

1 Judicial Favoritism of Politicians: Evidence from Small Claim Courts

1.1 Summary

Judicial favoritism has long been a subject of research in law, economics, and political science. However, scholars have mainly focused on gender and ethnicity bias but have largely ignored whether judges treat politicians the same way as ordinary citizens. I use a unique dataset of judicial decisions in small claims courts in the state of São Paulo, Brazil, where cases are assigned to judges at random, to verify whether local politicians have a higher winning rate against other plaintiffs or defendants. I combine empirical strategies in [ShayoJudicialIngroupBias2011; @AbramsJudgesVaryTheir2012; @Sanchez-MartinezDismantlingInstitutionsCourt2018] Shayo and Zussman (2011), Abrams, Bertrand, and Mullainathan (2012), and Sanchez-Martinez (2018) to test random assignment and provide robustness checks against potential spurious relationships between being a politician and having a favorable court outcome.

1.2 Main research Question

Are politicians more likely to receive favorable rulings in small claim courts?

1.3 Hypotheses

1. Politicians have a higher winning rate at the trial stage in small court claims against their counterparts.
2. Proximity to elections increases the winning rates for politicians on the campaign trail.

1.4 Outcomes

1. Whether politicians have had the case ruled in their favor.
2. The amount awarded to (or avoided by) politicians in small claim court cases.

1.5 Identification Strategy

Natural experiment. State Courts assign cases at random when the judicial district has more than one judge on the bench. I follow Abrams, Bertrand, and Mullainathan (2012) to check random assignment and uncover partial effects of being a politician on court outcomes.

1.6 Data

São Paulo State Court (TJ-SP) rulings involving candidates running for office in the State of São Paulo in the 2010, 2012, 2014, and 2016 electoral cycles. Judicial district, judge and politicians' individual characteristics from the TJ-SP, Electoral Court (TSE), and the National Statistics Office (IBGE).

1.7 Contribution and Literature

It is amongst the new, few papers to investigate judicial bias for individual politicians and it contributes to the literature on the benefits of political connectedness.