Institutional Opposition, Regime Accountability, and International Conflict [*]

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Abstract

Can international organizations constrain a leader's behavior during a military crisis? Existing studies have shown that joint membership in international organizations reduces the likelihood of dispute initiation; however, whether institutional opposition can prevent an ongoing conflict from escalating has yet to be investigated. We develop and test a theory of how domestic politics provides a mechanism through which international organizations can reverse the course of a military crisis. The argument leads to the hypothesis that more accountable regimes are less likely to escalate military crises when an international organization opposes their actions. We test the hypothesis with an analysis of territorial disputes from 1946 to 1995. We find that while neither institutional opposition nor the degree of regime accountability independently reduces the tendency for a country to escalate a conflict, the *joint* effect of the two does.

Keywords: territorial disputes, military crises, international institutions, domestic public, autocratic regimes

When an international crisis breaks out, international security organizations such as the United Nations are often called upon to prevent the crisis from escalating.[1] Despite the frequent calls, scholars and practitioners alike have questioned whether such institutions can influence state behavior during an ongoing crisis. Anecdotal evidence allows for both possibilities: While Britain seemed to have heeded the UN opposition during the Suez Crisis and ended its military actions quickly, North Korea has become more belligerent in the face of two UN resolutions in early 2013 that condemned its rocket launch and a nuclear test. This leads to an important question in the study of international conflict: Under what conditions can position taking by an international organization (IO) compel a state to deescalate a crisis?

In this article we develop and test a theory of how domestic politics provides a mechanism through which position taking by an IO may change a leader's behavior during an ongoing military conflict. The challenge for IOs to influence state conflict behavior is that IOs typically do not have the means to enforce their decisions directly. Most realistically, an IO's actions during a crisis consist of deliberation and eventual position taking. We argue that IO position taking contains information for domestic audiences to evaluate the quality and intentions of their leaders. We further argue that such assessment has consequences for leaders' political survival in more accountable regimes, where publics can more easily access policy relevant information and can more credibly threaten to replace their leaders. Therefore, we conjecture that the more accountable a regime is, the less likely it is that its leader will escalate a crisis in the face of IO opposition. We test the hypothesis on territorial disputes from 1946 to 1995 (Huth & Allee 2002). The results show that conditional on institutional opposition, higher levels of regime accountability reduce the tendency of territorial challengers to escalate conflicts.

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[1]An online appendix with supplementary material for this article is available at http://dx.doi.org/XXXX/YYYY. Materials necessary to reproduce results are available at http://dx.doi.org/10.7910/DVN/24455.

Our study makes both theoretical and empirical contributions. Recent scholarship provides two insights on the effect of IOs on leaders' conflict behavior: first, state interaction with IOs is a source of information for domestic and foreign audiences; second, the direction of an IO's position on an issue can increase or decrease the costs of the policy action taken by a leader (Chapman and Wolford 2010; Fang 2008, 2010; Milner 2006; Thompson 2006, 2009). Our study builds on these insights, but focuses on how different domestic political institutions may *condition* the effect of an IO's position taking on a leader's crisis behavior. More specifically, while the literature on the informational effect of IOs focuses on democracies, we conjecture that a similar effect of IO position taking exists for other types of regimes with different levels of accountability. We then provide a systematic empirical analysis that goes beyond the largely theoretical nature of the literature.

We make two additional empirical contributions. First, since our causal mechanism pertains to the position of an IO in an ongoing military crisis, we collected data for a variable that captures whether an IO opposed the escalation of a territorial dispute by a challenger. This is a significant departure from the existing empirical studies that use a joint membership variable to assess the effect of IOs on conflict initiation and duration (Boehmer, Gartzke & Nordstrom 2004; Shannon, Morey & Boehmke 2010; Bearce & Omori 2005; Haftel 2007; Pevehouse & Russett 2006). Second, we develop a new statistical method to account for the potential endogeneity of an IO's opposition to a militarized dispute. Practitioners and scholars alike have argued that IOs tend to intervene in conflicts where the likelihood of escalation is higher (Bailey 1982a, Fortna 2004, Haas 1987, Merrills 2005, Thant 1978). If we fail to control for the effect of unobservable factors that influence both the propensity for a dispute to escalate and an IO's opposition to the escalation, then our statistical inference may be biased.

Our empirical findings have important policy implications. The UN and other regional security organizations are often criticized for rarely intervening in conflicts forcefully, par-

ticularly interstate ones. Yet, if they can deescalate conflicts by taking a stance against the escalation of a conflict, then the IOs can still have a pacifying effect without directly intervening with forces. As we will argue in the next section, position taking by IOs contains important policy relevant information for domestic audiences, who may then be mobilized to demand that their leader not to further escalate a military crisis.

A Theory of Institutional Opposition and Leaders' Crisis Behavior

Prominent security organizations are created with the explicit purpose of deterring and punishing aggression. Article 1 of the UN Charter states that the purpose of the organization is to "maintain international peace and security." Furthermore, UN Chapter VI states that an attack on one country is considered an attack on all. Similar goals and sentiment are expressed in the charters of regional security organizations, such as the Organization of African Unity (OAU) and Organization of American States (OAS).

Many actors may consider appealing to the UN or a regional organization to ease the tension when a military conflict erupts. Not only could the countries involved in the conflict do so themselves, but other members of an IO, particularly the allies or adversaries of the parties, could also take the initiative. Moreover, in the case of the UN, the Secretary-General has the mandate to draw the attention of the Security Council to any matter which in her opinion may threaten international peace and security. When such an appeal does reach the floor of an IO, deliberation and position taking are likely to ensue. What could be achieved by such activities, and how?

We argue that the process of institutional deliberation and eventual position taking can transmit important information to the domestic audiences of a country that initiated a military crisis. Thompson (2009, 211) argues that the primary role of the UN in international affairs is to provide politically relevant information, rather than changing countries' behavior directly through sanctions. The same is likely to be true for regional security organizations

as they have even fewer resources and mandate from their member states than the UN. The nature of the information can vary depending on who the receiver is. A domestic public would want a leader who can bring good policy outcomes. Such outcomes would require that a leader be competent in choosing a policy that is likely to succeed, and be forthcoming about her policy intentions. In particular, leaders can have different policy preferences than their publics, thus it is important for domestic audiences to discern whether a policy choice reflects a leader's private interest or the public interest, in addition to their usual concern about a leader's competence. The information from IOs during a military crisis can help the public assess both its leader's competence and her policy intentions.

First, deliberation and position taking by an IO during a crisis can reveal international support or opposition of a foreign policy, which may not be expected by the leaders and the public of the country pursuing the policy. During the Suez Crisis in 1956, which broke out when President Nasser of Egypt nationalized the Suez Canal, Britain and France took the initiative to call a meeting of the Security Council before they took military actions against Egypt. They felt that "certain ritual motions must be gone through." That is, the two countries intended to go through the UN to provide a cover for their military actions and satisfy domestic pressure (Bailey 1990, 126; Kingseed 1995, 76). But the unfolding of the events surprised them. Although they were able to block an unfavorable resolution at the Security Council, the issue nevertheless ended up at an emergency session in the General Assembly, and resulted in a resolution that demanded an immediate cease-fire of the Western allies (Bailey 1982b, 579, 612). The resolution put Britain and France in an awkward position in justifying their policy in front of both domestic and international audiences.

Second, the deliberation that leads to the final decision of an IO can reveal the intensity of international support or opposition, particularly of those who are the allies of the countries involved. The allies of a dispute initiator may need to bring an issue to an international body to credibly convey its opposition to the action to a world audience. British and French

leaders were surprised by the level of intensity with which the United States opposed their use of force through UN deliberation during the Suez Crisis (Bailey 1982b, 612). The prior efforts by the United States to try to resolve the crisis peacefully, including two conferences in London, did not convince them that Eisenhower was serious in his position against military actions by his most important Western allies. In fact, they thought that once they began fighting, the United States would have no choice but to support them (Nichols 2011, 284). Instead, the United States showed its resolve by taking the issue to the UN General Assembly when Britain and France vetoed a resolution in the Security Council. Eisenhower had to go through the UN to reveal his intentions and resolve credibly to Britain and France, as well as to other international actors.[2] Nassar confessed that he had previously believed that the British and French would not embark on a policy that had not been cleared with Eisenhower; after the UN General Assembly resolution, he expressed his appreciation for the US effort and conceded to a US representative that he "had been wrong" (Nichols 2011, 228). More recently, in a similar effort to demonstrate China's resolve to break with its long time ally on nuclear issues, the Chinese government joined the United States in sponsoring a UN resolution condemning North Korea's nuclear test. It is an unusual step taken by China to make its policy position credible to the North Korean leaders, who reacted with surprise and anger. In both cases, the IO served an informational role that cannot be replaced by bilateral diplomacy.

Such revelation has implications for the success of a policy, thus informs domestic audiences of their leader's competence if they can receive the information. While an IO may not have enforcement power by itself, its decision opens the door for member states to exert diplomatic or economic pressure to help ensure that the decision be carried out and coordinate their actions in doing so. After the UN General Assembly resolution during the Suez

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[2]Eisenhower also did so to shield himself in an election year from domestic criticisms of "abandoning" the United States' most important allies (Nichols 2011, 217-221).

Crisis, private market actors and the US government helped initiate a run on the pound that put tremendous strain on Britain's economy, and thus its ability to finance its military actions. When no such means are available from member states to enforce an IO decision, public debate in the IO can still serve "as a demonstration of disapproval, as a form of pressure, or simply to place on record what the sponsor regards as normative international behavior" (Bailey 1982a, 132). On the other hand, even if a military action is successful, lacking international support of the policy would mean that changes brought about by the success are difficult to sustain, because there are parties that actively seek to undermine them.

Third, the deliberation in an IO and the position taking by IO members can reveal new information concerning the true policy intentions of a leader, which may not be in line with those of the public. During the UN deliberation on the crisis, Britain put out a number of versions as to why it took military actions. At first, it argued that the ultimatum that the two Western allies sent to Egypt and Israel (with whom they conspired) was to end the initial fighting between Egypt and Israel, and to protect the Suez Canal. After their own military actions began on October 31, 1956, the British representative to the UN, Pierson Dixon, argued that the military intervention was to prevent the spread of conflict (Bailey 1982b, 600). Finally, on November 6, when virtually the whole of the UN was against the Tripartite Aggression, the justification was that the British actions were self-defense (Bailey 1982b, 612). The retreat in justifications reflected the then British Prime minister, Anthony Eden, did not expect that the British public would support his military actions if they were informed of his true policy intention, which was to take back the control of the Canal.[3] He kept in the dark before the military actions even some of the key Cabinet members that he felt would oppose his plan (Kingseed 1995, 84).

The information revealed by an IO's deliberation and opposition can interact with do-

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[3]Indeed, the majority of the British public did not support the plan (McDermott 1998, 150).

mestic politics to pressure a leader to change her policy during a crisis. Even if domestic audiences may initially support government policy, public opinion can change as new information arrives.[4] After the UN General Assembly resolution calling for an immediate cease-fire passed by 64 votes to 5 on November 2, 1956, London witnessed numerous demonstrations calling on the prime minister to cease the aggression (Kingseed 1995, 103), causing the split in British opinion that was "more serious than any government finds comfortable in a situation of war or near-war"(Bailey 1982b, 612). Moreover, the UN opposition energized the opposition Labour Party. In the House of Commons on the same day, the Labour leader asked Eden whether the government would honor the UN's call for a cease-fire. Eden responded ambiguously that he would have to study the resolution. "The resulting uproar in the House of Commons was such that the body scheduled an extraordinary Saturday session for the purpose of continuing debate" (Nichols 2011, 227; Kyle 404). Britain announced a cease-fire on the morning of November 6.

Such domestic reactions and change of policy, however, is not guaranteed in all political regimes. First, for the public to update their beliefs about the international consequences of the policy that their leader pursues, they would have to be informed of relevant IO deliberations and decisions. Second, there would need to be credible institutional means to hold the incumbent leaders accountable, whether through elections or other selection mechanisms of leaders (Bueno de Mesquita et al. 1999). In the least, leaders should suffer *some* positive domestic costs as a result of a bad policy in order for IO opposition to have any effect on the leader's behavior. These conditions do not exist in all regimes, and if they do, they may not be to the same degree in all regimes. In other words, the effect of IO opposition is *conditional* on regime accountability, defined as the degree to which the public of a regime has access to policy relevant information and the means to replace its leader

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[4]Hurwitz (1989) found that presidents can count on more support from those who are least informed. Furthermore, Thompson (2009, 33) argues that public ignorance and dependence on leaders are highest during the early stages of conflict before other sources of information are available.

when the leader's policy is not in the public interest.

Intuitively, regime accountability is a hallmark of a democracy. However, it would seem that regimes with some degree of accountability would demonstrate sensitivity to IO opposition as well, even if at a lesser degree. That is, the mechanism should work similarly across different regime types, with the publics in more accountable regimes better at utilizing the information to pressure their leaders to change a bad policy from their perspectives. In order to test our theory, therefore, we operationalize the concept of accountability with Polity IV's net democracy score, which is obtained by subtracting autocracy score from democracy score in the dataset (Jaggers and Gurr 1995). The single summary measure captures the institutional characteristics of political regimes, ranging from most democratic to most autocratic. The idea behind the measure closely corresponds to our conceptualization of accountability, which emphasizes institutional mechanisms that may bring congruence between the public's preference and policy. We discuss the measure in more detail in the next section.

To summarize our argument, an IO's opposition can convey important information about a leader's competence and her policy intentions to domestic audiences. Such revelation can have consequences for the leader's political survival, and thus we expect that IO opposition can change a leader's behavior duing an ongoing military crisis conditional on the regime's accountability.[5] Our theoretical argument leads to the following hypothesis:

Hypothesis. *The more accountable a regime is, the less likely it is that the regime will escalate an international military crisis against the opposition of an IO.*

Research Design

We test the hypothesis with a territorial dispute data set compiled by Huth & Allee (2002). For an international conflict to draw the attention of an IO as well as domestic audiences, the

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[5]Of course, the public of a regime may perceive a multilateral institution to be biased politically (Chapman 2007), however, even such an institution can convey credible information when it endorses an action that contradicts its known bias (Chapman and Reiter 2004).

issue involved must be sufficiently salient. It has been widely acknowledged that territorial disputes are a central concern over which militarized disputes, crises, and wars have erupted, and state leaders and the public pay close attention to such disputes (Huth and Allee 2002, 31; Tir 2010). In addition, it is found that territorial disputes are particularly prone to escalation by setting off a series of events or by creating hard-line domestic constituencies (Senese & Vasquez 2008). Consequently, one would expect that a third party has most difficulty reversing the course of such a dispute, particularly when a military threat has been issued. In other words, territorial disputes present a harder test for IOs to have a pacifying effect. Moreover, our hypothesis is tested with respect to the challenger's decision to escalate a conflict or not. This is based on the consideration that the challenger is the actor that makes a calculated decision to revise the territorial status quo by claiming sovereignty over the target's territory.[6]

The territorial dispute data set records information about worldwide territorial disputes between 1918 and 1995. Since few IOs existed before WWII, we used the observations that occurred since 1946. This leaves us with $3,880$ month-specific observations, each of which falls into one of the three categories: the status quo, negotiation, or military action. The dependent variable, `Dispute Escalation`, is the level of military escalation by the challenger of a territorial dispute, and it takes three values: no escalation, low escalation, and high escalation. The first case corresponds to the $3,638$ observations where the challenger does not issue a military threat, thus the status quo or negotiation is observed. If the challenger issues such a threat, then a level of militarization is observed, and we distinguish between low and high levels of escalation. In low escalation, the challenger engages in little if any further military build-up or preparations beyond the level of the initial threat. In high escalation, the challenger increases the size and readiness of military forces beyond the initial level of threat,

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[6]Huth and Allee (2002) define a challenger as the state that is dissatisfied with the current territorial status quo, and a target as the state that would prefer to maintain the territorial status quo.

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or resorts to the large-scale use of force.[7] Our analysis will focus on which level of escalation the challenger would choose after issuing a military threat. Among the 242 observations that involve military threats, 65 observations (27%) experience low-level escalation, and the remaining 177 observations (73%) experience high-level escalation.[8]

One of our key independent variables is `Institutional Opposition`. The variable is newly coded and combined with the original territorial dispute data set to test our hypothesis. Since negotiations rarely reach the level of hostility that will attract the attention of IOs, we focus on the cases involving military threats by territorial dispute challengers. For each of the 242 observations, we collected information about institutional opposition in the crisis, coding a dichotomous variable that represents whether an IO intervened *and* opposed the challenger's position or not.[9] Since the original data set is month-specific about the timing of escalation, it is possible to determine if an institutional opposition occurred prior to an escalation, which is crucial to the test of our theory. Our theory expects that an opposition from an IO combined with the leader's concern for the reactions of domestic audiences could reduce the likelihood that a challenger escalates a dispute. On the other hand, when an IO supports the challenger's position or remains neutral, the challenger has more policy options because the leader is not constrained by political fallout from defying the institution;

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[7]Huth and Allee's (2002) original coding further divides the latter category into "moderate" or "high" escalation. We merged the latter two categories in the interest of a better exposition of the substantive effects. We show later that our results are robust to alternative classifications of the outcome categories.

[8]It is possible that a challenger stopped escalation not because of institutional opposition but because the target gave in to the challenger's demand. Using the information from the COW Territorial Change data set, ver 4.01 (Tir, Schafer, Diehl & Goertz 1998), we identified 20 cases in our data set where the target conceded the disputed territory to the challenger in less than one year after the dispute. In all 20 cases the level of escalation is "High," which suggests that we do not have cases in our data set where the challenger ceased hostility due to achieving its policy goal.

[9]The sources are *Annual Register* and *Keesing's Record of World Events*. A dispute is considered to have institutional opposition if at least one of the following two conditions are met. (1) The issue was debated in an institution and the challenger's position did not receive support. (2) A representative of an IO was authorized to mediate a crisis without taking the challenger's position. For example, in June 1962 a dispute erupted between Cambodia and Thailand over Preah Vihear; the ICJ supported the position of Cambodia, the challenger in the case. Thus, the case is not coded as having IO opposition. In contrast, in the 1995 territorial dispute between Ecuador and Peru, the Rio Protocol guarantor countries stepped in and demanded a ceasefire from both sides. The case is coded as having IO opposition.

consequently, our theory does not have a clear prediction as to what the leader would do next in such cases. Therefore, a distinction must be made between the cases where the challenger's policy was opposed by an IO and the cases where the challenger's policy was either supported or at least not opposed by an institution.

IOs were involved in 95 of the 242 observations.[10] In the majority of these 95 cases, the institutions asked both sides to cease fighting, but in 5 cases the challenger's position was supported. Therefore, we treat the remaining 90 cases in which the institution involved either criticized both sides or took the target's position as the cases of IO opposition. Thus, there are 90 cases in which `Institutional Opposition` takes a value of 1 and 152 cases in which it takes a value of 0.

[Figure 1 About Here]

Figure 1 is a cross tabulation of the level of dispute escalation and institutional opposition for the 242 cases that involve military threat. A quick examination of the figure will reveal that institutional opposition seems to be correlated with more frequent escalation to the higher level. We posit that this positive correlation is largely driven by the tendency for IOs to be involved in cases where escalations are more likely. As we discussed earlier, unless we account for this endogeneity problem, the inference we make about the effect of institutional opposition may be misleading. We introduce a new statistical method that we developed to address the inferential problem in the next section.

The other important independent variable is the level of domestic accountability of a regime, which is captured by the net-democracy score for the challenger taken from the Polity IV project (Jaggers and Gurr 1995). The value of the variable ranges from -10 (most autocratic) to $+10$ (most democratic). For convenience, we refer to the variable as `Polity`

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[10]In those 95 cases, more than 60% involved the UN Security Council and General Assembly; the rest involved the International Court of Justice, the European Union, the Organization of African Unity, the Arab League, the Organization of American States, Vatican, and an international convention.

`Score.` [11]

Key to testing our hypothesis, however, is the *joint* effect of institutional opposition and the accountability of a regime to the public's preference. In other words, we are interested in the effect of the polity score variable on the challenger's behavior when an IO opposes an escalation. Based on the hypothesis, we expect that the coefficient of `Polity Score` to be negative when `Institutional Opposition` takes the value of 1, but not necessarily so when it takes the value of 0.

We also include in our analysis a number of control variables that we believe may influence leaders' conflict behavior.[12] `Balance of Forces` is a dichotomous variable coded as 1 when the challenger in a territorial dispute enjoys an advantage in local balance of power, and 0 otherwise. We use the variable to control for balance of forces between the challenger and the target. If the challenger in a territorial dispute enjoys an advantage in local balance of forces, we expect that the challenger is more likely to escalate the conflict.

A military alliance between two states signals that the two states have common interests (Morrow 1994), so even if the common interests do not deter a military confrontation, they may still prevent the conflict from escalating. Additionally, alliance treaties may serve as a method of resolving territorial issues (Gibler & Wolford 2006). These arguments lead us to expect that the existence of a military alliance between the challenger and the target in a territorial dispute decreases the probability that the challenger escalates the conflict. The variable, `Alliance`, is coded as 1 if there is currently a defense pact or an entente military alliance between the challenger and the target, and 0 otherwise.

Enduring rivalries disproportionately involve territorial issues (Tir & Diehl 2002), and are more likely to produce hard-line policies (Huth and Allee 2002a, 78). Therefore, we expect that the challenger is more likely to escalate a territorial dispute if it occurs between

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[11]We consider several alternative measures of accountability in our robustness analysis later.

[12]All of the control variables are taken from Huth and Allee's (2002) data set.

states involved in an enduring rivalry. A dummy variable, `Enduring Rivalry`, is coded as 1 if the challenger and the target have been involved in at least 10 militarized conflicts in the past 20 years, and 0 otherwise.

Territory is often fought over for its strategic value (Hensel 2001; Huth and Allee 2002a, 62). This is not surprising given the anarchic nature of the international system and states' security concerns. It is intuitive then to conjecture that the challenger in a territorial dispute is more likely to escalate the conflict if the territory has strategic value. A dummy variable, `Strategic Value`, takes the value of 1 when a disputed territory is of strategic value to the challenger, and 0 otherwise. Similarly, a dummy variable, `Economic Value`, is coded as 1 if a disputed territory is of economic value to the challenger, and 0 otherwise. If a territory has significant economic value, then it will not only bring economic benefits to the state that owns the territory in the short run, but it can also help transform the state's military strength in the long run (Mastanduno 1991). Therefore, we expect that the challenger in a territorial dispute is more likely to escalate the conflict if the territory has economic value.

In testing our hypothesis, we face two inferential challenges. First, cases of disputes are not randomly generated. As the less resolved challengers will be less likely to initiate a dispute in the face of potential IO opposition, the disputes where we get to observe the presence of IO opposition are likely to involve more resolved challengers who were not deterred by the prospect of IO opposition ex ante. This means that if we still find the hypothesized relationship in the data, the presence of the selection effect provides stronger support for our theory.

Second, there is a potential endogeneity issue concerning IO opposition. As we noted earlier, an IO is likely to take action in cases where the likelihood of dispute escalation is higher. A former UN Secretary General notes, "Great problems usually come to the United Nations because governments have been unable to think of anything else to do about them. The United Nations is a last-ditch, last-resort affair, and it is not surprising that

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the Organization should often been blamed for failing to solve problems that have already been found to be insoluble by governments"(Thant 1978, 32). Scholarship on international dispute settlement (Bailey1982a, 1; Haas 1987, 45; Merrills 2005, 255–256), and work on peacekeeping operations (Fortna 2004, 189) have come to a similar conclusion. More generally, Schultz (2013) finds that third parties are motivated to intervene in territorial disputes where the level of hostility is high. These studies suggest that IO opposition is likely to be endogenous to the propensity of dispute escalation. If we fail to control for the unobservable factors that influence both IO opposition and dispute escalation, then our statistical inference may be biased toward finding a spurious positive relationship between IO opposition and dispute escalation. Moreover, the endogeneity problem may also bias the observed effect of regime accountability on dispute escalation. Therefore, we developed a new statistical method that corrects for the endogeneity of IO opposition in our empirical analysis.

Statistical Model

In this section we introduce a statistical method that we developed to analyze our data which accounts for the potential endogeity of IO opposition. Our method is an extension of the procedures proposed by Heckman (1979), and shares similar features with other multivariate statistical models that control for sample selection and/or endogeneity (e.g. van de Ven & van Praag 1981, von Stein 2005).[13] The approach is to estimate the processes of institutional opposition and dispute escalation jointly, while controlling for the correlation between the two processes. We begin by characterizing an IO's latent propensity to intervene and the challenger's latent propensity to escalate a dispute. We then show how a separate estimation of each can lead to bias, and derive a statistical model that corrects for it.

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[13]Our proposed method differs from Heckman's censored probit model or any other bivariate probit models in that it deals with an ordered dependent variable. Moreover, Heckman's censored probit model addresses a different partial observability problem than ours.

Let z^* denote the latent propensity of an IO to intervene in a dispute and oppose the challenger. We assume it takes the following form:

$$z^* = \theta + \boldsymbol{w}\boldsymbol{\gamma} + \mu, \tag{1}$$

where θ is the baseline propensity of IO opposition, $\boldsymbol{w}$ is a row vector of covariates that affect the institution's propensity to intervene and oppose the challenger, $\boldsymbol{\gamma}$ is a column vector of coefficients, and μ represents the unmeasured factors that determine institutional opposition. We do not observe z^*; instead, provided that the challenger issues a military threat, we observe a dichotomous indicator, `Institutional Opposition`, which takes the value of 1 if $z^* > 0$ and 0 if $z^* \leq 0$. Note that we can observe whether or not an institution intervenes to deescalate a crisis only when there is a military threat; if there is no threat, then the `Institutional Opposition` variable is unobservable. As we have discussed above, there are 242 observations in the data set that involve military threats; the remaining $3,638 \; (= 3,880 - 242)$ observations do not involve such threats and thus are not directly useful for estimating the equation for institutional opposition. However, these "non-events" do contain information about the determinants of dispute escalation, which we expect to also influence institutional opposition. In order to extract most information about these determinants, we specify another set of equations that describe dispute escalation.

Let y^* denote the challenger's unobservable utility function that affects the level of escalation chosen by the challenger. We assume that it takes the following form:

$$y^* = \alpha + \boldsymbol{x}\boldsymbol{\beta} + \epsilon, \tag{2}$$

where α is the challenger's baseline propensity of escalation, $\boldsymbol{x}$ is a row vector of covariates that affect the challenger's propensity to escalate, $\boldsymbol{\beta}$ is a column vector of coefficients, and ϵ represents the unmeasured factors that determine dispute escalation. As researchers, instead

of observing the utility function, we observe a categorical variable, `Dispute Escalation`, which denotes the presence of military threat and the level of further military escalation. Define threshold parameters, $\tau_j (j = 1, 2)$, such that $\tau_1 < \tau_2$. These two parameters sort y^* into three ordered categories. Although the realization, y^*, is unobserved, we do know which of the three categories that y^* belongs to by observing `Dispute Escalation`. That is,

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\texttt{Dispute Escalation} = \begin{cases} \text{No Escalation (No Military Threat)} & \text{if} \quad y^* \leq \tau_1 \\ \text{Low Escalation (Military Threat)} & \text{if} \quad \tau_1 < y^* \leq \tau_2 \\ \text{High Escalation (Military Threat)} & \text{if} \quad y^* > \tau_2. \end{cases}
$$

The first case corresponds to the $3,638$ observations where the challenger does not issue a military threat, and the latter two cases, low or high escalation, correspond to the 242 observations where the challenger does issue a military threat, and hence the presence or the absence of institutional opposition is observed. The focus of our analysis is whether and how the challenger's choice of a level of escalation is affected by the opposition of an IO.

We have hypothesized that institutional opposition may change the calculation of leaders such that challengers from more accountable regimes are less likely to escalate when there is IO opposition. To capture the hypothesized conditional effect of the degree of regime accountability on the probability of escalation, we rewrite equation (2) as

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y_I^* = \alpha_I + \boldsymbol{x}\boldsymbol{\beta_I} + \epsilon \tag{3}
$$

when an institution opposes the challenger, and

$$
y_N^* = \alpha_N + \boldsymbol{x}\boldsymbol{\beta_N} + \epsilon \tag{4}
$$

when an institution does not oppose the challenger. This specification allows institutional

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opposition to affect α's, the baseline propensities of dispute escalation, as well as $\boldsymbol{\beta}$'s, the effect of independent variables including the challenger's polity score on dispute escalation. Based on our hypothesis, we expect that the more accountable a challenger's regime is, the more likely it is that the leader will display more moderate behavior in the presence of institutional opposition. In other words, we expect the `Polity Score` variable to have a negative coefficient in equation (3), but not necessarily in equation (4).

In light of the literature that we discussed earlier, we conjecture that, controlling for observables, an IO is more likely to intervene when the dispute is more likely to escalate.[14] This means that μ includes unobservables that also make a territorial challenger more likely to escalate. In other words, ϵ's in equations (3) and (4) will be positively correlated with μ in equation (1). In such a case, estimating equations (3) and (4) separately from equation (1) can yield bias in our inferences (von Stein 2005). To see how such a correlation can lead to bias in estimation, consider a subset of observations that have greater risk of military escalation, controlling for the observables (i.e., ϵ takes greater values for these observations). These are also the cases where the institutions are more likely to intervene (i.e., μ also takes greater values for these observations). So for the cases that fall into the category analyzed by equation (3), part of the effect of ϵ on y_I^* will be picked up by α_I and $\boldsymbol{\beta_I}$. In other words, we will incorrectly attribute to α_I and $\boldsymbol{\beta_I}$ the effect of any part of ϵ that is correlated with μ. The consequence of this biased estimation is two-fold. First, a naive model that does not correct for the endogeity will overestimate α_I—the challenger's baseline propensity to escalate given institutional opposition, which may lead to an unusual inference that institutional opposition *causes* a dispute to escalate. Second, and more importantly, a naive estimation will also generate unsigned bias for $\boldsymbol{\beta_I}$, the effects of covariates on escalation

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[14]It is also plausible that the opposite is true: An IO is more likely to intervene when the dispute is *less* likely to escalate. Such a scenario will still result in bias in estimates if we do not address the endogeneity issue, but the direction of the bias would be reversed. Our method allows the data to tell us which scenario of IO opposition is more likely.

given institutional opposition.[15]

To obtain unbiased estimates of the effects of the independent variables—in particular, the effect of the challenger's regime type on the challenger's decision to escalate given endogenous institutional opposition, we derive a likelihood function based on equations (1) through (4).[16] The model corrects for the endogeneity of institutional opposition by explicitly incorporating the correlation between μ and ϵ in calculating the joint probabilities of institutional opposition and dispute escalation. Specifically, the model builds on the assumption that μ and ϵ follow a bivariate normal distribution. As in other bivariate probit models, the bivariate normality of errors provides a sufficient condition for model identification (Leung & Yu 1996). However, when $\boldsymbol{w}$ and $\boldsymbol{x}$ contain the same set of covariates, it can still pose a challenge in the estimation of multi-equation statistical models by inducing multicollinearity problems (Sartori 2003).

To better identify our statistical model, we introduce a variable to $\boldsymbol{w}$ that is not included in $\boldsymbol{x}$. That is, we include in $\boldsymbol{w}$ an additional variable, `IO membership`, which measures the number of security IOs that the challenger belongs to.[17] As we use `IO membership` to satisfy the exclusion restriction, reliability of the estimates from our statistical model depends on two questions: (1) how well this additional variable explains the variation in IO opposition; (2) whether the variable is uncorrelated with the unobservable factors explaining dispute escalation, ϵ. While the first question can be assessed empirically, we can only address the second one theoretically (Sovey & Green 2010). We argue that the challenger's membership in IOs is uncorrelated with ϵ because the challenger's tendency to escalate a dispute is explained by the independent variables we identified earlier. Once we control for those factors, there is no theoretical reason to believe that the challenger's IO membership

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[15]The direction of the bias for a particular coefficient in $\boldsymbol{\beta_I}$ depends on the sign of its effect on institutional opposition. For example, if the challenger's level of regime accountability makes institutional opposition more likely, then a naive estimation can overestimate the effect of the variable on dispute escalation.

[16]See the Online Appendix for the derivation of the likelihood function. The Online Appendix also reports Monte Carlo simulations that compare our approach with the naive estimation.

[17]The data are from the Multilateral Treaty of Pacific Settlement dataset (Hensel N.d.).

will influence dispute escalation other than through an IO's intervention in a dispute. We assess the sensitivity of our results to the assumption after we present our main results.

Results

Table 1 presents the maximum likelihood estimates of our joint model of dispute escalation and institutional opposition. The top panel displays the estimated effects of the covariates on dispute escalation and institutional opposition. The first column (under $\boldsymbol{\beta_I}$) of the top panel displays the coefficients for dispute escalation when institutional opposition is present, the second column (under $\boldsymbol{\beta_N}$) displays the coefficients when institutional opposition is absent, and the third column (under $\boldsymbol{\gamma}$) presents the estimated effects of the covariates on the likelihood of institutional opposition. The middle panel of the table presents the estimates of the auxiliary parameters. The first row shows the baseline propensities of dispute escalation in the presence and absence of institutional opposition, α_I and α_N, and the baseline propensity of institutional opposition, θ. The estimated cut point parameter, τ_2, is statistically significant, suggesting that the middle category of our 3-level dependent variable, "Low Escalation," is indeed distinguishable from the lowest and the highest categories. The estimated correlation between dispute escalation and institutional opposition, ρ, is positive and statistically significant, thus confirms our conjecture that controlling for the observables an institution is more likely to intervene when a dispute is more likely to escalate.

[Table 1 About Here]

The estimated coefficient of `Polity Score` in dispute escalation is negative and statistically significant in the presence of institutional opposition, whereas the coefficient is indistinguishable from zero in the absence of such opposition. This is consistent with the expectation of our central hypothesis. It is well understood, however, that in multi-equation, non-linear statistical models, a coefficient does not necessarily indicate the marginal effect of

the variable on the outcome variable.[18] Therefore, we demonstrate graphically the marginal

effect of regime accountability in the presence and absence of institutional opposition for

a scenario where the challenger is particularly likely to escalate.[19] If we can show that

regime accountability and institutional opposition can decrease conflict escalation even in

such "tougher" cases, then we can be more confident that the data support our theoretical

expectations. As a robustness check, we also calculated the marginal effects of regime ac-

countability and institutional opposition under a number of different covariate profiles. The

findings are substantively similar.

Figure 2 shows the predicted probabilities of High Escalation given a military threat as the

values of `Institutional Opposition` and `Polity Score` change. The left panel presents

the effect of the challenger's regime type on dispute escalation in the presence of institutional

opposition, and the right panel presents the effect in the absence of institutional opposition.

In each panel, the horizontal axis is `Polity Score` and the vertical axis is the predicted

probability that the challenger escalates the dispute after issuing a military threat. The

vertical ticks along the horizontal axis show the distribution of the `Polity Score` variable

in our data.[20] We can see that there is some variation in `Polity Score` in both cases. The

solid line represents the point estimates, and the gray shades represent the 95% confidence

interval of the predictions.[21]

[Figure 2 About Here]

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[18]In particular, when $\rho \neq 0$ and an independent variable appears in more than one equation, it is possible for the magnitude, sign, and statistical significance of the marginal effect of a variable to be different from those of its coefficient (Greene 2003, 783). Furthermore, in nonlinear models, the size of the marginal effect also depends on the values of the other covariates.

[19]Specifically, we set the values of the control variables such that the profile simulates a hypothetical case where the challenger has a military advantage over the target (`Balance of Forces` = 1), the disputed territory has both strategic value (`Strategic Value` = 1) and economical value (`Economic Value` = 1), and the challenger has no membership in an IO (`IO Membership` = 0)

[20]To visualize the empirical distribution of the `Polity Score` variable in Figure 2, we added some random tiny values to each observed value. In other words, we "jitter" the horizontal axes. If this is not done, there would be one tick for each value of the `Polity Score` variable since the variable can only take the integers from -10 and 10.

[21]We use the approach proposed by King, Tomz & Wittenberg (2000) to calculate the confidence intervals.

The left panel of Figure 2 shows that the more accountable a challenger's regime is, the less likely it is that the challenger will escalate a dispute to the high level in the presence of institutional opposition. When we increase the value of the `Polity Score` variable from -7 (the most frequent value for non-democracies in our data set) to 10 (the most frequent value for democracies in our data set), the probability of high escalation is reduced by about 0.21, with a 95% confidence interval of $(0.11, 0.35)$. On the other hand, from the right panel we can see that the challenger's regime type has little effect on the probability of escalation in the absence of institutional opposition. When we increase the value of the `Polity Score` variable from -7 to 10, the reduction in the probability of high escalation is nearly indistinguishable from zero, with a 95% confidence interval of $(-0.08, -0.006)$. These results provide strong support for our theoretical argument. That is, when there is institutional opposition, higher levels of regime accountability reduce the likelihood of conflict escalation, even though the regime type variable does not have such an effect by itself.

Our statistical model allows us to perform an additional counterfactual comparison, illustrating the effect of institutional opposition for democracies and autocracies. In other words, we can compare the probabilities of High Escalation with and without institutional opposition, controlling for the level of regime accountability and all the other variables at their representative values. For highly democratic challengers (`Polity Score` $= 10$), the estimated probability of High Escalation is 0.76 when there is institutional opposition to the challenger and 0.94 when there is no such opposition, as shown in Figure 2. The difference between the two probabilities is -0.16 with a 95 % confidence interval of $(-0.31, -0.04)$. On the other hand, for autocratic challengers (`Polity Score` $= -7$), the difference between the probabilities of High Escalation with and without institutional opposition is indistinguishable from zero with a 95 % confidence interval of $(-0.06, 0.07)$. These findings reveal an additional dynamic that is consistent with our argument, which is that institutional opposition has a pacifying effect only for more accountable regimes, i.e., democracies.

Table 1 also shows the estimated effects of the control variables on dispute escalation. They are not the focus of our analysis, however, it is worthwhile pointing out that all the coefficients but one have the signs that are in the expected directions for dispute escalation. Perhaps more interesting are the effects of the variables on institutional opposition. `Balance of Forces`, `Strategic Value`, and `Economic Value` all increase the likelihood of institutional opposition, while `Alliance` decreases it. These effects are intuitive and consistent with our expectation that institutional opposition is a function of the factors that influence dispute escalation. However, we also find that `Enduring Rivalry` decrease the likelihood of institutional opposition whereas `Polity Score` and `IO Membership` increases it, which seems to suggest that an institution's decision to intervene is also affected by the consideration of whether or not the intervention will be effective.

Robustness Checks

In this section, we first evaluate the robustness of our identification strategy, and then consider a number of measurement issues. As we dicussed earlier, we include `IO Membership` in the equation for institutional opposition but not in the equations for dispute escalation. That is, `IO Membership` is an instrumental variable in our model, which we believe influences the likelihood of institutional opposition without directly influencing dispute escalation. A potential difficulty with this approach is that if our instrument is not a strong predictor of institutional opposition, then our model may not be well identified. This concern is partly mitigated in our case because in addition to the inclusion of the instrument, the probability of dispute escalation in our model is a non-linear function of the covariates, meeting a sufficient condition for model identification (Leung & Yu 1996).[22] However, the assumption becomes tenuous if the predicted probability of dispute escalation can be approximated by a linear function of the covariates (Sartori 2003). Therefore, we took additional steps to ensure the

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[22]As mentioned earlier, the non-linearity is introduced into our model by the assumption that ϵ and μ follow standard bivariate normal distribution with correlation ρ. See the Online Appendix for detail.

reliability of our inference.

First, we calculated the condition number of our design matrix to determine whether our model suffers from severe multicollinearity.[23] Leung & Yu (1996) show that the estimates from a censored probit model can become unreliable due to multicollinearity if the condition number of the design matrix exceeds 20. The condition number of our design matrix is 12.22, and so we conclude that our results do not suffer from high multicollinearity.[24]

Second, we employed additional instrumental variables to improve the identification of our model. It is possible that IOs have been more willing to intervene in conflicts occurred in certain regions or after the Cold War. If such arguments have merits, and if regional and Cold War variables are not systematically related to dispute escalation, then we can use such variables to improve the identification of our model. We thus re-estimated the model by including regional dummy variables and a Cold war dummy variable in the equation for institutional opposition but not in the equation for dispute escalation. Our empirical results are robust to these modifications of the model. Finally, we estimated two additional models, one that includes `IO Membership` in the dispute escalation equations, and one that excludes `IO Membership` from the institutional opposition equation. We obtain similar results from both models.

Table 2 presents a comparison between our model and a naive model that does ignores the endogeity problem. The first column presents the results from a naive probit model where we only use the 242 observations involving military threats, and the second column presents the estimates taken from Table 1 of the full model.[25]

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[23]The condition number of a matrix is calculated as the square root of the ratio of the maximum and minimum eigenvalues. The design matrix refers to a matrix that consists of all the independent variables in selection equation ($\boldsymbol{x}$) and the inverse Mills ratio, $\frac{\phi(\boldsymbol{x}\boldsymbol{\beta})}{\Phi(\boldsymbol{x}\boldsymbol{\beta})}$, where ϕ and Φ are the density and distribution functions of the standard normal distribution.

[24]Note that Leung & Yu (1996) propose 20 as a rather conservative threshold; the rule of thumb is that a condition number greater than 30 is indicative of multicollinearity.

[25]The naive model is estimated by setting the correlation between the error terms in the equations for institutional opposition and dispute escalation to zero in our model. It is equivalent to estimating one equation—an equation for dispute escalation, in which institutional opposition is an independent variable

One of our key results does not go away in the naive model: The estimated coefficient for `Polity Score` is negative and statistically significant in the presence of institutional opposition, whereas the effect of the variable by itself is indistinguishable from zero. However, the magnitude of the effect changes significantly between the two models. When the endogeneity problem is ignored, the reduction in predicted probability of high escalation when we vary `Polity Score` from -7 to $+10$ is 0.00005 percentage points with a 95% confidence interval of $(0.00000002, 0.007)$, which is statistically significant but substantively much smaller than that found using our full model.

[Table 2 About Here]

The more serious issue with the naive estimation is that it may lead to a misleading inference that institutional opposition, on average, *increases* the challenger's propensity to escalate a dispute.The estimated baseline propensity of dispute escalation given an institutional opposition is positive and significantly larger in the naive model ($\hat{\alpha}_I = 0.623$) than in the full model ($\hat{\alpha}_I = -1.032$). This is consistent with our earlier conjecture that α_I will be overestimated if there is a positive correlation between institutional opposition and dispute escalation. To demonstrate the problem more clearly, for both models we compare the probabilities of High Escalation with and without institutional opposition, holding the `Polity Score` variable at 10 (highly democratic) and all the other variables at their representative values. For the full model, the estimated probability of High Escalation is 76% when there is institutional opposition and 94% when there is no such opposition (Figure 2), and as we pointed out before the difference is statistically significant. For the naive model, the same calculation results in the opposite relationship: the estimated probability of High Escalation is 99% when there is an institutional opposition and 93% when there is no such opposition. The difference between the two probabilities is 6 percentage point with a 95 % confidence

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and it is interacted with all the other independent variables.

interval of $(0.4, 25)$. Therefore, the naive model that ignores the endogeneity problem leads to a misleading conclusion that institutional opposition causes a dispute to escalate.

We test the robustness of our results to several alternative measures of political accountability to `Polity Score`. These measures include one of the three component variables of `Polity Score`—political competition,[26] the winning coalition size (Bueno de Mesquita et al. 2003), Vanhanen's (2000) index of democracy (polyarchy), and Henisz's (2002) political constraint index.[27] We obtain qualitatively similar results using any of these measures. In particular, for each measure the coefficient for the regime accountability variable is signicant and in the hypothesized direction. Because the meaning of a one unit increase in regime accountability is different for different measures, we cannot compare the the size of the substantive effect across the measures. However, based on their constructions we can indeed say which alternative measure is more appropriate for our theory—political competition. The measure captures the degree of political competition for alternative policies and leadership; it is also the subcomponent of `Polity Score` that measures media freedom, which is crucial for domestic audiences having access to policy relevant information from an IO. In contrast, the winning coalition (W) and Vanhanen's index (Polyarchy) capture the competitiveness of executive recruitment and political participation, while Henisz's index (Political Constraint) focuses on the capacity of institutions to produce policy change (e.g., the number of independent veto points).

We also assessed the potential sensitivity of our results to alternative classifications of our dependent variable. Recall that we merged "moderate" and "high" levels of military escalation in Huth and Allee's (2002) into a single category "High Escalation" in our main model. We did so in the interest of explaining the substantive effects we find more clearly

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[26] Political competition is defined as "the extent to which alternative preferences for policy formation and leadership roles can be pursued in the political arena" (Marshall et al. 2011, 71).

[27] These measures are highly correlated with `Polity Score`: $r = 0.93$ for political competition, $r = 0.78$ for winning coalition size, $r = 0.85$ for Vanhanen's measure, and $r = 0.86$ for Henisz's index. The statistical results and figures are available in the Online Appendix.

with figures. For the purpose of robustness analysis, we re-estimated our model using the original three-category coding, as well as the remaining possible coding rule of grouping "low" and "moderate" into a single category of "Low Escalation." In both cases we obtain very similar substantive results as our main results.[28]

Finally, we considered the possibility that our results between institutional opposition and dispute deescalation is spurious, reflecting primarily the effect of US opposition. We find that in 17 out of 90 cases in our data set an IO and the United States both intervened in a dispute;[29] almost all of these cases (16 out of 17) ended up in High Escalation. Therefore, it is highly unlikely that the deescalating effect of IO opposition that we found can be attributed to the effect of US opposition.[30]

Conclusion

The question of whether IOs hold promise for reducing interstate conflict continues to attract attention in international relations research, with the answer having enormous policy implications. Policy makers increasingly turn to IOs to mitigate tensions in the world at a time when unilateralism is seen to be both ineffective and unpopular. The existing empirical evidence suggests that IOs play a preventive role in interstate conflict. What we ask in this study is a complementary question: Can IOs have a pacifying effect when a military crisis is already underway and is poised to escalate? Our analysis suggests that the answer is positive, conditional on the degree of regime accountability. It is important to note that either one of the two factors in the causal mechanism alone is not sufficient to bring about the effect: without an IO's involvement and opposition, a public may not be able to develop

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[28]These results are presented in the Online Appendix.

[29]We define U.S. intervention as a case in which the United States actively sought to dissuade the challenger of a dispute from escalating.

[30]We also find that in 8 out of the 90 cases IO opposition is accompanied by one of the following coercive measures: economic sanctions, military sanctions, threats of such sanctions, and a military committee formed to supervise a cease-file (two of these cases overlap with the cases of US involvement). In all such cases the level of escalation is High, thus we do not believe our main finding is a result of coercive means.

a well-informed opinion on which to anchor their pressure on the government, while an IO's opposition itself lacks an enforcement mechanism.

Territorial disputes provide a hard test for our theory, and the fact that we find evidence of IOs reversing the course of military crises on such issues increases our confidence that our theory has broad policy relevance. First, domestic politics provides a source of enforcement for IOs, and therefore, even if an IO does not have the means to enforce its decisions directly, taking a stance against the escalation of a crisis may still be meaningful. Second, because the strength of domestic enforcement varies by regime accountability, IOs can apply external punishment (e.g., economic sanctions) with different degrees of severity, in addition to publicizing the offense committed by a government. More specifically, the international community should generally apply more severe external punishment to a less accountable regime to change its policy. It is no accident that in recent history severe sanctions have been imposed on Iraq, Iran, and North Korea to change the course their nuclear programs; UN opposition alone has had little effect. One could argue that the interim nuclear deal reached between Iran and the five permanent members of the UNSC in November 2013 was brought about by long-term UN sanctions. These cases suggest that the enforcement capability of IOs is still essential for the set of countries whose domestic publics have little means to constrain their leaders.

On the other hand, strategies that can generate domestic pressure, such as persistent public condemnation by an IO, can be more cost efficient in forcing an accountable regime to back down from an aggressive policy. For such a strategy to succeed, domestic audiences must have access to media reports of IO position taking as well as the means to hold their leaders accountable. While these conditions are often associated with democracies, recent development in digital communications opens up the possibility that they are also present in an authoritarian regime. With the speed with which news stories spread on the Internet, for example, an authoritarian regime such as China, where there are 560 million internet

users, can be under increasing public pressure in all aspects of its public policy, including foreign policy. The technological advancement not only makes international news much more accessible to a public, it also reduces the barriers for a large number of individuals to coordinate their opposition to a government's policy. It is likely, then, the traditional institutional divide between democracies and non-democracies becomes less important an indicator for regime accountability, and the finding of our study is applicable to a broader range of regime types.

Table 1: Main Model: Dispute Escalation and Institutional Opposition

	Dispute Escalation		Institutional Opposition
	β_I	β_N	γ
Polity Score	−0.109**	0.006	0.084**
	(0.029)	(0.016)	(0.026)
Balance of Forces	2.266**	3.187**	1.251**
	(0.565)	(0.249)	(0.322)
Enduring Rivalry	1.071**	0.291*	−0.086
	(0.533)	(0.149)	(0.295)
Alliance	−0.367	−0.196*	−0.162
	(0.394)	(0.100)	(0.208)
Strategic Value	−0.794*	0.238*	0.564*
	(0.405)	(0.131)	(0.300)
Economic Value	0.046	0.156	0.534**
	(0.364)	(0.104)	(0.233)
Challenger IO Membership			0.042*
			(0.024)
Constant (α_I, α_N, θ)	−1.033**	−1.753**	−2.044**
	(0.482)	(0.115)	(0.244)
Cut point (τ_2)	0.214**		
	(0.029)		
Correlation (ρ)	0.583**		
	(0.150)		
Number of Observations	3,880		
Log likelihood	−1042		
χ^2	53.16		

Robust standard errors in parentheses. We fix the first cut point parameter, τ_1, to be equal to zero and estimate the second cut point parameter, τ_2, while constraining it to be strictly greater than zero. ρ measures the correlation between institutional opposition and dispute escalation and can assume values from -1 to $+1$.
** $p < 0.05$, * $p < 0.10$ (Two-tailed.)

Table 2: Comparing the Naive Model with the Main Model

	Naive Model	Main Model
β_I		
Polity Score	−0.056**	−0.109**
	(0.028)	(0.029)
Balance of Forces	0.088	2.266**
	(0.591)	(0.565)
Enduring Rivalry	4.287**	1.071**
	(0.425)	(0.533)
Alliance	0.295	−0.367
	(0.544)	(0.394)
Strategic Value	4.282**	−0.794*
	(0.460)	(0.405)
Economic Value	0.424	0.046
	(0.450)	(0.364)
Constant (α_I)	0.623	−1.033**
	(0.387)	(0.482)
β_N		
Polity Score	0.001	0.006
	(0.019)	(0.016)
Balance of Forces	0.750**	3.187**
	(0.323)	(0.249)
Enduring Rivalry	1.234**	0.291*
	(0.474)	(0.149)
Alliance	−0.986**	−0.196*
	(0.292)	(0.100)
Strategic Value	0.625**	0.238*
	(0.267)	(0.131)
Economic Value	0.304	0.156
	(0.242)	(0.104)
Constant (α_N)	−0.029	−1.753**
	(0.233)	(0.115)
Observations	242	3,880

Robust standard errors in parentheses. The dependent variable for the naive model is a dichotomous variable measuring the high and low levels of military escalation.

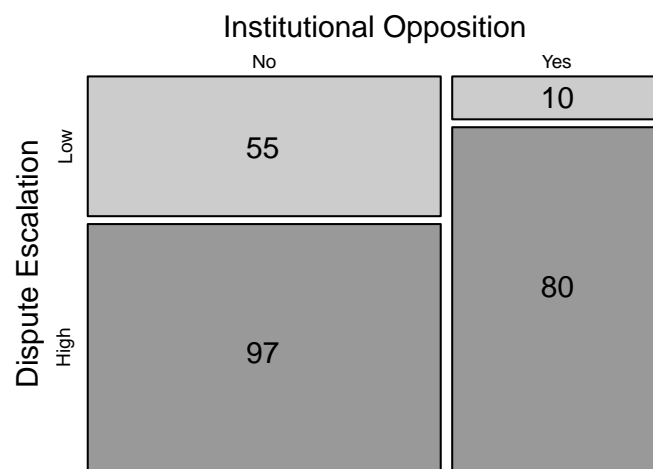** $p < 0.05$ * $p < 0.10$ (Two-tailed.)

Figure 1: Cross Tabulation of the Level of Escalation and Institutional Opposition.
IOs intervened in 90 cases, either opposing the challenger's position or admonishing both sides to deescalate. We can see that there is a positive correlation between institutional opposition and dispute escalation. Pearson's χ^2 test of difference yields a p-value < 0.001.
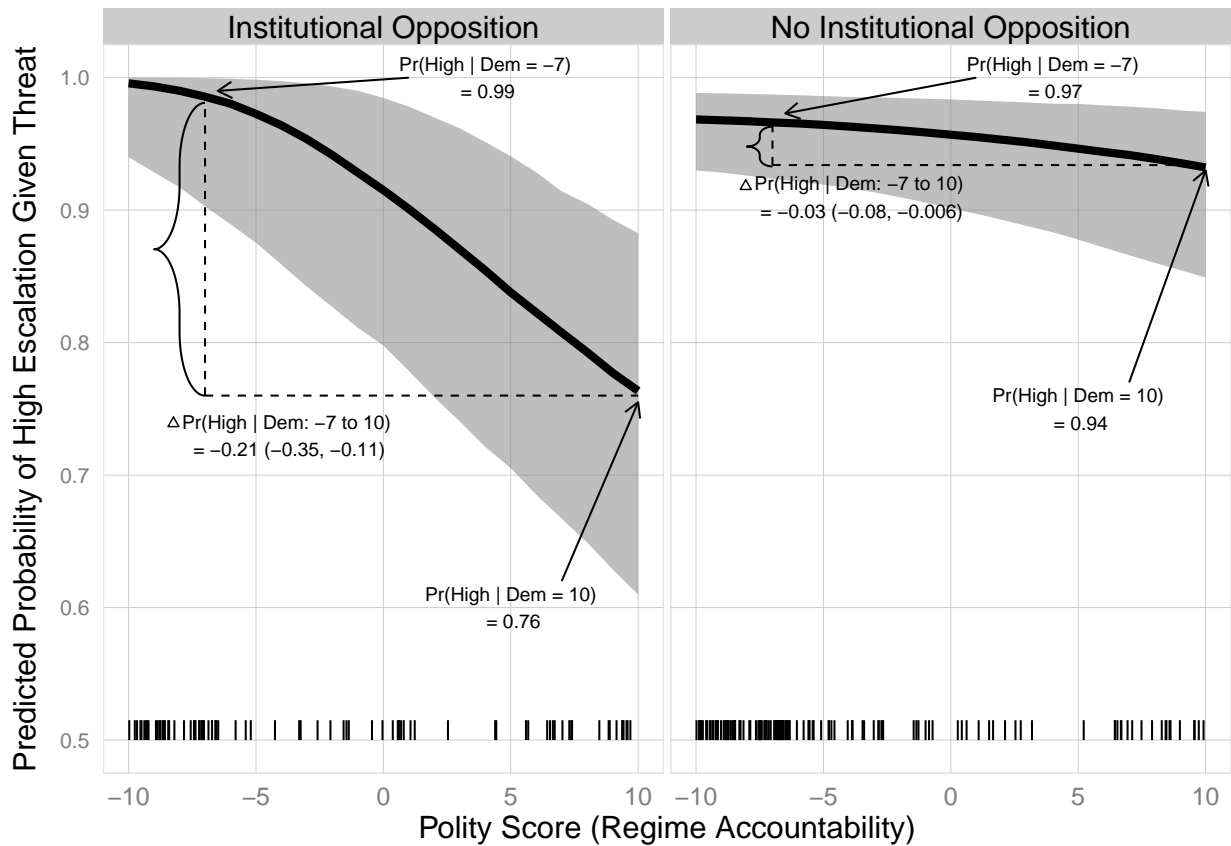
Figure 2: The Joint Effect of Institutional Opposition and Regime Accountability on the Probability of High Escalation by the Challenger.

The figure shows the conditional probabilities of High Escalation after Military Threat in the presence (left panel) and in the absence (right panel) of institutional opposition for different values of the challenger's democracy scores. The solid lines show the point estimates, and the gray shades around the solid lines show the 95% confidence intervals. The probability of Low Escalation by the challenger is the complementary probability.

Derivation of the Likelihood Function

We assume that μ and ϵ are distributed bivariate normal each with unit variance and correlation ρ. Let Φ_2 denote the standard bivariate normal cumulative distribution function. Let `Inst` denote institutional opposition, where `Inst = 1` means the presence and `Inst = 0` means the absence of opposition. Let `D` denote the level of military escalation, where `D = 0` means "No Military Threat," `D = 1` means "Low Escalation," and `D = 2` means "High Escalation."

When an IO intervenes, the probability that the challenger chooses "Low Escalation" is

$$
\begin{aligned}
\Pr(\texttt{Inst} = 1, \texttt{D} = 1) &= \Pr(z^* > 0 \ \cap \ \tau_1 < y_I^* \le \tau_2) & (5)\\
&= \Pr(z^* > 0 \ \cap \ y_I^* \le \tau_2) - \Pr(z^* > 0 \ \cap \ y_I^* \le \tau_1)\\
&= \Pr(\boldsymbol{w\gamma} + \mu > 0 \ \cap \ \boldsymbol{x\beta_I} + \epsilon \le \tau_2) - \Pr(\boldsymbol{w\gamma} + \mu > 0 \ \cap \ \boldsymbol{x\beta_I} + \epsilon \le \tau_1)\\
&= \Pr(\mu > -\boldsymbol{w\gamma} \ \cap \ \epsilon \le \tau_2 - \boldsymbol{x\beta_I}) - \Pr(\mu > -\boldsymbol{w\gamma} \ \cap \ \epsilon \le \tau_1 - \boldsymbol{x\beta_I})\\
&= \Phi_2(\boldsymbol{w\gamma}, \tau_2 - \boldsymbol{x\beta_I}, -\rho) - \Phi_2(\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_I}, -\rho),
\end{aligned}
$$

and the probability of "High Escalation" is

$$
\begin{aligned}
\Pr(\texttt{Inst} = 1, \texttt{D} = 2) &= \Pr(z^* > 0 \ \cap \ y_I^* > \tau_2) & (6)\\
&= \Pr(\boldsymbol{w\gamma} + \mu > 0 \ \cap \ \boldsymbol{x\beta_I} + \epsilon > \tau_2)\\
&= \Pr(\mu > -\boldsymbol{w\gamma} \ \cap \ \epsilon > \tau_2 - \boldsymbol{x\beta_I})\\
&= \Phi_2(\boldsymbol{w\gamma}, \boldsymbol{x\beta_I} - \tau_2, \rho).
\end{aligned}
$$

When an IO does not intervene, the probability that the challenger chooses "Low Escalation" is

$$
\Pr(\texttt{Inst} = 0, \texttt{D} = 1) = \Pr(z^* \le 0 \ \cap \ \tau_1 < y_N^* \le \tau_2) \tag{7}
$$

$$
\begin{aligned}
&= \Pr(z^* \leq 0 \ \cap \ y_N^* \leq \tau_2) - \Pr(z^* \leq 0 \ \cap \ y_N^* \leq \tau_1) \\
&= \Pr(\boldsymbol{w\gamma} + \mu \leq 0 \ \cap \ \boldsymbol{x\beta_N} + \epsilon \leq \tau_2) - \Pr(\boldsymbol{w\gamma} + \mu \leq 0 \ \cap \ \boldsymbol{x\beta_N} + \epsilon \leq \tau_1) \\
&= \Pr(\mu \leq -\boldsymbol{w\gamma} \ \cap \ \epsilon \leq \tau_2 - \boldsymbol{x\beta_N}) - \Pr(\mu \leq -\boldsymbol{w\gamma} \ \cap \ \epsilon \leq \tau_1 - \boldsymbol{x\beta_N}) \\
&= \Phi_2(-\boldsymbol{w\gamma}, \tau_2 - \boldsymbol{x\beta_N}, \rho) - \Phi_2(-\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_N}, \rho),
\end{aligned}
$$

and the probability of "High Escalation" is

$$
\begin{aligned}
\Pr(\texttt{Inst} = 0, \texttt{D} = 2) &= \Pr(z^* \leq 0 \ \cap \ y_N^* > \tau_2) \quad &(8) \\
&= \Pr(\boldsymbol{w\gamma} + \mu \leq 0 \ \cap \ \boldsymbol{x\beta_N} + \epsilon > \tau_2) \\
&= \Pr(\mu \leq -\boldsymbol{w\gamma} \ \cap \ \epsilon > \tau_2 - \boldsymbol{x\beta_N}) \\
&= \Phi_2(-\boldsymbol{w\gamma}, \boldsymbol{x\beta_N} - \tau_2, -\rho).
\end{aligned}
$$

Finally, the probability that a dispute is not militarized (and hence institutional opposition is unobserved) is obtained as

$$
\begin{aligned}
\Pr(\texttt{D} = 0) &= \Pr(\texttt{Inst} = 1, \texttt{D} = 0) + \Pr(\texttt{Inst} = 0, \texttt{D} = 0) \quad &(9) \\
&= \Pr(z^* > 0 \cap y_I^* \leq \tau_1) + \Pr(z^* \leq 0 \cap y_N^* \leq \tau_1) \\
&= \Pr(\boldsymbol{w\gamma} + \mu > 0 \cap \boldsymbol{x\beta_I} + \epsilon \leq \tau_1) + \Pr(\boldsymbol{w\gamma} + \mu \leq 0 \cap \boldsymbol{x\beta_N} + \epsilon \leq \tau_1) \\
&= \Pr(\mu > -\boldsymbol{w\gamma} \cap \epsilon \leq \tau_1 - \boldsymbol{x\beta_I}) + \Pr(\mu \leq -\boldsymbol{w\gamma} \cap \epsilon \leq \tau_1 - \boldsymbol{x\beta_N}) \\
&= \Phi_2(\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_I}, -\rho) + \Phi_2(-\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_N}, \rho).
\end{aligned}
$$

The likelihood function is constructed by combining equations (5) through (9) as follows:

$$
\begin{aligned}
L &= \prod_{\texttt{D}=0} \Big[\Phi_2(\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_I}, -\rho) + \Phi_2(-\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_N}, \rho) \Big] \quad &(10) \\
&\times \prod_{\texttt{Inst}=1, \texttt{D}=1} \Big[\Phi_2(\boldsymbol{w\gamma}, \tau_2 - \boldsymbol{x\beta_I}, -\rho) - \Phi_2(\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_I}, -\rho) \Big]
\end{aligned}
$$

$$\times \prod_{\text{Inst=0,D=1}} \left[\Phi_2(-\boldsymbol{w\gamma}, \tau_2 - \boldsymbol{x\beta_N}, \rho) - \Phi_2(-\boldsymbol{w\gamma}, \tau_1 - \boldsymbol{x\beta_N}, \rho) \right]$$

$$\times \prod_{\text{Inst=1,D=2}} \left[\Phi_2(\boldsymbol{w\gamma}, \boldsymbol{x\beta_I} - \tau_2, \rho) \right] \prod_{\text{Inst=0,D=2}} \left[\Phi_2(-\boldsymbol{w\gamma}, \boldsymbol{x\beta_N} - \tau_2, -\rho) \right].$$

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