Motivation

“The Courts quite rightly should look to the executive branch for guidance on the political question of what is necessary in the interest of good relations with other friendly powers.”


“[The foreign relations interests of the United States as well as the rights of litigants would be better served if [sovereign immunity decisions] were decided by the courts rather than by the executive branch.”


Hypotheses

1. Selection effects largely influenced who filed claims.
2. Cold War politics impacted the outcome of decisions.
3. Important allies were more likely to receive immunity.
4. The power was transferred when it became hard to reward allies.

Immunity Requests

Questions

- What factors influenced the State Department's sovereign immunity decisions during this period?
- Why would the State Department give away the power to determine which countries would receive immunity?

Estimation

- Model → probit regression with immunity as the D.V.
- Data → all models estimated with complete data and excluded cases where request was withdrawn or ignored.
- Controls → trade flows, political party, and regional dummies.
- Simulation → first differences simulated by estimating full model for each variable while holding other variables at their mean.

Regression Results

Implications

These results suggest a number of findings:

- NATO allies were more likely to receive immunity.
- Important countries bordering communists filed bad requests.
- Sophisticated plaintiffs with high stakes claims in federal court made countries less likely to receive immunity.
- Country characteristics had little impact on decisions.