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# Family Rules: Nepotism in the Mexican Judiciary

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We show that bureaucrats can exploit discretion in hiring decisions to engage in forms of favoritism that hinder organizational performance. We do this in the context of the Mexican federal judiciary. The arrival of a judge at a circuit results in the hiring of 0.05 relatives to key staff positions within the following year on average, a figure which is probably a lower bound of the overall effect. Moreover, we find that the appointment of relatives of judges to a court's staff leads to a reduction in the court's productivity, which indicates that such hires are motivated by rent-seeking rather than by efficiency purposes. Importantly for personnel policy, nepotistic hires are concentrated among judges who have been sanctioned for administrative offenses, those assigned to courts located in their state of birth, and those in higher-ranking positions.

#### KEYWORDS

Nepotism, Bureaucracy, Judiciary

#### JEL CODES

D73, J45, M50

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# Las reglas de la familia: El nepotismo en el poder judicial mexicano

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Este estudio muestra que los burócratas pueden aprovechar la discrecionalidad en las decisiones de contratación de personal para incurrir en formas de favoritismo que entorpecen el desempeño organizacional. El análisis se hace en el contexto del poder judicial federal de México. La llegada de un juez a un circuito judicial da lugar, en promedio, a la contratación de 0,05 parientes en puestos clave del personal durante el año siguiente, una cifra que probablemente sea un límite inferior del efecto global. Además, el nombramiento de parientes de jueces en el personal de un tribunal conduce a una reducción de la productividad del tribunal, lo que indica que dichas contrataciones están motivadas por la búsqueda de beneficios personales más que por razones de eficiencia. De relevancia para la política de personal, las prácticas nepotistas se concentran entre los jueces que han sido sancionados por infracciones administrativas, los designados en tribunales situados en su estado de nacimiento y los que ocupan puestos de mayor rango.

#### KEYWORDS

Nepotismo, Burocracia, Poder Judicial

#### JEL CODES

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## 1 | INTRODUCTION

One of the main concerns of the personnel policy of modern states is achieving mechanisms that shield the recruitment of public servants from political patronage or other forms of favoritism. This is natural since an independent and competent bureaucracy is essential for the proper functioning of the state. Thus, most countries have taken steps towards limiting the capacity of politicians to appoint public officials. However, even institutional arrangements that reduce political interference can have other problems that limit meritocracy and hinder organizational performance. Such issues could emerge, for example, if groups of bureaucrats abuse the discretion they receive to make personnel decisions.

One form of favoritism that has been historically prevalent in all sorts of organizations is nepotism. However, perceptions about this practice have changed dramatically for the worse recently. This trend is especially strong in the public sector, and modern civil service regimes typically have rules that try to prevent nepotism. But even in the private sector, favoritism towards relatives is becoming increasingly unacceptable. This change in attitude is warranted according to the scarce but damning evidence on the pervasive effects of nepotism on organizational performance (Bloom and Van Reenen, 2007; Durante et al., 2011; Pellegrino and Zingales, 2017).

In this paper, we study how bureaucrats who enjoy autonomy to isolate them from political pressures can engage in forms of favoritism that undermine meritocracy and disrupt organization performance. We address this question in the context of the judiciary, an organization whose independence from political interference and competence are particularly relevant for the well-functioning of the state, but for which there is little evidence regarding its personnel policies. More specifically, we analyze data from the federal judiciary of Mexico. There, the selection of federal judges is made through competitive examinations. These judges, in turn, have leeway to appoint individuals to work in their courts, even in the most important positions such as that of judicial clerk. Recently, significant circumstantial evidence that the system is plagued by nepotism has begun to accumulate. Part of that evidence comes from efforts by members of the Council of the Federal Judiciary (the administrative body that regulates the judicial career) to document and curb the problem.<sup>1</sup> The issue has been echoed by legal academics, NGOs and the media. A 2018 report, using information from interviews with judicial officials, estimates that 51% of federal judges have at least one family member in the federal judicial system (Ríos Figueroa, 2018). News outlets recurrently single out cases of nepotistic hires. Even the selection of judges, which is supposed to be protected from problems of favoritism by the use of a competitive process, can be ultimately affected, since participation in those examinations is usually restricted to individuals already working in the judicial system. Thus, nepotism can compromise the appointment of individuals at all levels of the system.

The aim of this paper is to assess quantitatively the existence of nepotism in the Mexican Federal judicial system, and to study whether the hiring of relatives is a form of rent extraction or a way to leverage private information to appoint high-quality individuals. Furthermore, we explore the conditions that increase the likelihood that judges engage in nepotistic hires. To do this, we use data on the curricular information of judicial officials and employ an event-study design to estimate whether the arrival of a judge at a circuit increases the prevalence of that judge's relatives (proxied by family names) among the staff of the corresponding judicial circuit. Our sample consists of 458 judge arrivals, scattered across time and circuits.

Our main result is that judge arrivals indeed have an effect, which kicks in early on. The percentage of circuit staff sharing a family name with the arriving judge increases just

<sup>1</sup>See Borrego Estrada (2017).

two months after the event. In terms of magnitude, the average effect is an increase of 0.02 percentage points in the share of staff with those family names. The effect roughly implies that there is one nepotistic hire for every 20 judges that are appointed. We find that the hires are distributed between the judge's own court and other courts in the district.

Two aspects of our empirical strategy are worth mentioning to better interpret our results. First, the availability of data forces us to restrict the analysis to a subset of the staff in the judicial system. Specifically, we only observe individuals who work in a small number of occupations in a given court (besides the judge), and the bulk of those we observe are law clerks. This means we only capture a fraction of nepotistic hires, and presumably a small fraction, as the discretion of judges to appoint individuals in the positions we observe is relatively lower (as compared to lower positions we do not observe).

Second, we estimate the effect at the circuit level. The reports and circumstantial evidence show that judges often exchange favors, hiring each other's relatives, and our strategy allows us to account for those hires when they occur within the circuit of the judge. However, it is possible that there is some exchange of favors across circuits, which we are not able to capture. Thus, our estimates should be considered a lower bound of nepotism.

We identify some of the factors that favor nepotism by exploring dimensions of heterogeneity of the main effect. One such factor is being appointed to a place that grants access to larger family networks. Although the point estimates are noisy, the effect seems to be larger among judges who are appointed to the state where they were born.

Furthermore, we observe that the effect seems to be concentrated among appeal judges—the effect for district judges is not statistically significant. Appeal judges have access to larger institutional resources and face weaker career concerns, which suggests that these features are also relevant to explain the prevalence of nepotism.

Turning into mechanisms, there are broadly two reasons for which judges may push for their relatives to be hired by the judiciary: they could be extracting rents or they could be using private information about the quality of relatives to make good hires. To investigate which of these alternatives explains better our results, we perform two exercises. First, we assess whether our main effect is stronger for judges that have been subject to administrative sanctions. We find that it is: the increase in the employment of relatives comes only from sanctioned judges—non-sanctioned ones have no effect on the employment prospects of their relatives. This indicates that it is the misbehaved type of judges that engages in this practice. Second, we analyze how the inclusion of relatives in the staff affects the productivity of a court. If family members are hired because they are known to be highly-skilled, we would expect their appointment to increase the productivity of courts. This is not the case. Instead, the inclusion of judge's relatives in the staff of a court is followed by a decrease in our measures of court productivity. This set of results leads us to conclude that the hiring of relatives is a form of rent-extraction that hinders the functioning of the judiciary.

This paper is related to the growing body of evidence on the abuse of discretion in the hiring of bureaucrats in developing countries (Colonnelli, Prem and Teso, 2020; Brassiolo, Estrada and Fajardo, 2020). Especially connected are those who show that the abuse of discretion can be detrimental to service delivery (Akhtari, Moreira and Trucco, 2017; Estrada, 2019; Munoz and Prem, 2021).<sup>2</sup> An important distinction to most previous work is that we present a case where bureaucrats—as opposed to politicians—are the ones abusing

<sup>2</sup>Focusing on the historical development of civil services, (Moreira and Perez, 2021) find that the implementation of the Pendleton Act in the U.S. improved the profile of new hires in U.S. customs (although it did not increase efficiency), while (Xu, 2018) documents that the existence of patronage in the appointment of governors in colonial India led to worse fiscal outcomes in the provinces under their rule.

discretion.<sup>3</sup> One novel contribution of this study is to show a link between discretionary hiring by bureaucrats and organizational performance.

Our results also inform recent research on judicial efficiency in developing countries (Sadka et al., 2018; Chemin, 2020; Mehmood, 2020). Of special relevance is the work by Dahis, Schiavon and Scot (2020), which shows that judge quality explains around a quarter of the variation in performance among state courts in Brazil, and that competitive examinations can be an effective way to screen and select better candidates.<sup>4</sup> We show that even in contexts where examinations are used to screen judges, forms of favoritism can emerge in a way that undermines meritocracy and court performance.

Finally, this paper is connected to previous works that document nepotism in different contexts (Durante et al., 2011; Dal Bó et al., 2009; Querubin, 2016; Fafchamps and Labonne, 2017; Gagliarducci and Manacorda, 2020), and contributes by providing evidence of this practice in a judicial system.

The rest of the paper is organized as follows. Section 2 describes the institutional context. Section 3 presents the data and discusses some issues related to sample selection. The empirical strategy is explained in Section 4. The results are analysed in Section 5 and the main mechanisms are discussed in Section 6. Section 7 presents robustness checks. Finally, Section 8 offers some conclusions and final remarks.

## 2 | INSTITUTIONAL CONTEXT

### 2.1 | The judiciary

The federal judicial system in Mexico is organised into 32 circuits that geographically match the 32 states in which the country is divided for political and administrative matters. The judiciary circuits are organised in turn into district courts and appeal courts—which hear challenges to district court decisions located within the same circuit.

The oversight of the district and appeal courts is the responsibility of an administrative council (Consejo de la Judicatura Federal (CJF) in Spanish). This council is integrated by six members—appointed by the judicial (3), legislative (2) and executive (1) branches—plus the President of the Supreme Court, who also presides the council.<sup>5</sup>

The Council of the Federal Judiciary is in charge of appointing both district and appeal judges.<sup>6</sup> The selection of judges is made through national competitive examinations based on written and oral exams. Judges are appointed initially for a period of six years, after which—if confirmed—they receive a permanent appointment.<sup>7</sup> The council is also responsible for assigning judges to specific courts. The transfer of judges across courts is a common practice.

Judges are responsible for the administration of the court they head, including the appointment and management of the legal and administrative personnel.<sup>8</sup> Judges have ample discretionary power to select the individuals to be appointed in their courthouse and there is no formal selection process to which these decisions must adhere. For legal

<sup>3</sup>Durante et al. (2011) study the case of Italian public university officials, and find that greater autonomy by them to make personnel decisions leads to nepotism, although only in low-civic-capital regions.

<sup>4</sup>This is very relevant, as court efficiency is associated with better economic and social outcomes (Jappelli et al., 2005; Ponticelli and Alencar, 2016).

<sup>5</sup>The current governance of the judiciary is the result of a constitutional reform held in 1995 with the purpose of strengthening the professionalisation and independence of the judiciary.

<sup>6</sup>From here on, when we use the term “judge” we are grouping district and appeal judges.

<sup>7</sup>District judges must be selected in a competitive examination to be promoted to appeal judges.

<sup>8</sup>Except for recently created courts—specialised in criminal law—which house several district judges and are managed by a court director who is not a judge herself. We exclude this subset of courts from our analysis.

personnel, the law requires individuals to have a law degree and to pass a certification exam made by the CJF, which limits the discretionary component of the appointments to these positions.<sup>9</sup> Apart from the judge, the legal clerk is the most important position of the court staff. They are in charge of assisting judges in the preparation of legal decisions during judicial proceedings and hearings, among other activities.

There have been complaints about the prevalence of nepotistic practices in the Mexican judiciary for a long time, but the public visibility of the issue has increased recently. A former member of the Council of the Federal Judiciary published a report—based on interviews to secret informants—which paints a portrait of judges having wide networks of family members working in the judiciary (Borrego Estrada, 2017). Newspapers routinely report stories along these lines. Under mounting public pressure, the head of the Council of the Federal Judiciary declared the fight against nepotism a priority for his administration. Yet, there is a lack of systematic evidence on the actual extent of nepotism in the system and—more importantly—on its causes and consequences.

## 2.2 | Compensation

Positions in the judiciary are highly sought after among lawyers, as revealed by the large number of individuals who take the certification exam necessary to be employed as a legal clerk in a court. Among other factors, one potential reason for this interest are the pecuniary benefits associated to working in the judiciary.

Table 1 (columns 1-2) shows average monthly and hourly wages of lawyers employed in the judiciary, the non-judicial public sector and the private sector (using data from the National Labor Force Survey, ENOE according to its initials in Spanish). Lawyers employed in the judiciary command significantly higher monthly (hourly) wages than those working in the rest of the public sector—by 36% (33%)—and in the private sector—by 77% (86%). A large wage gap remains when differences in the age and gender of the individuals employed in the three sectors are taken into account (around 29% with respect to the rest of the public sector and 65% with respect to the private sector, columns 3–4). Using the panel dimension of the ENOE survey (individuals are interviewed during five consecutive quarters/waves), we approximate the wage premium to the judiciary adding individual fixed effects (FE) to the wage equation (columns 5-6), which absorb the time-invariant heterogeneity in unobserved characteristics among individuals. The estimated wage premium of the judiciary with respect to the rest of the public sector has a magnitude of around 7% but it is not statistically significant at conventional levels, while the wage premium with respect to the private sector is of around 29% and highly significant. The lower magnitude of the FE estimates versus those presented in column 3 indicates that the selection to the judiciary is positive in terms of characteristics other than age and gender (i.e., lawyers who enter the judiciary tend to have an above the mean earnings potential in the other sectors). Furthermore, the FE estimates indicate that, even after taking into account the time-invariant individual heterogeneity, the judiciary offers a large wage premium, especially with respect to the private sector.<sup>10</sup>

<sup>9</sup>Such certification exams are held monthly and the quantity of certified individuals vastly surpasses the quantity of available positions.

<sup>10</sup>Individuals who enter/leave the judiciary (i.e., switchers) tend to be younger and have lower wages than those who stay in this sector (by around 10%, see Table A.1 in the Appendix). As the FE estimates are identified on the switchers, the results presented here are more informative about the wage premium to younger and lower earning lawyers.

TABLE 1 Relative wages of lawyers employed in the judiciary

	Mean Wage		Wage Gap (ln Hourly Wage)			
	(Pesos)		Mincer		Individual FE	
	Monthly	Hourly	$\beta$	SE	$\beta$	SE
	(1)	(2)	(3)	(4)	(5)	(6)
Judiciary	17263	99.66				
Non-judiciary public sector	12692	75.06	-0.2887***	0.0185	-0.0749	0.0542
Private sector	9757	53.49	-0.6481***	0.0204	-0.2888***	0.0666
Number of observations	20014					
Number of individuals	9263					

Note: Columns 1 and 2 report mean monthly and hourly wages for wage earners whose highest formal qualification is a law degree by sector of employment. Wages are expressed in constant pesos at the fourth quarter of 2019. Columns 3 and 4 report the coefficients (and standard errors) for the sector categories in a Mincerian wage equation (the baseline category is in the first row). Column 5 and 6 report the coefficients (and standard errors) for the sector categories of an individual fixed effects wage model (the baseline category is in the first row). The top and bottom 2 percentiles of the wage distribution are trimmed. The sample is individuals aged 22 to 65 years old whose highest qualification is a law degree and who report positive wages. Individuals with unlikely sector transitions are dropped from the sample. Data come from the National Labor Force Survey from the first quarter of 2015 to the fourth quarter of 2019.

### 3 | DATA AND DESCRIPTIVE STATISTICS

#### 3.1 | Data sources

Our main source of data is the curricular information (CVs) of officials of the Judicial System. All officials above certain occupational level report that information in a standardized format, and it is made public by the CJF in its web page and in the Plataforma Nacional de Transparencia.<sup>11</sup> They list each of their previous positions (inside and outside the Judicial system), with their corresponding start and end dates.<sup>12</sup> Importantly, for positions in the Judicial system, the specific circuit (and court) in which the official served is specified.

We have CVs for the roster of active officials for two moments—2nd quarter of 2018 and 4th quarter 2019—and we merge the information from both moments.<sup>13</sup> We exclude individuals who work in central offices (typically administrative) and cannot be linked to a specific court and circuit. After that, we observe all officials who—at the time of reporting their CVs—work in a court in one of the following positions: judge, law clerk, personal assistant to the judge and administrative coordinator of the court.<sup>14</sup>

Using the individual-level retrospective information on work histories, we construct a

<sup>11</sup>See <https://www.plataformadetransparencia.org.mx>

<sup>12</sup>For judges, we also obtain their state of birth from the biographical data provided in the CJF web page. For a subset of judges, the state of birth is missing and we impute it using the circuit of their first employment in the judicial system. Excluding the judges with the imputed values for this variable does not change the results.

<sup>13</sup>In our sample, we have 1,200 individuals (approximately 10%) who are present in 2018 but not in 2019 (i.e., people that left the judiciary between 2018 and 2019). For those individuals we impute July, 2018 as the end of their last labor relation.

<sup>14</sup>75% of the individuals are legal clerks.

panel of courts. That is, for each court and month, we have the list of officials (with their names and positions) who work there. We keep this panel balanced on occupations, i.e. for each court and month, we only consider the officials working in the four occupations mentioned above.

With the information of work histories we then identify all instances in which an individual is appointed as judge to a district or appeal court. The arrivals of district judges or appeal judges at a circuit constitute the events in our event-study design. Such arrivals can be a consequence of i) an individual being appointed as district judge for the first time, ii) an individual being appointed as appeal judge for the first time, or iii) a district judge or appeal judge changing circuits. For simplicity, we will refer to all these events as “judge arrivals”.<sup>15</sup>

For each event, our main variable of interest is the percentage of the staff in the circuit that shares a family name with the arriving judge, before and after the arrival.<sup>16</sup> We compute that variable from our panel of court personnel, using the family names of the staff.<sup>17</sup> We do not claim that the level of that variable is informative about nepotism, since it is common that non-related individuals share a family name. Our claim is that changes in that variable following the arrival of a judge is indicative of nepotism. The underlying assumption is that, in the absence of nepotism, this variable should be orthogonal to the arrival of judges.

Thus, our final dataset is a collection of judge arrivals (events), where these events are characterized by: a circuit, a calendar month, and the family names of the arriving judge. For each of them, we observe the percentage of the circuit staff that shares one of those family names, with monthly frequency before and after the event.

### 3.2 | Sample

We have CVs data for 12,474 officials working in the over 1,000 courts of the Federal Judicial System. Since our data come from retrospective information given by active officials, we expect increasing attrition in the number of judicial employees that we can observe as we move further back in time. Considering this, we restrict our analysis to judge arrivals that take place between August, 2015 and December, 2018.<sup>18</sup> Since judicial officials enjoy considerable job stability, there are no signs of significant attrition in that time window. The average size of staff per court we are able to recover changes little in that period, going from 10.4 to 12.3

We apply some restrictions to our sample of judge arrivals. First, we drop cases in which an arriving judge shares a family name with a pre-existing judge in that same circuit. The reason is that, in those cases, the outcome in the pre-event months may be contaminated by nepotistic hires of the pre-existing judge. We also exclude arrivals to a newly created set of courts specialised in criminal law (Centros de Justicia Penal Federal), which are the product of recent legal reforms and work under different organizational arrangements. Finally, in our sample we also exclude arrivals of judges with extremely common family names (those in the top 1% of frequency among university graduates in law in Mexico).

<sup>15</sup>For ii), we exclude cases in which the individual is appointed as appeal judge in the same circuit where she was already acting as district judge. However, this happens rarely and does not change the results.

<sup>16</sup>We define as staff all individuals working in one of the court positions previously mentioned (excluding judges): legal clerks, personal assistant to the judge and administrative coordinator of the court.

<sup>17</sup>Due to naming conventions in Mexico, individuals have two family names (one from each parent). Considering this, the variable we compute is the percentage of the staff sharing at least one family name with the corresponding judge.

<sup>18</sup>The upper limit (December 2018) is due to the fact that we want to estimate 12 periods post-treatment and we have data until 2019.



### 3.3 | Descriptive statistics

Our main sample comprises 458 judge arrivals. 133 correspond to the appointment of new district judges, 107 to the appointment of new appeal judges in a different circuit than the one in which served as a district judge, and 218 to movements across circuits of already existing judges or appeal judges (see Table 2). On average, there are 1.74 circuit's staff members sharing a family name with an arriving judge, which corresponds to 0.53% of the staff.

Arrivals are fairly scattered chronologically and geographically. Figure 1 shows the number of arrivals by month throughout the period of study. Some spikes are observed in moments where large examinations take place, but we observe some arrivals in almost every month. Figure 2 shows that, although there is some correlation with population size, judge arrivals are well distributed across circuits. We observe arrivals in all circuits, ranging from a minimum of 3 in Campeche and Baja California Sur, to a maximum of 46 in Mexico City.

TABLE 2 Descriptives of judge arrivals

Judge arrivals	458
<i>By type of judge:</i>	
District judge	250
Appeal judge	208
<i>By type of arrival:</i>	
New district judges	133
New appeal judges	107
Rotation of existing judges	218
<i>By gender:</i>	
Female	86
Male	372
Avg. percentage of circuit's staff members sharing family name with judge (t=-1)	0.53
Avg. number of circuit's staff members sharing family name with judge (t=-1)	1.74

Note: Judge arrivals refer to any of the following three situations: i) the appointment of an individual as a district judge for the first time, ii) the appointment of an individual as an appeal judge for the first time (conditional upon the nomination as an appeal judge occurring in a circuit other than the one in which she served as a district judge), and iii) the transfer of a district or appeal judge to another circuit.

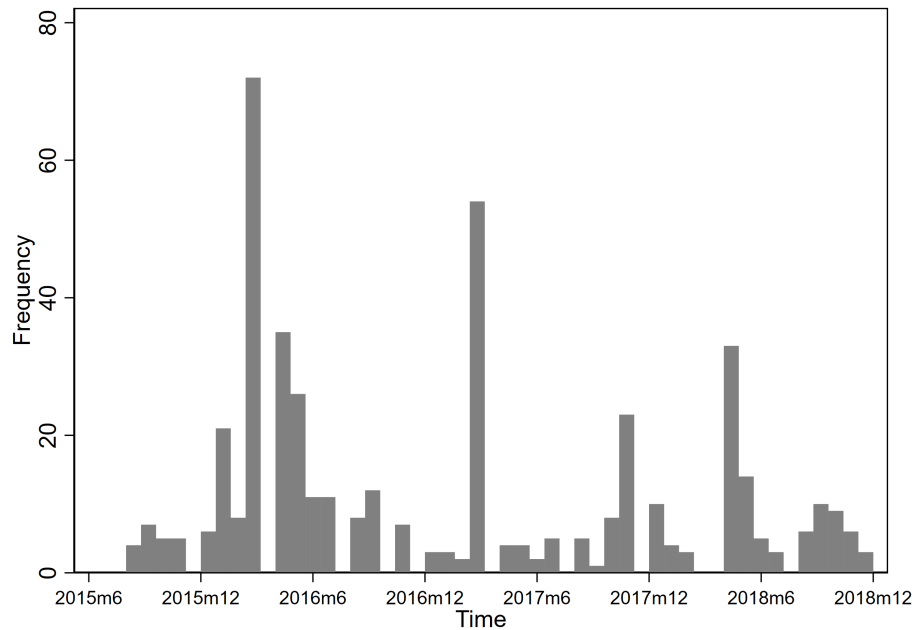


FIGURE 1 Judge arrivals, by month.

Note: Figure shows a histogram (bin=50) of the frequency of judge arrivals over time.

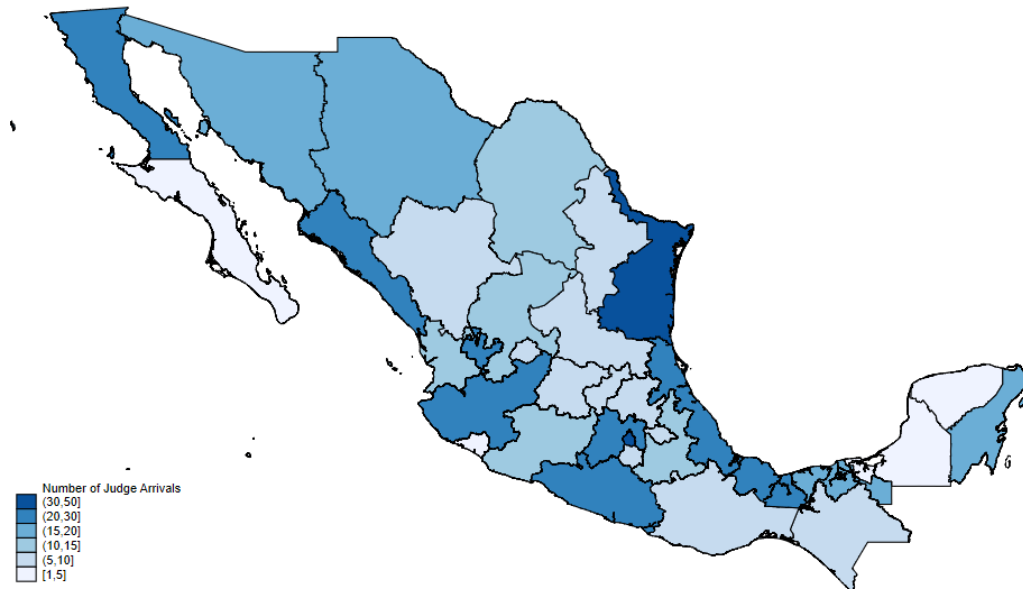


FIGURE 2 Judge arrivals, by circuit.

Note: Figure plots the number of judge arrivals in our sample by circuit.

#### 4 | EMPIRICAL STRATEGY

We want to estimate the effect of a judge's influence over a jurisdiction on the hiring decisions in that jurisdiction. To estimate this judge effect, we would ideally like to randomize judges

to different circuits. Given that this is not possible, we instead exploit the natural arrival of judges to circuits of the judiciary system.

Our empirical strategy follows an event study design, in which we look at the stock of the staff in a judicial circuit who share a family name (last name) with a given judge and see how this stock varies before and after the judge is appointed to work in that circuit. Our main model can be thought of as a collection of events, in which each event emerges as a judge arrives at a circuit. To identify a causal effect, we assume that the timing (in months) of a judge arrival at a circuit is independent of potential outcomes.<sup>19</sup> Specifically, the main empirical equation is the following two-way fixed effects model:

$$Y_{ict} = \sum_{\tau=-7, \tau \neq -1}^{12} \beta_{\tau} \cdot \mathbb{1}[\tau = t - e_{ic}] + \theta_i + \lambda_t + \epsilon_{it} \quad (1)$$

Where  $Y_{ict}$  is the percentage of employees who share a family name with judge  $i$  and are employed in a court from circuit  $c$  at time  $t$ .  $\mathbb{1}[\tau = t - e_{ic}]$  is a vector of dummy variables that indicate the relative time (in months) with respect to judge  $i$ 's arrival ( $e_{ic}$ ) to circuit  $c$ .  $\theta_i$  and  $\lambda_t$  are judge arrival and calendar time fixed effects, respectively. We restrict the estimation of the monthly coefficients ( $\beta_{\tau}$ ) to a period of 19 months around the arrival of the judge and, to avoid collinearity, we follow the convention and set the coefficient in the month before the arrival ( $\tau = -1$ ) to zero. We also include in the estimation of equation 1 two dummies in which we bin the periods from the start of the panel to eight months before the arrival and from thirteen months after the arrival to the end of the panel, respectively.<sup>20</sup> Robust standard errors are clustered at the judge arrival level.

## 5 | RESULTS

### 5.1 | Main result

Figure 3 presents the point estimates—and confidence intervals at the 90 percent level—for the effect of a judge's arrival at a circuit on the stock of staff with whom they share a family name and who are employed at the courts located in the same circuit. Reassuringly, the lead coefficients are not statistically different from zero which provides further evidence of the credibility of the parallel trends assumption. In contrast, we observe that after a judge arrives at a circuit there is an increase in the share of the personnel with whom she shares a family name. The effect kicks in early on—one month after the judge arrives to the circuit—and its magnitude amounts to around 0.02 to 0.03 percentage points of the staff. This compares to a mean of 0.53% in the month before the arrival.<sup>21</sup>

<sup>19</sup>The event-study results provide suggestive evidence of the feasibility of this assumption.

<sup>20</sup>We estimate Equation 1 in a balanced panel in calendar time, with observations organized at the level of the judge, circuit and month. 39 judges (8% of total) left the district before 12 months. Results are robust to the inclusion in the estimation of equation 1 of an indicator variable that equals 1 for the period in which the judge left the district.

<sup>21</sup>Appendix Table A.1 shows that results remain unchanged when excluding judge arrivals in Mexico City.

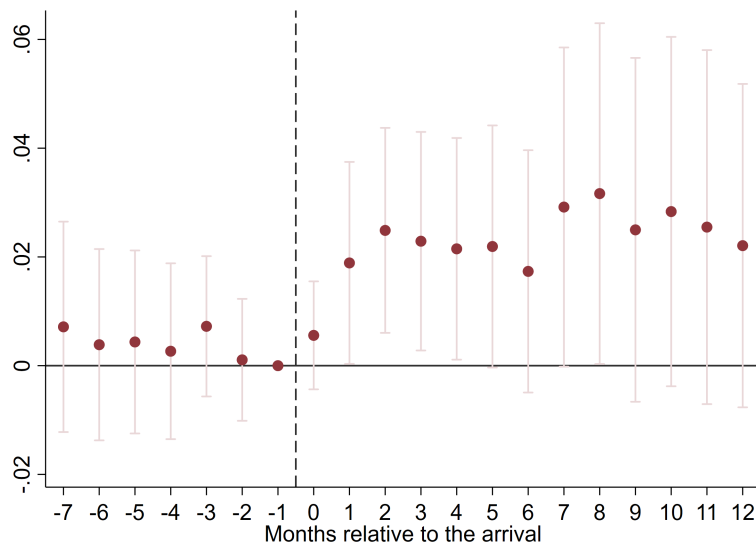


FIGURE 3 Effect on the percentage of staff members sharing the judge's family name.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1). Outcome is the percentage of circuit's staff who share a family name with the arriving judge. 458 judge arrivals are stacked. Number of observations of the regression is 27,480. Standard errors are clustered at the judge arrival level and confidence intervals at the 90% level are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

To better interpret the magnitude of the effect—and as a robustness check—Figure 4 presents similar results, but using the number of the circuit staff members who share a family name with the judge. As one could expect, the figure paints a picture which closely resembles the previous one. In terms of magnitude, the arrival of a judge increases on average the number of her relatives employed in the circuit by around 0.05—to compare with a mean of 1.74 in the month before the arrival. Broadly speaking, in one out of twenty cases the arrival of a judge results in the hiring of a relative during the year after the event.

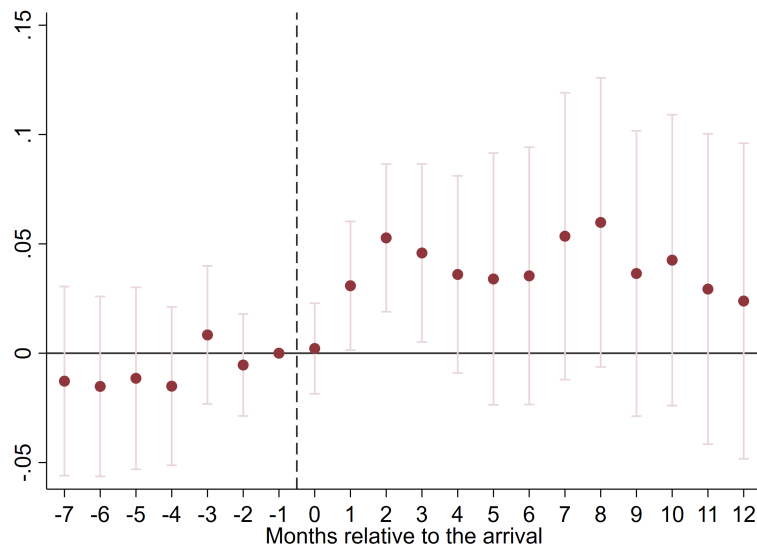


FIGURE 4 Effect on the number of staff members sharing the judge's family name.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1). Outcome is the number of circuit's staff members who share a family name with the arriving judge. 458 judge arrivals are stacked. Number of observations of the regression is 27,480. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

## 5.2 | Placement

Our main results can be driven by judges helping family members to obtain employment in the court they head or in other courts located in the same judicial circuit. Judges could select relatives to fill vacancies in their courts given the discretion they enjoy to make hiring decisions, although they may face restrictions to do so—for example, if they prefer to avoid accusations of nepotism. Alternatively, judges could help their relatives to obtain employment in other courts, perhaps interceding on their behalf with other judges—as anecdotal evidence suggests.

Figure 5 shows the number of staff members in the circuit who share the judge's family name by whether they work in the same court than the arriving judge or in other court in the district. As it is possible to observe, the effect seems to be of similar in both types of courts. The magnitude of the coefficients for both outcomes is similar in most cases, although the confidence intervals are wide (particularly those for employment in other courts). Hence, judges seem to be helping their relatives to get employment both in the courts they manage and in other courts located in the same judicial circuit.<sup>22</sup>

<sup>22</sup>Figure A.2 in the Appendix shows similar results for the percentage—rather than the number—of court personnel who share the judge's family name. Because the number of employees from a given court is lower than the total number of employees from the rest of the circuit's courts, the effect on employment in the same court is proportionally larger—although the confidence intervals overlap.

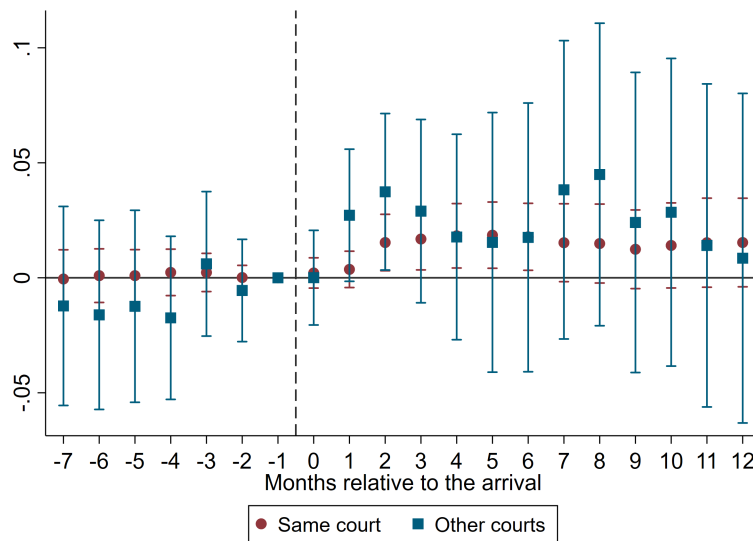


FIGURE 5 Effect on the percentage of staff members sharing the judge's family name by court of placement.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1). Outcome is the number of circuit's staff members who share a family name with the arriving judge divided by whether they work at the same court or in other court in the circuit. Standard errors are clustered at the judge arrival level and confidence intervals at the 90% level are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

### 5.3 | Family networks

The hiring of a judge's relatives is conditioned by the size of her family network and by the willingness of her relatives to work in the courts over which the judge has influence. A recent literature in labor economics shows that individuals are less likely to apply for jobs that are far away from their place of residence (Marinescu and Rathelot, 2018). Hence, we can expect a higher effect among judges who are assigned at a circuit (state) where they were born.

Figure 6 explores the above hypothesis by partitioning the sample according to whether the judge is assigned or not to a court located in her state of birth.<sup>23</sup> We find that indeed the effect seems to be larger among judges going back to the state where they were born—although the results are noisy and the 90-percent-level confidence intervals overlap.

<sup>23</sup>For 94 judges with missing state of birth information we impute it using the circuit where they start their career in the judiciary system. Results remain unchanged with the restricted sample without imputations.

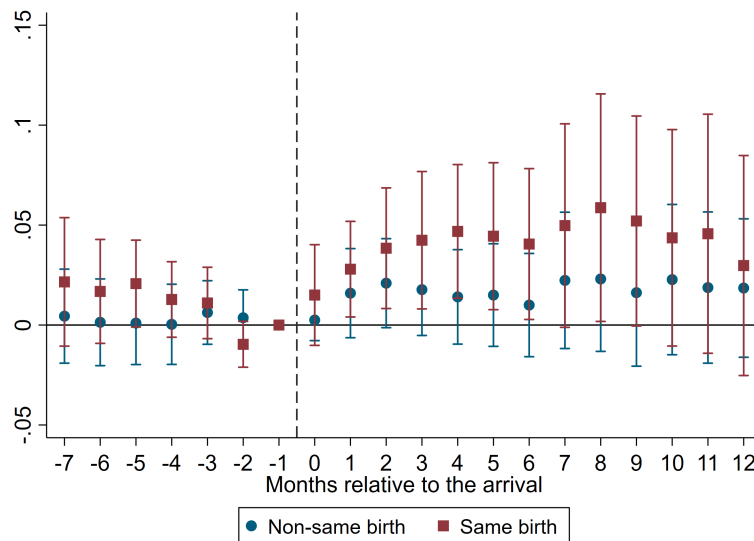


FIGURE 6 Effect on the percentage of staff members sharing the judge's family name by circuit of (birth) assignment.

Note: Figure plots  $\beta_{\tau}$  coefficients of equation (1) separately for the sample of judges that do arrive in their birth's state (92 judge arrivals) and for those who do not (366 judge arrivals). Outcome is the percentage of circuit's staff who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

#### 5.4 | Institutional hierarchy

District and appeal judges have different institutional hierarchy and networks, as well as career incentives. Appeal judges are at the top of the judicial civil service career and have likely developed more social ties with other judges than district judges. Also, appeal judges face limited upward mobility options within the judiciary, as opposed to district judges. There are only 11 supreme court judges for more than 800 circuit appeal judges, and being an appeal judge is not the only path to the Supreme Court. In contrast, being promoted to appeal judge is the natural goal and a distinct possibility for district judges. Indeed, all of the appeal judges in our sample worked as district judges before being promoted to their current position.<sup>24</sup> For these two reasons, we speculate that the effect under study might be larger among appeal judges.

Figure 7 presents results by judge type. We do find evidence that the effect seems to be concentrated among appeal judges. The magnitude of the point estimates for the subsample of district judges is consistently close to zero, while those for the subsample of appeal judges significantly increase after the judge's arrival—although as before the 90-percent-level confidence intervals overlap.

<sup>24</sup>There are 400 district judges working in conventional courts and, as we mentioned, more than 800 appeal judges in the current structure.

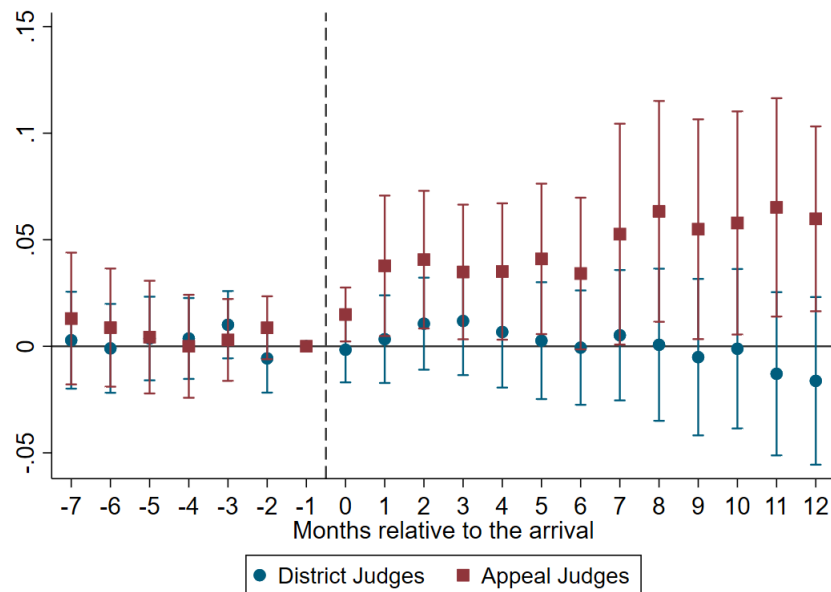


FIGURE 7 Effect on the percentage of staff members sharing the judge's family name by type of judge.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1) separately for the sample of district and appeal judges' arrivals, respectively. There are 250 and 208 district and appeal judges' arrivals, respectively. Outcome is the percentage of circuit's staff who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and confidence intervals at the 90% level are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

## 6 | RENTS VERSUS EFFICIENCY

Broadly, there are two reasons why judges may help their relatives to gain employment in the judiciary. One is rents, i.e. judges may exploit rents by hiring suboptimal individuals who are related to them. The other is efficiency. Judges may have superior information about the quality and motivations of their relatives, and their family connection might help to elicit higher effort through a relational contract. In other words, judges may seek the hiring of relatives because this increases the efficiency of the judiciary. Note, however, that the hiring of relatives in the Judiciary based on efficiency arguments is less obvious than in contexts where asymmetric information is more prevalent. For example, judges should have easy access to signals about the quality of potential legal clerks (e.g., university of studies, class rank, and recommendations by law scholars). Furthermore, any efficiency gains of hiring relatives should be weighed against the reputational costs for the Judiciary of being perceived by the public as a nepotist institution.

### 6.1 | Nepotism and administrative sanctions

We have gathered information about whether the judges in our sample have been subject recently to an administrative sanction (in 2018 or 2019). This is the case for 17% of them. We claim that, if rent extraction is the driver behind the hiring of relatives, these hires should disproportionately come from judges who have incurred in administrative offenses.

Figure 8 shows the results from estimating equation 1 in sub-samples split by whether



the arriving judge received an administrative sanction. The results show a clear contrast between both types of judges. Judges without sanctions do not improve the employment prospects of their relatives. The point estimates for the months before and after the judge's arrival all have a small magnitude and are not different from zero from a statistical point of view. This is not the case of the judges who have been sanctioned, who have a clear effect on the probability that her relatives gain employment in the circuit. Compared to the average results, the magnitude of the point estimates for this subgroup is high: .1 to .15 percentage points increase in the percentage of staff with the judge's family names. Hence, we find suggestive evidence that the hiring of judges' relatives is more related to rent-seeking than to efficiency purposes.

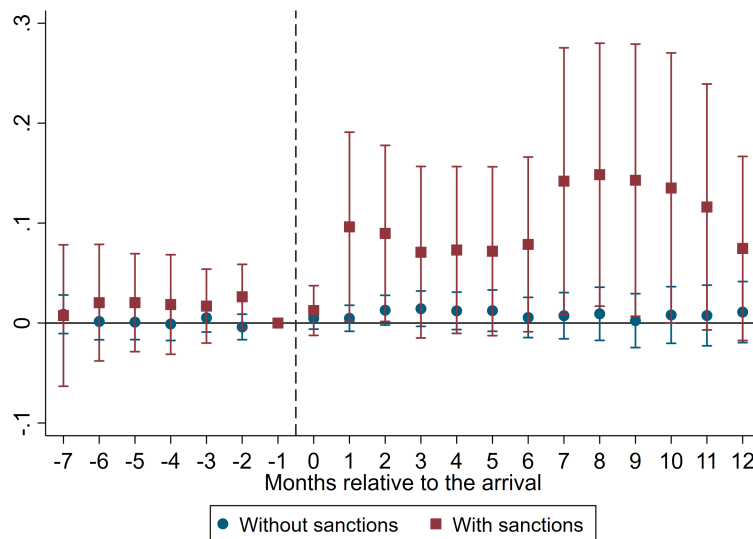


FIGURE 8 Effect on the percentage of staff members sharing the judge's family name by sanctioned status.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1) separately for the sample of judges with and without administrative sanctions, respectively. Outcome is the percentage of circuit's staff who share a family name with the arriving judge. There are 75 judge arrivals with sanctions and 383 without sanctions. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

## 6.2 | Nepotism and court performance

The rent-seeking and efficiency mechanisms have different implications for court performance. If family members are being hired because judges have better information about their quality or motivations, we would expect to observe a positive relationship between connected clerks and court performance. Instead, we would not expect to find this positive relationship if the hiring of family members is mainly motivated by rent-seeking purposes.

A natural measure of court performance is the speed to settle cases. In many development countries, a common signal of the dysfunction of the judiciary is the large backlog of cases (Dahis et al., 2020). Mexico is not an exception. According to Sadka et al. (2018), while the Mexican labor legislation stipulates that lawsuits should have a maximum duration of 100 days, the typical lawsuit takes over three years.

We investigate the relationship between the presence of nepotism in Mexican federal

courts and court performance. To do so, we use administrative data to construct a panel of judicial productivity at the court-month level for the period from 2016 through 2020. Our measure of court performance is the (logarithm of the) number of cases disposed by month in each court. We correlate this measure of output with proxies of the presence of nepotistic hires at the court level.

We construct several proxies of nepotism at the court-month level, based on the coincidence of the surnames of the staff with the surnames of the judges. Specifically, we use the following four measures: (i) the number of clerks in a court who share a surname with a judge of the same court, (ii) a dummy indicator that takes value 1 if any clerk in a court shares a surname with a judge of the same court, (iii) the number of clerks in a court who share a surname with any judge of the same circuit (including the court where the staff works), and (iv) a dummy indicator that takes value 1 if any clerk in a court shares a surname with any judge of the same circuit. In all cases the staff is required to have joined the court at the same or later date as the appointment date of the corresponding judge.

We estimate the following regression model:

$$y_{ct} = \beta_0 + \beta_1 \text{nepotism}_{ct} + \beta_2 \text{staff}_{ct} + \lambda_t + \gamma_c + \epsilon_{ct} \quad (2)$$

where  $Y_{ct}$  is the logarithm of the number of cases disposed by court  $c$  in period  $t$ ,  $\text{nepotism}_{ct}$  is any of the four measures discussed above,  $\text{staff}_{ct}$  is the total number of clerks in court  $c$  in period  $t$ , and  $\lambda_t$  and  $\gamma_c$  are time (month-year) and court fixed effects, respectively. The reason why we control for the number of clerks is that the number of cases disposed by a court in a given month depends not only of the presence of nepotism, but also on the size of the staff.

Table A.2 in the appendix shows descriptive statistics for court personnel, court performance, and measures of nepotism at the court-month level. The typical court has 1.45 judges and 9 legal clerks and resolves about 131 cases in a given month. On average, there are almost 65 judges per circuit, with a maximum of 176. With regards to the presence of nepotism, in the typical court-month there are 0.11 clerks who share a surname with a judge of the same court, and 10% of court-months have at least one clerk in this condition. Similarly, there are 2.2 clerks in a court, on average, who share a surname with a judge of the same circuit, and 66% court-months have at least one clerk in this condition.

Table 3 shows the results of estimating equation (2) by OLS. An additional clerk who shares a surname with a judge in the same court is associated with a 3.7% reduction in the number of monthly cases disposed—column (1), while courts in which at least one clerk shares a surname with a judge in the same court resolves 4.6% fewer cases each month—column (2). When nepotism is measured by the co-occurrence of surnames of the court personnel and any judges of the same judicial district—columns (3) and (4), the estimated coefficients remain negative although they are of lower magnitude (between one-fourth and one-sixth) and less precise.

Overall, these results are inconsistent with the hypothesis that the reason why judges may favor their relatives in joining the judiciary is related to efficiency—e.g. having better information about their abilities or motivations. If any, this evidence indicates that the presence of nepotism in the Mexican judiciary is detrimental to the functioning of courts.

TABLE 3 Correlation between court performance and measures of nepotism

	Dependent variable: Cases disposed by month (log)			
	(1)	(2)	(3)	(4)
Clerks with a court judge's surname	-0.037** (0.014)			
Any clerk with a court judge's surname		-0.046*** (0.016)		
Clerks with a circuit judge's surname			-0.009*** (0.003)	
Any clerk with a circuit judge's surname				-0.008 (0.009)
Number of clerks in court	0.002 (0.003)	0.002 (0.003)	0.004 (0.003)	0.002 (0.003)
Month FE	Yes	Yes	Yes	Yes
Court FE	Yes	Yes	Yes	Yes
Observations	23175	23175	23175	23175
R-squared	0.872	0.872	0.872	0.872

Notes: The table shows the OLS estimates of the relationship between the logarithm of the number of cases disposed by month and any of the four measures of nepotism at the court level. From Columns (1) to (4), these measures are: the number of clerks in a court who share a surname with a judge of the same court, a dummy indicator that takes value 1 if any clerk in a court shares a surname with a judge of the same court, the number of clerks in a court who share a surname with any judge of the same circuit, and a dummy indicator that takes value 1 if any clerk in a court shares a surname with any judge of the same circuit, respectively. In all cases, the measure of nepotism is conditioned on the staff having joined the court at the same time as the judge with the same surname or later. All columns include time (month-year) and court fixed effect. Robust standard errors are in parenthesis. \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ .

## 7 | ROBUSTNESS

The results presented up to now come from using a standard two-way fixed effect approach to estimate the dynamic effect of a staggered treatment. Recent advances in econometrics show that these models can lead to biased estimates when there are heterogeneous treatment effects across groups and over time. This is a consequence of the fact that, in these standard models, the treatment effects for late adopters are estimated using as comparison groups units that have already been treated (Sun and Abraham, 2020). Note that this bias also affects the estimates of the pre-treatment periods, meaning that a lack of pre-trend under those standard models can be misleading.

In our setting, there are no reasons a priori to believe that there are important sources of heterogeneity in the treatment effects across groups. However, we perform two additional exercises using estimators that are robust to heterogeneous treatments.

First, we employ a stacked-by-experiment design in the spirit of Cengiz et al. (2019). Specifically, we construct 458 experiments, one for each judge arrival  $i$ . Each experiment is a difference-in-differences by itself, in which a control group is built computing the share of the personnel with the family names of judge  $i$  in the circuits where judge  $i$  does not

arrive.<sup>25</sup> Intuitively, this allows us to compare the change in the percentage of staff members who share a family name with the arriving judge  $i$  in the circuit where the new judge does arrive versus the circuits where she does not. Each experiment—indexed by  $e$ —is associated to the family names of an arriving judge  $i$  and contains a treated circuit and a set of control circuits. We stack the multiple experiments and estimate the following equation:

$$Y_{ect} = \sum_{\tau=-7, \tau \neq -1}^{12} \beta_{\tau} \cdot \mathbb{1}[\tau = t - e] + \theta_{ec} + \lambda_{et} + \epsilon_{ect} \quad (3)$$

Where  $Y_{ect}$  is the percentage (number) of staff with a family name of the arriving judge corresponding to experiment  $e$  employed in a court located in circuit  $c$  at time  $t$ .  $\mathbb{1}[\tau = t - e]$  is a vector of dummy variables that indicate the relative time (in months) with respect to the arrival of the judge in experiment  $e$  to circuit  $c$ .  $\theta_{ec}$  and  $\lambda_{et}$  are experiment-by-circuit and experiment-by-time fixed effects, respectively. Standard errors are clustered at the experiment-by-circuit level.

Figure 9 presents the stacked-by-experiment estimates for the main outcome. Reassuringly, the results follow the same pattern as those presented before—although the estimates are noisier. The point estimates for the period before the judge’s arrival have a small magnitude and are not significantly different from zero. In contrast, the point estimates for the period after the arrival have a higher magnitude and statistical significance. A similar story is found using the number—instead of the percentage—of relatives employed in the circuit as the outcome variable (see Table A.6 in the Appendix). Hence, this evidence supports the robustness of the main results.

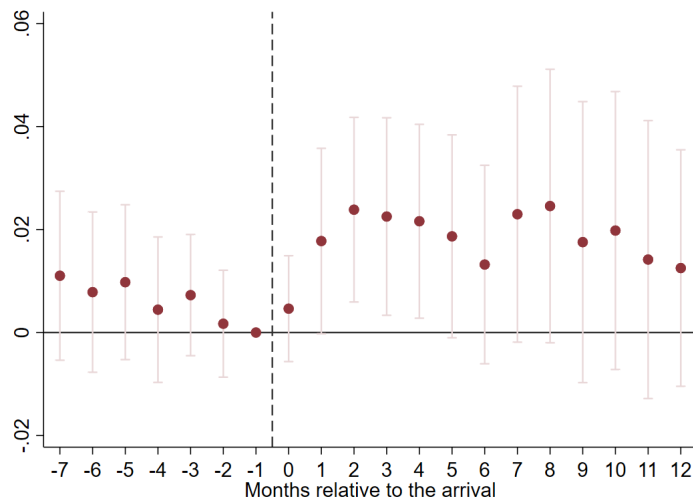


FIGURE 9 Stacked-by-experiment estimates: Effect on the percentage of staff members sharing the judge’s family name.

Note: Figure plots  $\beta_{\tau}$  coefficients of equation (3). Outcome is the percentage of circuit’s staff who share a family name with the arriving judge. 458 judge arrivals are stacked. Number of observations of the regression is 730,440. Standard errors are clustered at the experiment (judge arrival) level and confidence intervals at the 90% level are represented in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 7 for details on the estimated equation.

<sup>25</sup>We exclude from the control group the circuits where there is at least one judge who shares a family name with an arriving judge.

As a second approach robust to heterogeneity in treatment effects, we implement the estimator proposed by [de Chaisemartin and D’Haultfoeuille \(2021\)](#) for the estimation of dynamic effects in staggered adoption designs. Intuitively, this estimator computes the treatment effects of each relative period using as comparison group only units that have not been treated yet.

Figure 10 presents results from the [de Chaisemartin and D’Haultfoeuille \(2021\)](#) estimator for the main outcome, which are consistent with those presented before. Prior to the arrival of a judge at a circuit, we do not observe a change in the percentage of staff members who share a family name with the new judge.<sup>26</sup> This percentage increases by around 0.03 percentage points after the judge arrival. Using as an outcome the number—instead of the percentage—of staff members who share a family name with the new judge produces noisier results (Figure A.7).

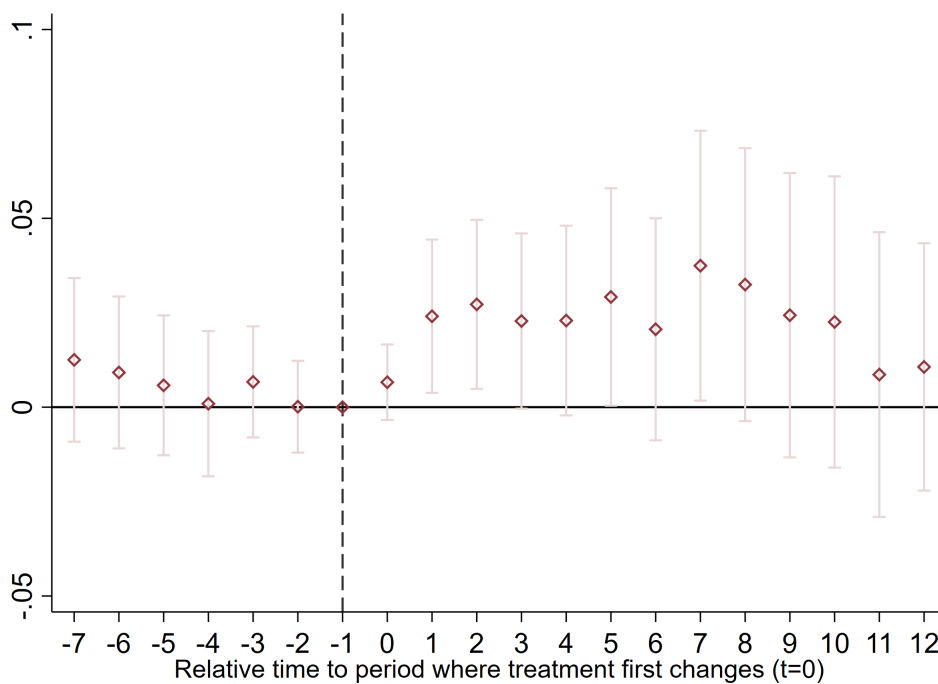


FIGURE 10 de Chaisemartin and D’Haultfoeuille event-study estimates: Effect on the percentage of staff members sharing the judge’s family name.

Note: Figure plots  $\beta_\tau$  coefficients of the [de Chaisemartin and D’Haultfoeuille \(2021\)](#) estimator. We compute these estimates using the `did_multipligt` Stata package ([de Chaisemartin et al., 2019](#)). Outcome is the percentage of circuit’s staff who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and confidence intervals at the 90% level are represented in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period.

## 8 | CONCLUSIONS

The results presented here show that nepotism is an established practice in the Mexican judiciary. The arrival of a judge at a judicial circuit results in the hiring to a key staff position—in the following 12 months—of an individual with whom she shares a family

<sup>26</sup>The p-value of a joint test that all the placebos are equal to zero is 0.75.

name in one out of 20 cases, a figure which is probably a lower bound of the overall effect. Importantly for personnel policy, the effect is concentrated among judges who are assigned to courts located in their state of birth—where jobs might be closer to a wider family network—and among appeal judges—who may have access to larger institutional networks and face lower career incentives.

We also analyze two alternative reasons by which judges may favor the hiring of family members: the extraction of rents and the use of private information about the quality of relatives to make good hires. The evidence points to the first reason as the most relevant mechanism. Two results support this conclusion. First, the hiring of relatives is concentrated among judges with signs of misbehavior—i.e. those who have been subject to administrative sanctions. Second, the entry of a connected staff to a court is associated with a decrease in court productivity, implying that this form of rent-extraction is detrimental to the functioning of the judiciary.

An independent and professional judiciary is a cornerstone of democratic institutions and economic development. The widespread use of nepotism—or other forms of favoritism—can not only decrease the overall efficiency of the judiciary, but also undermine the confidence of the public in this institution. Mexico passed an ambitious reform in 1995 aimed at strengthening the independence from politics of the judiciary and the professionalism of judicial officials. The reform included—among other elements—the formation of the Council of the Federal Judiciary to professionalise the administration of the judiciary, and the use of competitive examinations to select judges. However, the reform left wide discretion to bureaucrats (judges) when making personnel decisions, which allowed forms of favoritism, like nepotism, to take hold.

The lessons drawn here are relevant not only for the Mexican judiciary, but also for any public institution seeking to establish merit as the main criterion to guide the entrance to public service. A traditional concern has been isolating the bureaucracy from politics. However, our results show that addressing that point may be insufficient to guarantee the primacy of merit in recruitment practices. One specific risk is that bureaucrats themselves engage in forms of favoritism. Our findings do not imply that giving bureaucrats discretion over personnel decisions is inefficient in and of itself, but they support the idea that discretion should be accompanied with a system of incentives and monitoring to prevent abuses.

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## A | APPENDIX: TABLES AND FIGURES

TABLE A.1 Summary statistics: Salaried lawyers by sector of employment

Sector	Status	Monthly (1)	Hourly (2)	Hours (3)	Age (4)	Female (5)	Secondary occupation (6)	N (7)
Judiciary	Non-switcher	17688	101.4	42.6	40.2	57.1%	2.7%	2004
	Switcher	16141	93.3	42.6	37.9	53.0%	1.8%	999
Other	Non-switcher	11756	71.0	42.9	39.1	38.8%	6.4%	45975
	Switcher	13733	79.2	42.6	38.2	49.7%	3.9%	923

Note: Columns 1, 2, 3 and 4 report mean monthly and hourly wages, mean hours weekly worked and mean age for wage earners whose highest formal qualification is a law degree by switch status when working in the Judiciary or other sector of employment. Column 5 and 6 report the proportion of women and the proportion of workers with a secondary occupation. Number of observations for each group is in column 7. Wages are expressed in constant pesos at the fourth quarter of 2019. The top and bottom 2 percentiles of the wage distribution are trimmed. The sample is individuals aged 22 to 65 years old whose highest qualification is a law degree and who report positive wages. Individuals with unlikely sector transitions are dropped from the sample. Data come from the National Labor Force Survey from the first quarter of 2015 to the fourth quarter of 2019.

TABLE A.2 Summary statistics: Court performance, court personnel, and measures of nepotism

	Mean	SD	Min	Max
Cases disposed by month	131.55	69.68	1	764
Number of clerks per court	9.07	2.99	0	24
Number of judges per court	1.45	0.67	1	4
Number of judges per circuit	64.94	64.97	1	176
Clerks with a court judge's surname who entered after the judge	0.11	0.34	0	2
Some clerk with a court judge's surname who entered after the judge	0.10	0.30	0	1
Clerks with a circuit judge's surname who entered after the judge	2.26	2.74	0	16
Some clerk with a circuit judge's surname who entered after the judge	0.67	0.47	0	1
Observations	23178			

Notes: The table shows summary statistics for court personnel, court performance, and measures of nepotism at the court-month level for the period from 2016 through 2020. We drop 23 observations with zero cases disposed. Measures of nepotism include cases in which clerks and the judge with the same surname have joined the court (or the circuit) on the same date.

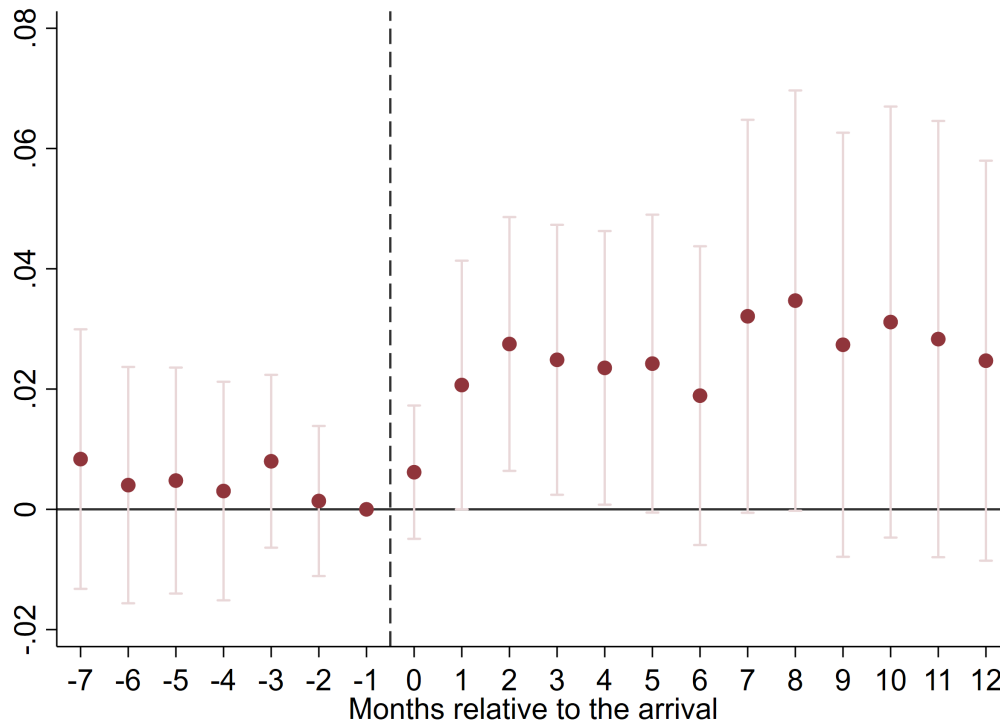


FIGURE A.1 Effect on the percentage of staff members sharing the judge's family name — excluding Mexico City.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1). Outcome is the percentage of circuit's staff who share a family name with the arriving judge. 31 judge arrivals are stacked (we exclude judge arrivals at Mexico City). Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

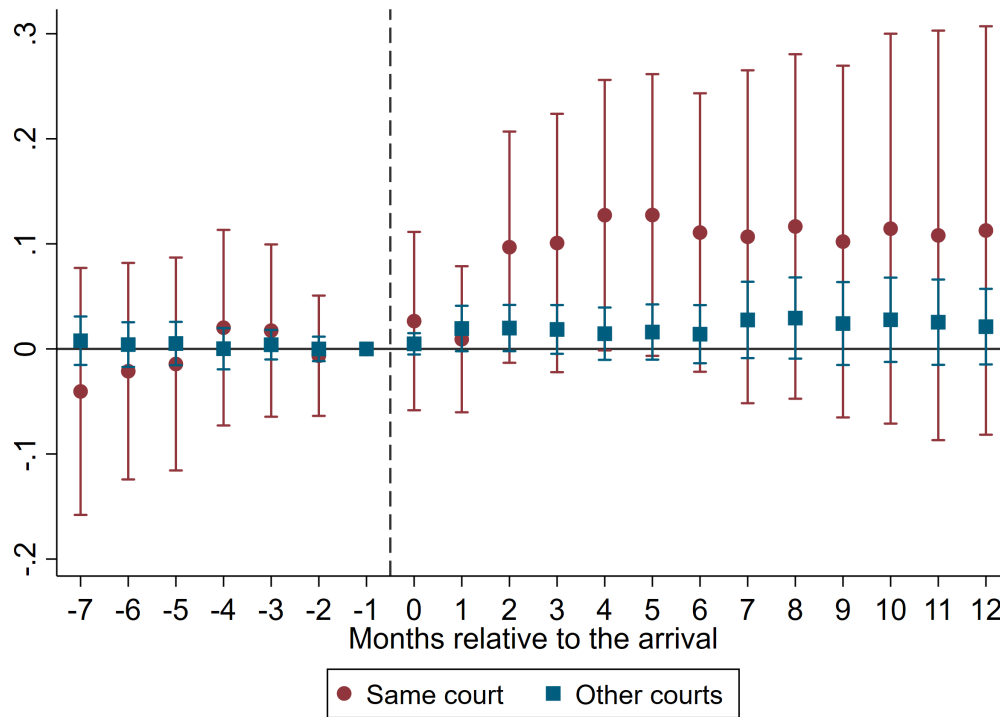


FIGURE A.2 Effect on the percentage of staff members sharing the judge's family name by court of placement.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1). Outcomes are the percentage of circuit's staff who share a family name with the arriving judge divided by whether they work at the same court or in other court in the circuit. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

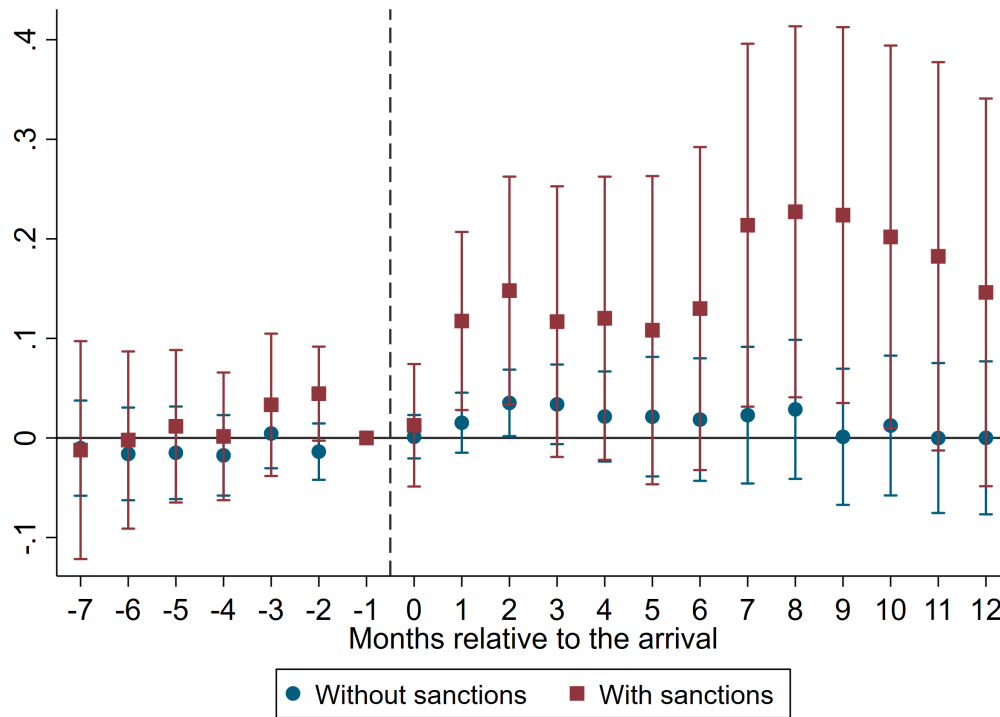


FIGURE A.3 Effect on the number of staff members sharing the judge's family name by sanctioned status.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1) separately for the sample of judges with and without administrative sanctions, respectively. Outcome is the number of circuit's staff members who share a family name with the arriving judge. There are 75 judge arrivals with sanctions and 383 without sanctions. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

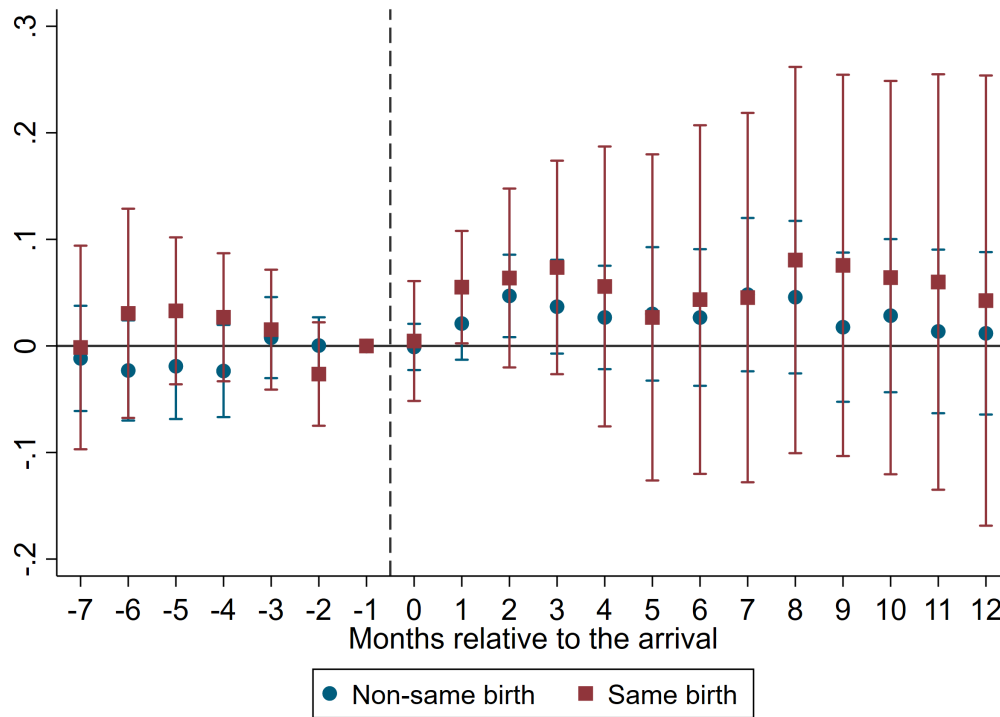


FIGURE A.4 Effect on the number of staff members sharing judge's family name by circuit of birth.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1) separately for the sample of judges that do arrive in their birth's state (92 judge arrivals) and for those who do not (366 judge arrivals). Outcome is the number of circuit's staff members who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

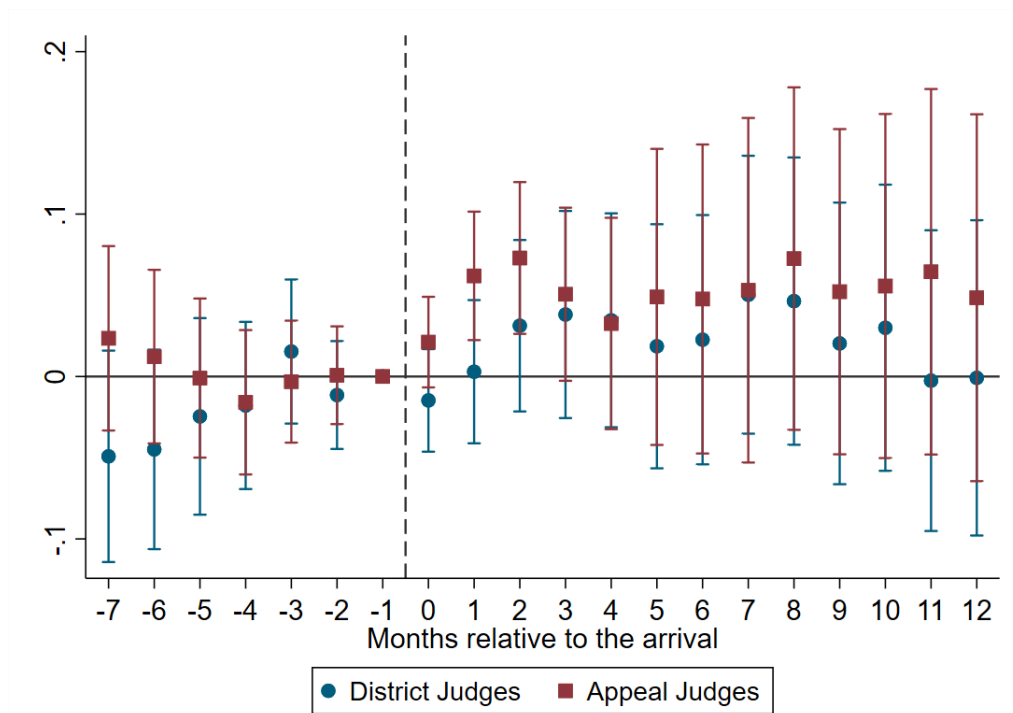


FIGURE A.5 Effect on the number of staff members sharing the judge's family name by type of judge.

Note: Figure plots  $\beta_\tau$  coefficients of equation (1) separately for the sample of district and appeal judges. There are 250 and 208 district and appeal judges' arrivals, respectively. Outcome is the number of circuit's staff members who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 4 for details on the estimated equation.

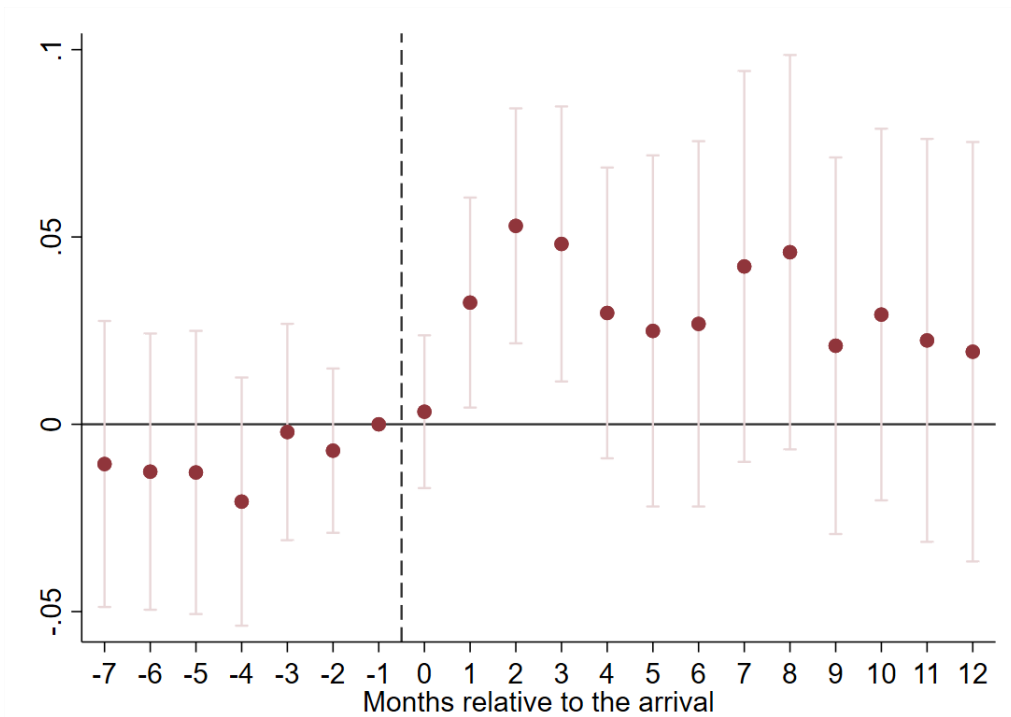


FIGURE A.6 Stacked-by-experiment design estimates: Effect on the number of staff members sharing the judge's family name.

Note: Figure plots  $\beta_\tau$  coefficients of equation (3). Outcome is the percentage of circuit's staff who share a family name with the arriving judge. 458 judge arrivals are stacked. Number of observations of the regression is 730,440. Standard errors are clustered at the judge arrival level and 90% confidence intervals are shown in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period. See Section 7 for details on the estimated equation.

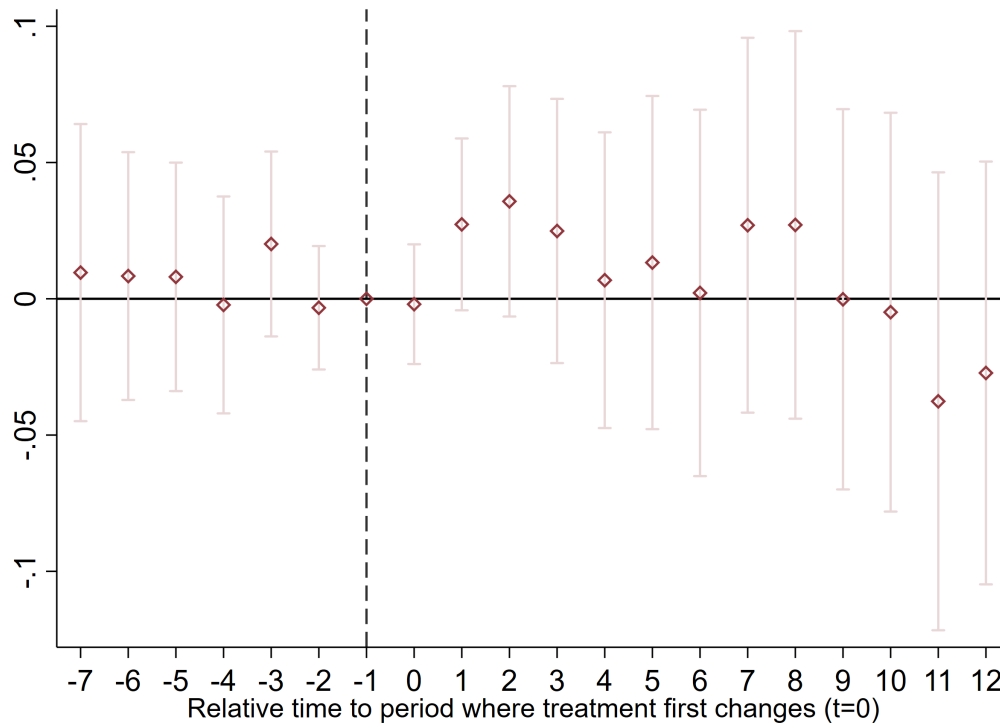


FIGURE A.7 de Chaisemartin and D'Haultfoeuille event-study estimates: Effect on the number of staff members sharing the judge's family name.

Note: Figure plots  $\beta_\tau$  coefficients of the [de Chaisemartin and D'Haultfoeuille \(2021\)](#) estimator. We compute these estimates using the `did_multiplegt` Stata package ([de Chaisemartin et al., 2019](#)). Outcome is the number of circuit's staff members who share a family name with the arriving judge. Standard errors are clustered at the judge arrival level and confidence intervals at the 90% level are represented in bars. Data come from the transparency website of the Council of the Federal Judiciary for the 2015-2019 period.