.084 (0.067)
ln Trade Openness		0.077 (0.077)	0.065 (0.081)	0.048 (0.061)	0.066 (0.082)
ln FDI stock		0.006 (0.027)	0.004 (0.027)	0.020* (0.011)	-0.014 (0.033)
ln GDP		0.665** (0.288)	0.652** (0.282)	0.372 (0.268)	0.650** (0.317)
ln GDP per cap.		-0.563* (0.294)	-0.558* (0.288)	-0.340 (0.278)	-0.607* (0.329)
Growth		-0.008*** (0.003)	-0.008*** (0.003)	-0.005*** (0.002)	-0.008** (0.003)
Rule of Law			0.213 (0.235)	0.024 (0.188)	0.299 (0.227)
<i>Pretrends</i>					
Model Law _{t-1}	0.142 (0.089)	0.089 (0.090)	0.087 (0.091)	0.143* (0.082)	0.008 (0.099)
Model Law _{t-2}	-0.036 (0.106)	-0.068 (0.108)	-0.071 (0.107)	0.034 (0.106)	-0.064 (0.094)
Model Law _{t-3}	0.100 (0.083)	0.076 (0.084)	0.075 (0.085)	0.175** (0.072)	0.040 (0.089)
Joint p-value	0.200	0.383	0.382	0.072	0.753
Economic Controls		✓	✓	✓	✓
Political Controls			✓	✓	✓
Observations	4,801	3,910	3,910	3,713	3,713

Note: * $p < .1$, ** $p < .05$, *** $p < .01$. Regression coefficients using BJS estimator. Standard errors in parentheses are clustered by country. Country, year and NYC fixed effects not reported.

Table A17. ICC Party, BJS estimator



(a) Seat of Arbitration



(b) Nationality of Party

Note: Coefficient plots with 95% confidence intervals for dummy variables indicating the number of years from enactment of the Model Law. These are based on the models presented in Column 3 of Panels A and B of Table 3.

Figure A7. Effect of Model Law on Seat Selection and Nationality of Parties to ICC arbitrations

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