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Party Membership and Public Sector Employment in Brazil

This paper analyzes whether politicians use public sector employment to reward their supporters. We use individual level data on political party membership and matched employer-employee data on the universe of formal workers in Brazil to study whether mayors reward their party members with jobs. To identify the causal effect of being a member of the ruling party, we exploit close mayoral elections, comparing, within a given municipality, the employment in the municipal administration of members of the party that barely won an election with that of members of the party that barely lost the election. We find that the number of members of the mayor's party working in the municipality government increases by 40 percent. This effect is driven by new hires, which mostly occur in the first years of the administration. We also find that the increase in the employment of political supporters occurs not only in high leadership positions, but also in lower prestige occupations, suggesting that public sector employment is a tool of political patronage.

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