Remote Work Incentives and State Capacity

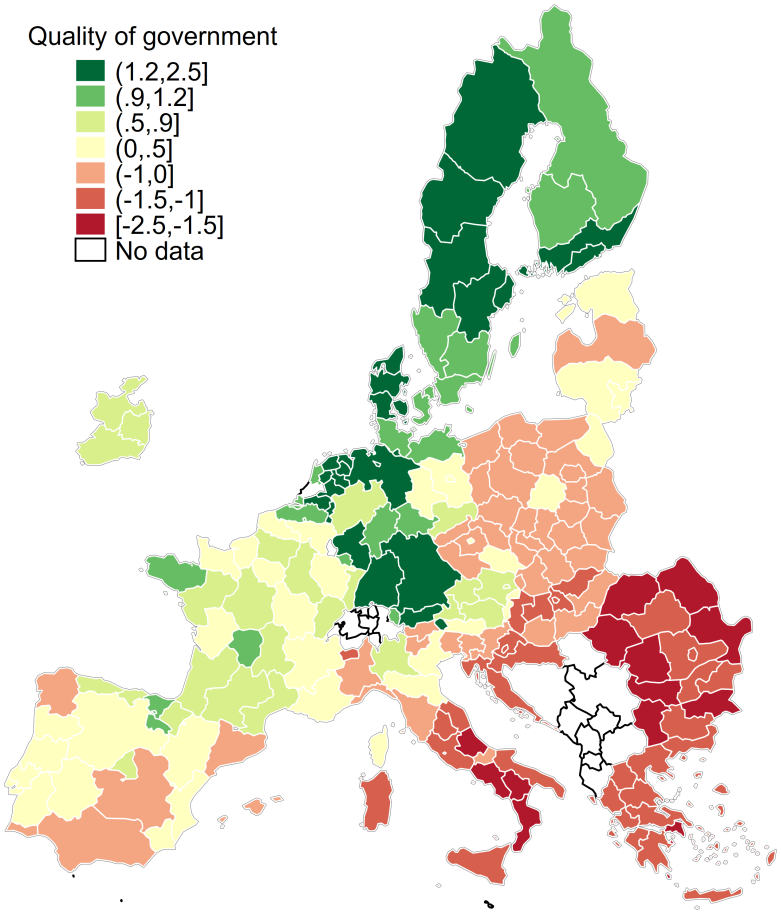
Enrico Miglino

Banca d'Italia

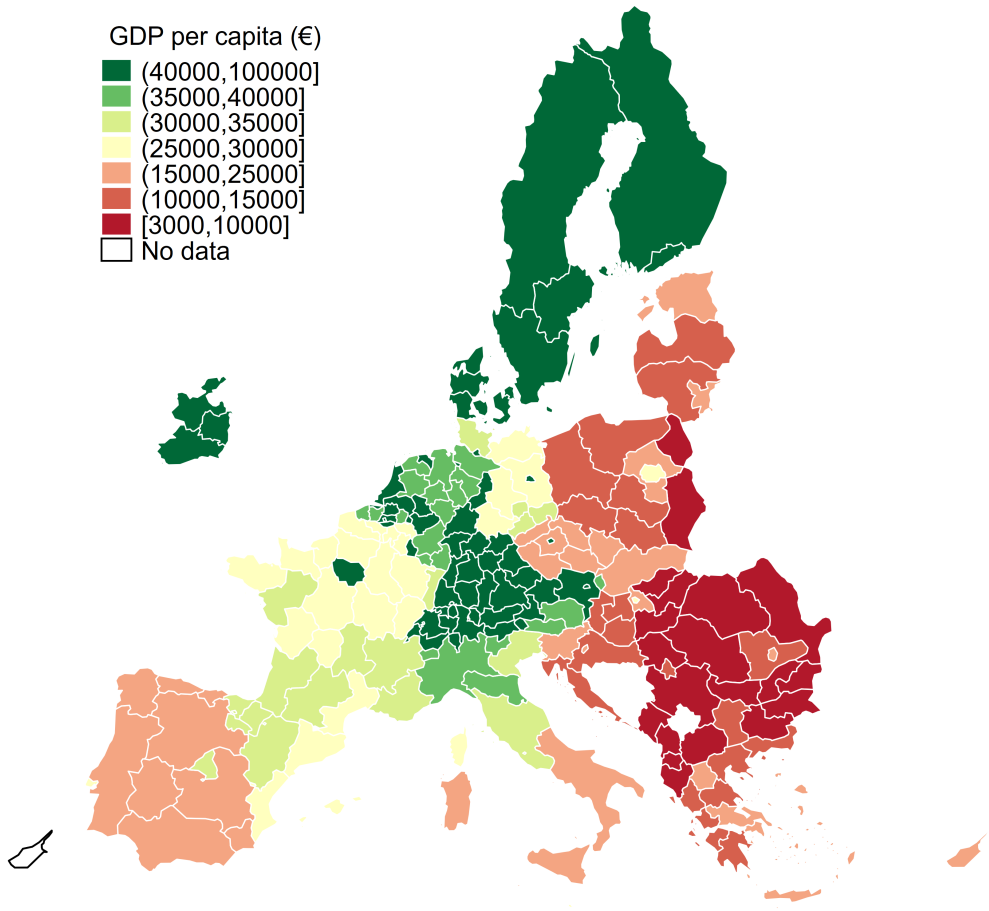
2026 Remote Work Conference, Stanford University

The views expressed in this paper are the views of the author and do not involve the responsibility of Banca d'Italia.

Spatial inequality in state capacity



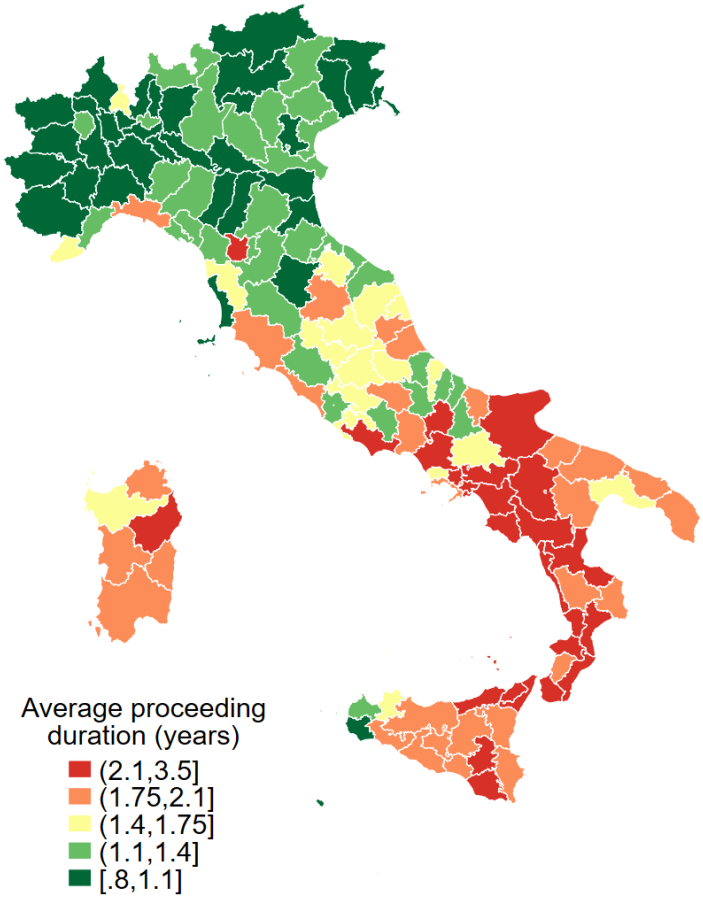
(a) EU Quality of Government Index



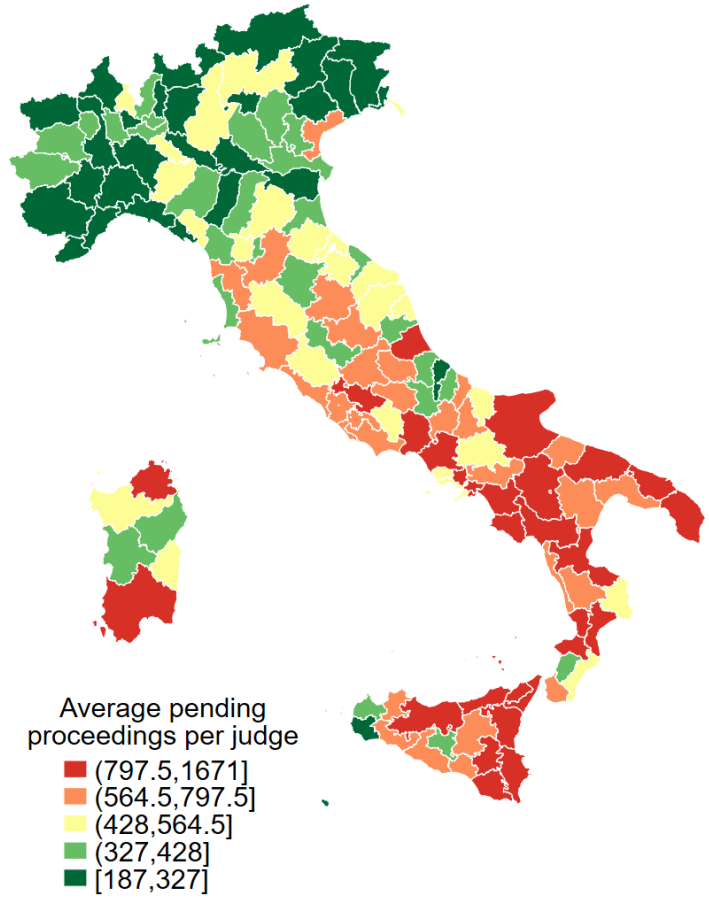
(b) GDP per capita (€)

- State capacity is spatially unequal and correlated with income ($\rho = 0.7$)
- Weak state capacity in poor regions can exacerbate economic inequality.

Italian justice: lower capacity where it is needed most



(a) Duration



(b) Backlog

In Southern Italy:

- GDP per capita is 43% lower
- Judgments take 3.9 vs. 2.8 years; backlog is +83% higher.

Why does state capacity remain unequal?

- State capacity is a key driver of economic development (Acemoglu & Robinson, 2012; Michalopoulos & Papaioannou, 2013; Acemoglu et al., 2015; Bandyopadhyay & Green, 2016).

- Its weakness in marginal areas undermines civil rights and triggers civil conflicts (O'Donnell, 1993; Fearon & Laitin, 2003).

- Why not simply move state capacity where it is needed?

  - **Workers are costly to relocate:** transfer compensation, parallel staffing, infrastructure investments, productivity losses.

  - **Institutional constraints:** approval of origin administration and workers. Transfers of judges are voluntary and cannot be forced.

  - **Dynamic spatial mismatches:** personnel shortages and local demand spikes are not always predictable (Miglino & Smurra, 2025).

This paper

Can the state reallocate productive capacity without relocating workers?

New data on 10 million civil proceedings in Italy (2016–26).

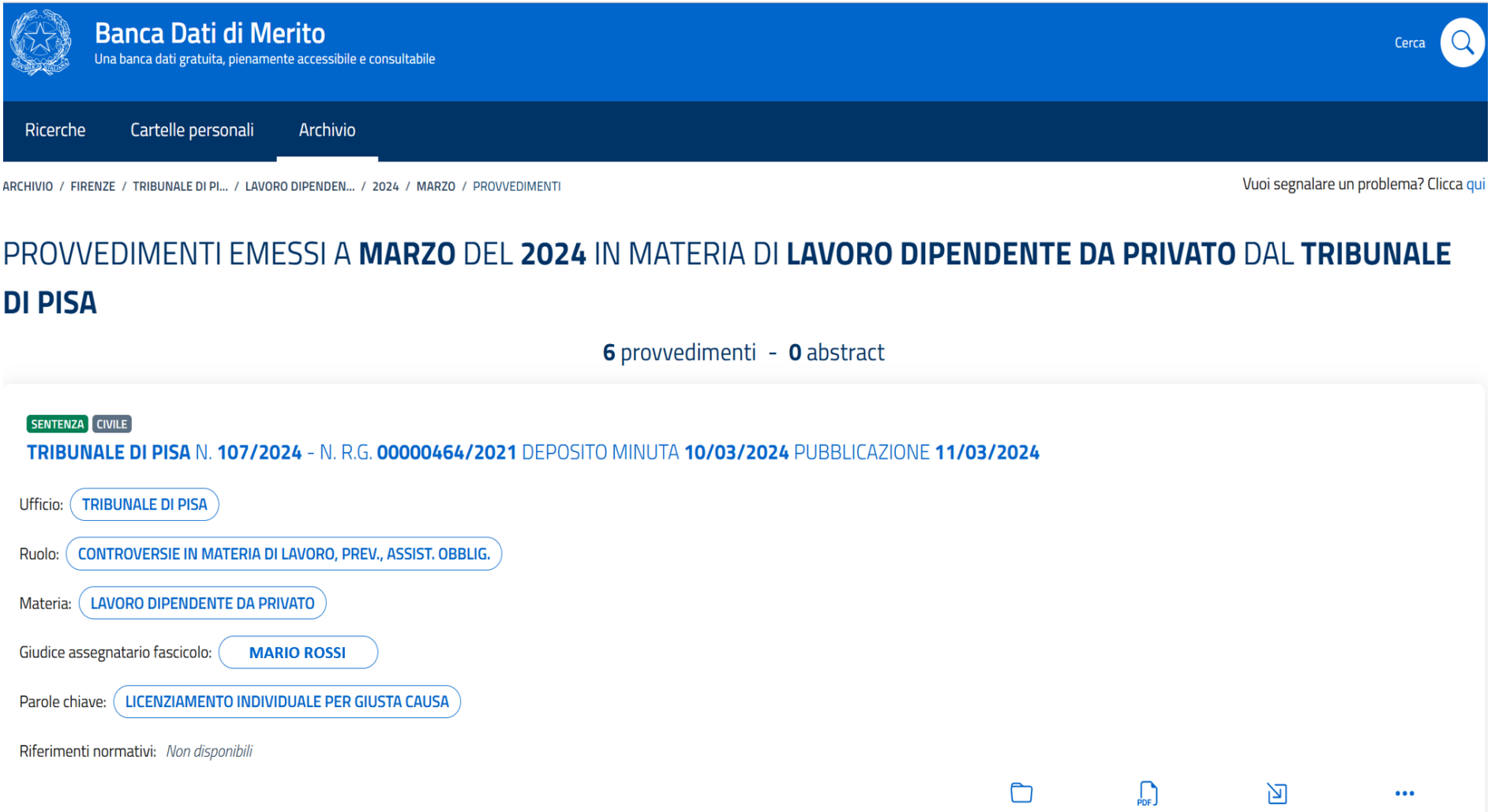
1. **Where does state capacity reside?**
   - Decompose judicial productivity into judge and court effects.
   - Analyze how productivity relates to quality and compensation.
2. **Compare two technologies to reallocate state capacity:**
   - **Move workers**: event study on judges' transfers across courts.
   - **Move work**: event study on remote-work incentives for Italian judges.

High-productivity judges can supply capacity to congested courts remotely.

Data

- **10 million civil cases** in Italy (2016–2026), from the Ministry of Justice's online platform:
  - first-instance proceedings in all courts;
  - judge, court, subject matter, keywords, filing and disposition dates;
  - appellate outcomes in six courts of Appeal.
- **Judge characteristics** from Ministry of Justice bulletins (2007-2025):
  - gender, birthplace, age, fiscal code.
- **Court-level administrative data** from the Ministry of Justice:
  - incoming, completed, and pending cases by matter–court–year;
  - staff, physical resources, and court digitization.

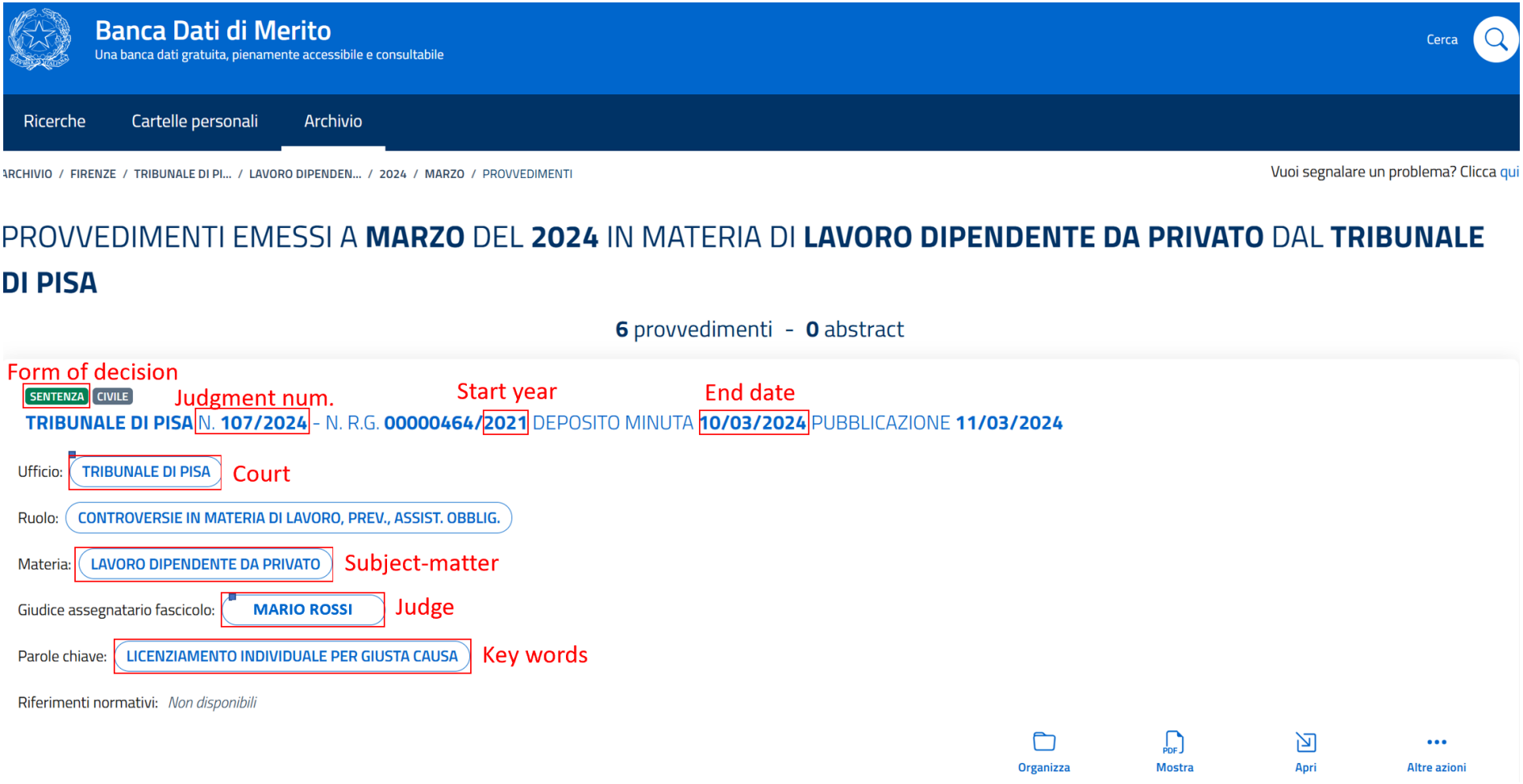
Webscraping first-instance proceedings and appeals



Source: Banca Dati di Merito (2016-2026). All first-instance civil proceedings and appeals, except family, minors, and personal status cases.

▸ Webscraping appeals ▸ Webscraping bulletins

Webscraping first-instance proceedings and appeals



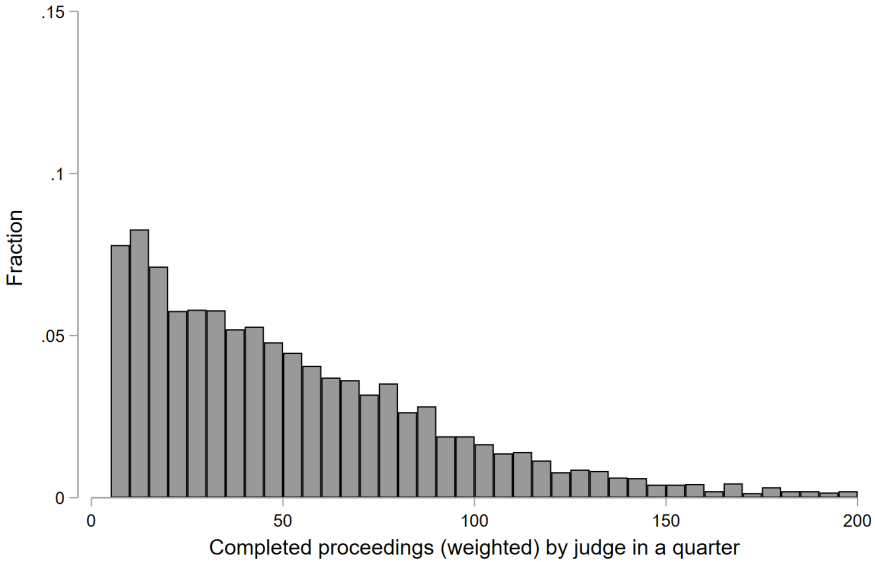
Source: Banca Dati di Merito (2016-2026). All first-instance civil proceedings and appeals, except family, minors, and personal status cases.

▸ Webscraping appeals ▸ Webscraping bulletins ▸ Comparison with admin data

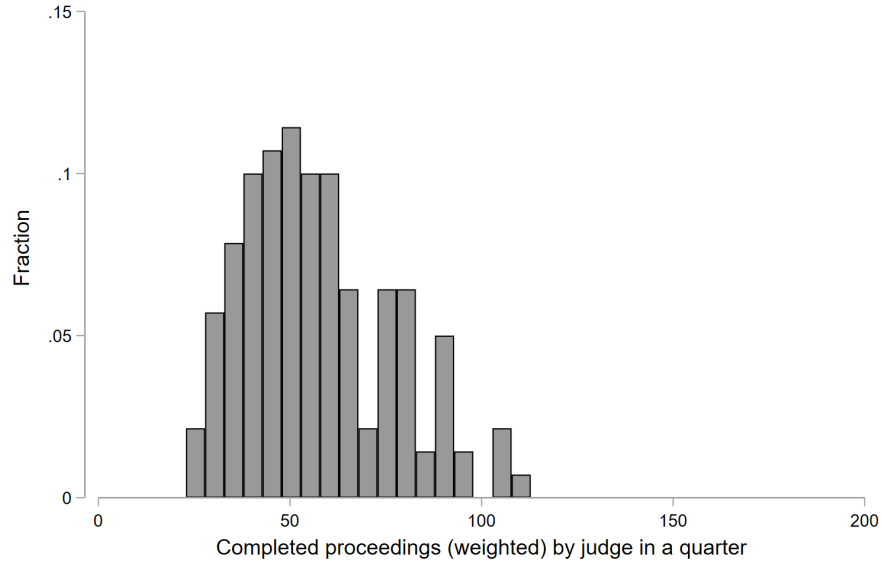
All courts are connected by judges that move

	(1) Full sample	(2) Target courts	(3) Home courts	(4) Control courts
# Judges	6242	2712	3196	1151
# Incentivized judges	139	0	139	0
# Movers	1453	758	908	359
# Courts	140	48	55	37
# Courts with at least 1 mover	140	48	55	37
# Connected sets	1	1	1	1
# All first-instance proceedings	9491104	3275164	4983517	1232423
# judgments	2614452	976072	1350940	287440
# orders	1060850	391643	537018	132189
# decrees	5815802	1907449	3095559	812794
# Courts of Appeal	6	6	4	5
# Appeals	40992	14421	12175	14396
# Accepted or partially accepted	19193	7223	5393	6577
First-instance duration (years)	1.64	1.93	1.56	1.22
Judgment duration	3.28	3.77	3.05	2.71
Order duration	2.00	2.24	1.96	1.47
Decree duration	0.84	0.93	0.84	0.66

Larger dispersion in judges' productivity



(a) Judges



(b) Courts

Complexity-weighted productivity $\tilde{P}_{jt} \equiv \sum_k p_{kjt} \cdot \frac{\bar{d}_k}{\bar{d}}$

- Judges: 25th pc completes 14 cases x quarter, 75th pc completes 72
- Courts: 25th pc completes 43 cases x judge-quarter, 75th pc completes 70

Judges explain more productivity variation than courts

$$ln(\tilde{P}_{jt}) = \alpha_j + \psi_{c(j,t)} + \tau_t + u_{jt}$$

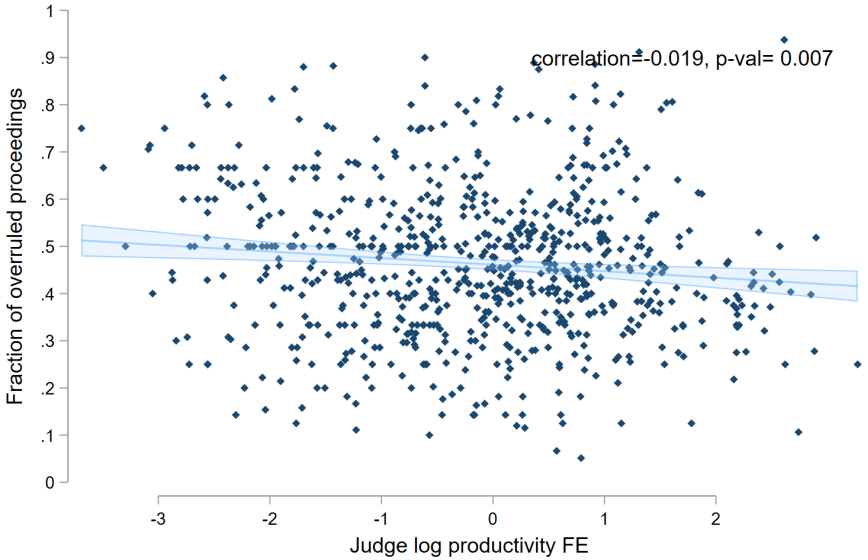
where α_j are judge FE, $\psi_{c(j,t)}$ court FE and τ_t quarter FE.

	(1)	(2)	(3)	(4)	(5)
N	140194	140194	140194	140194	140194
R-squared	0.020	0.060	0.509	0.515	0.537
Adjusted R-squared	0.019	0.059	0.488	0.494	0.514
P-value courts		0.000		0.000	
P-value judges			0.000	0.000	
Time FE	YES	YES	YES	YES	YES
Court FE	NO	YES	NO	YES	NO
Judge FE	NO	NO	YES	YES	NO
Judge-by-Court FE	NO	NO	NO	NO	YES

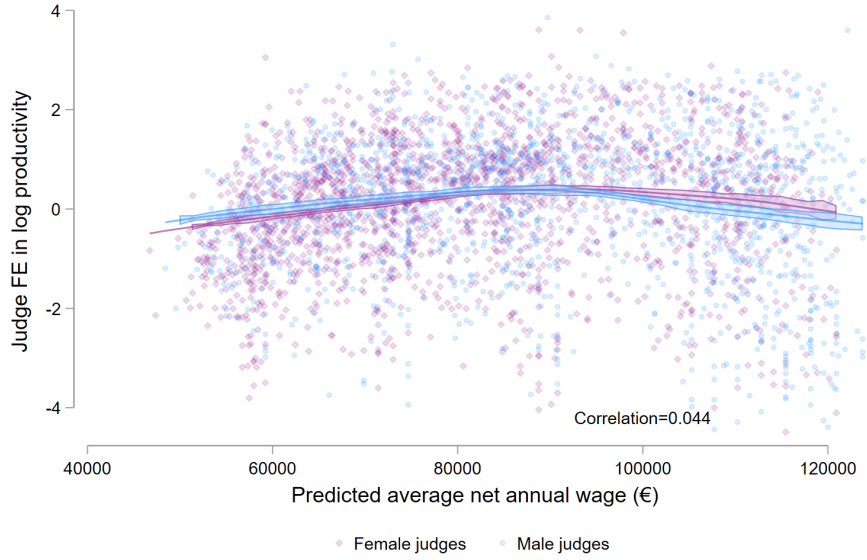
Judges explain 60% of productivity variation, courts only 11%.

▸ Variance decomposition ▸ Duration ▸ Determinants of judge productivity FE

Productivity does not correlate with quality or wages



(a) Productivity-Quality



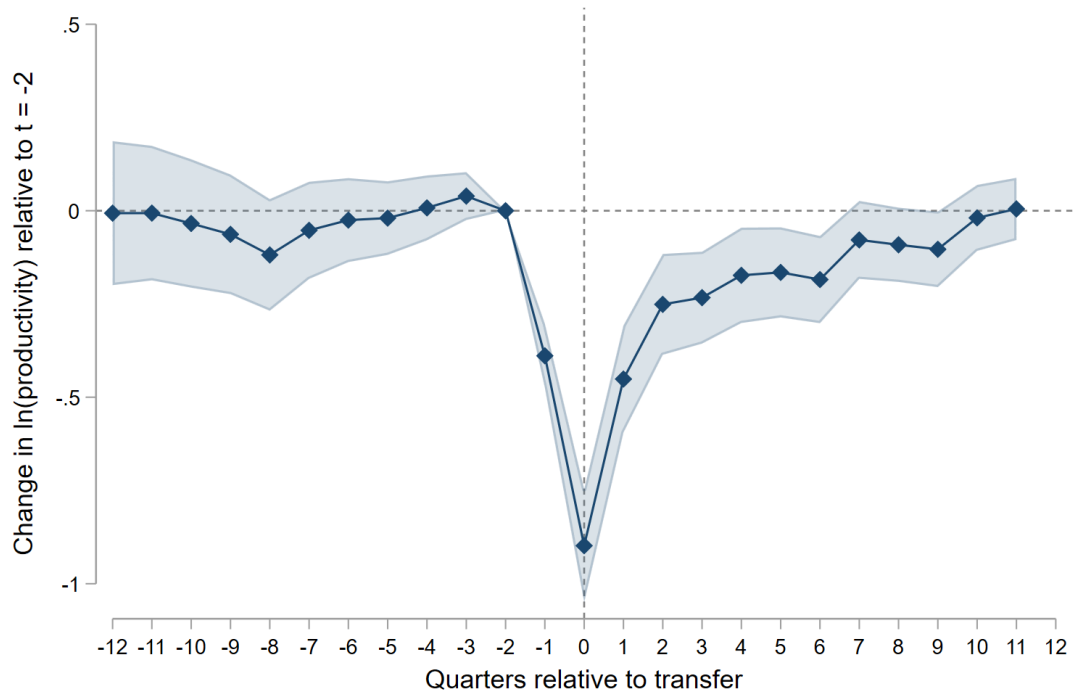
(b) Productivity-Wages

- Higher productivity does not increase appeal reversals.
- 99% of all judges receive a positive evaluation and a wage increase.

▸ Table ▸ Productivity-duration

Judicial transfers cost 5 months of output

$$\ln(P_{jt}) = \alpha_j + \psi_{c(j,t)} + \tau_t + \sum_{s=-12}^{11} \delta_{T+s} \mathbf{1}\{t = T + s\} + u_{jt}.$$



Deadweight loss:

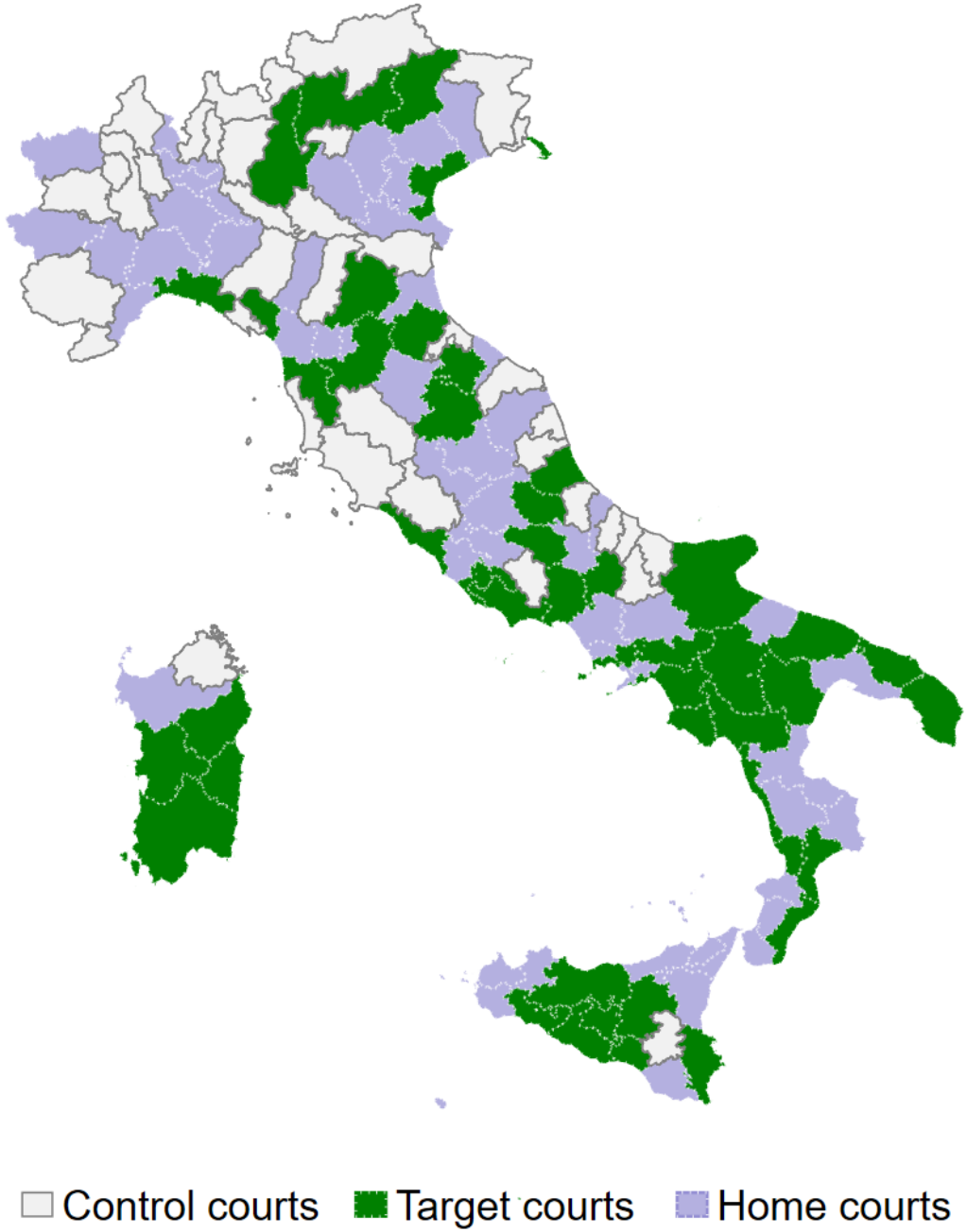
- 44 proceedings in origin court, 193 in destination court.
- $\approx$1 month of output in origin court, 4 in destination court.

▸ By court productivity

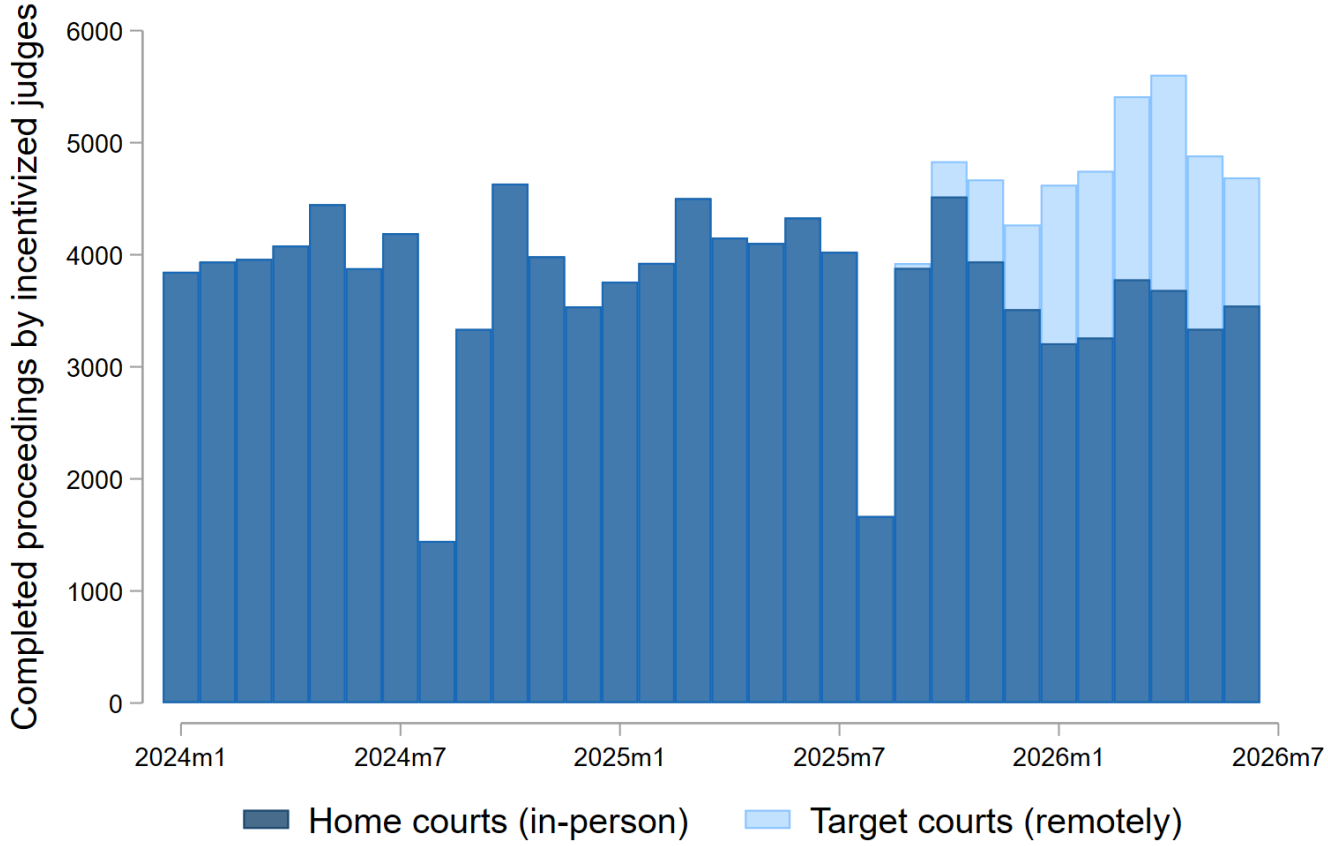
Remote-work incentives

- CSM identified *target courts* needing support to meet the EU target of reducing disposition time by 40% by June 2026.
- In Sep 2025, up to 500 judges could apply to work remotely for target courts while continuing in-person duties at their *home courts*.
- Remote hearings conducted via audiovisual link or written submissions.
- Judges completing 50 remote proceedings in Sep 2025-June 2026 received €9,515 net (€190 per case) +0.16 seniority points.
- Home-court heads monitored judges to prevent productivity from falling below court average.

A large-scale experiment in remote-work incentives



How judges in the incentive scheme are identified

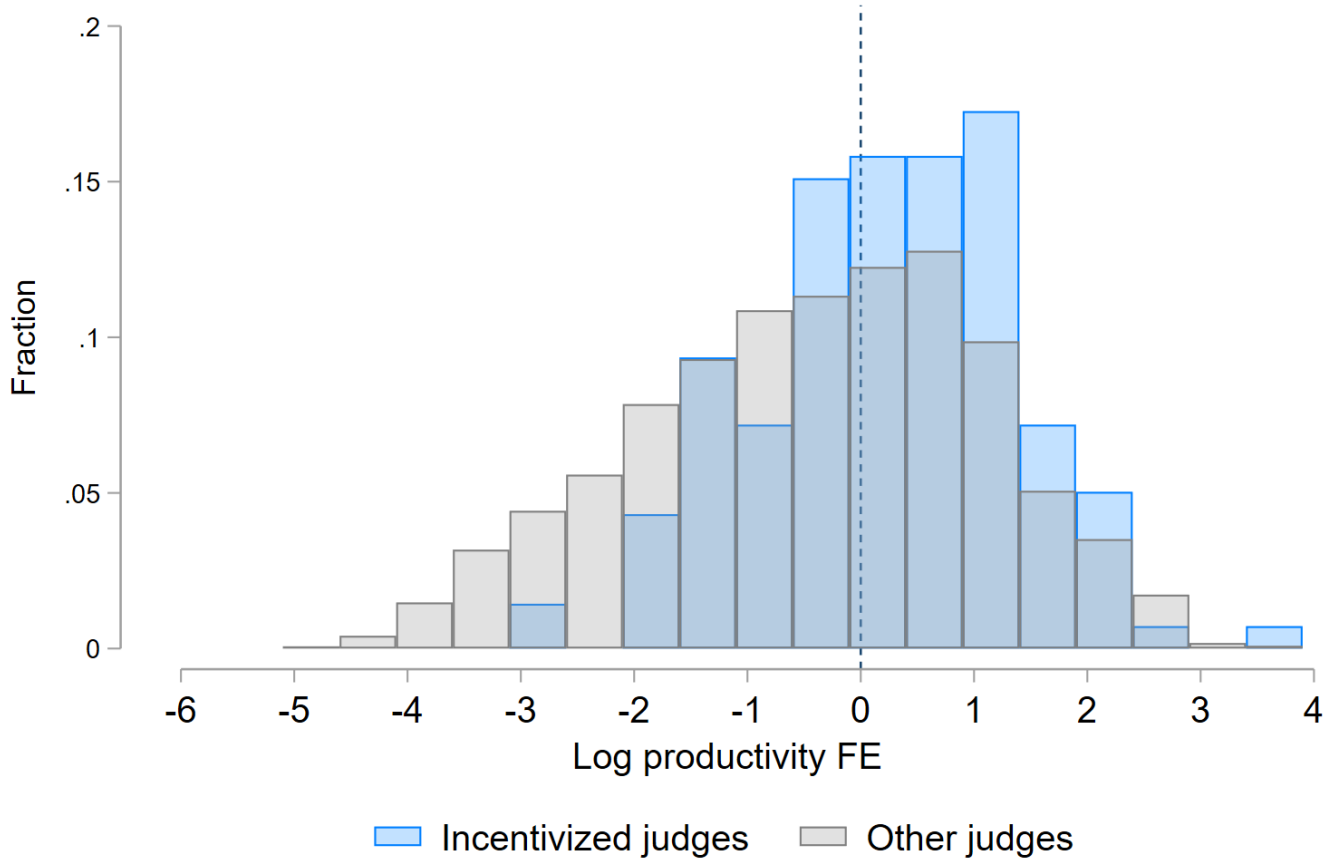


I can identify 139 out of 212 incentivized judges as those who completed proceedings:

- only for non-target courts in the year before Sept 2025;
- for both target and non-target (home) courts from Sept 2025 to June 2026.

Other incentivized judges came back from retirement or from courts of appeal/juvenile courts. ▸ False positive

The program attracts high-productivity judges



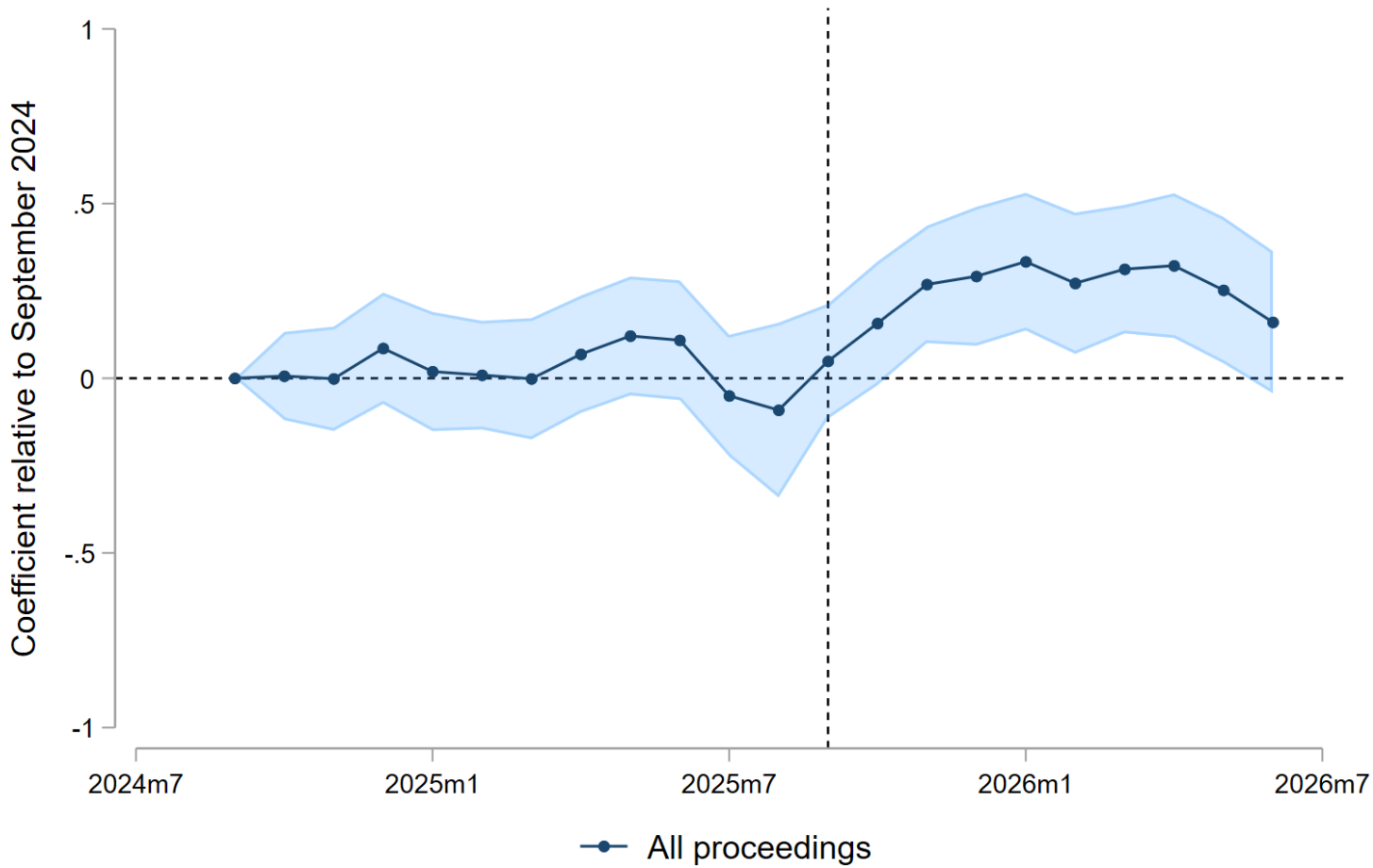
Prior to the incentive:

- Incentivized judges completed 80 proceedings per quarter on average;
- Other judges completed 51 proceedings per quarter on average.

▸ Incentivized judges' characteristics

Incentives increased judges' productivity

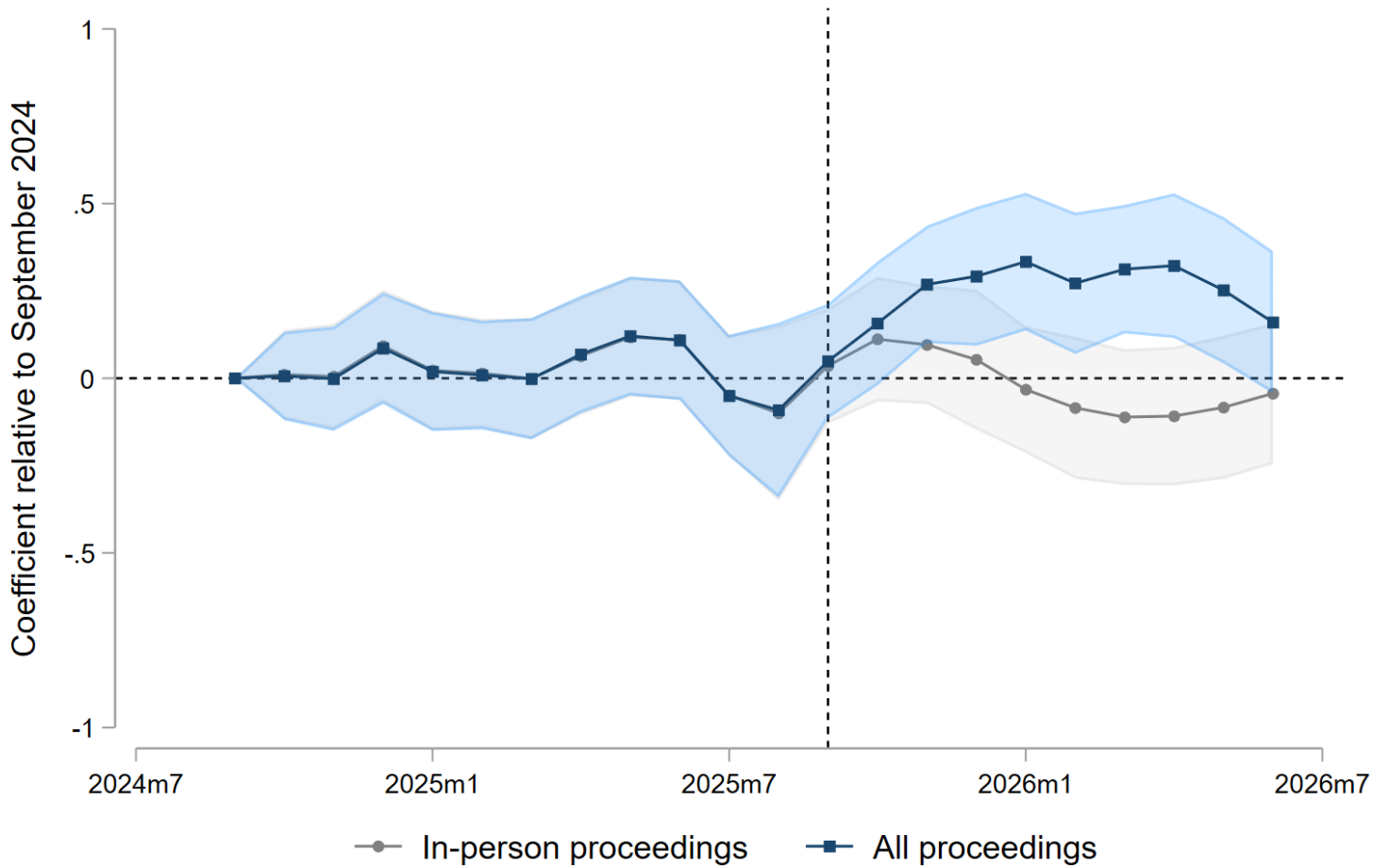
$$ln(\tilde{P}_{jt}) = \sum_{s=-12}^{9} \beta_{T+s} I_j + \alpha_j + \psi_{c(j,t)} + \tau_t + \varepsilon_{jt}$$



▸ Strategy details ▸ Unweighted productivity ▸ Control courts

Did judges shirk in-person proceedings?

$$ln(\tilde{P}_{jt}) = \sum_{s=-12}^{9} \beta_{T+s} I_j + \alpha_j + \psi_{c(j,t)} + \tau_t + \varepsilon_{jt}$$



▸ Strategy details ▸ Unweighted productivity ▸ Control courts

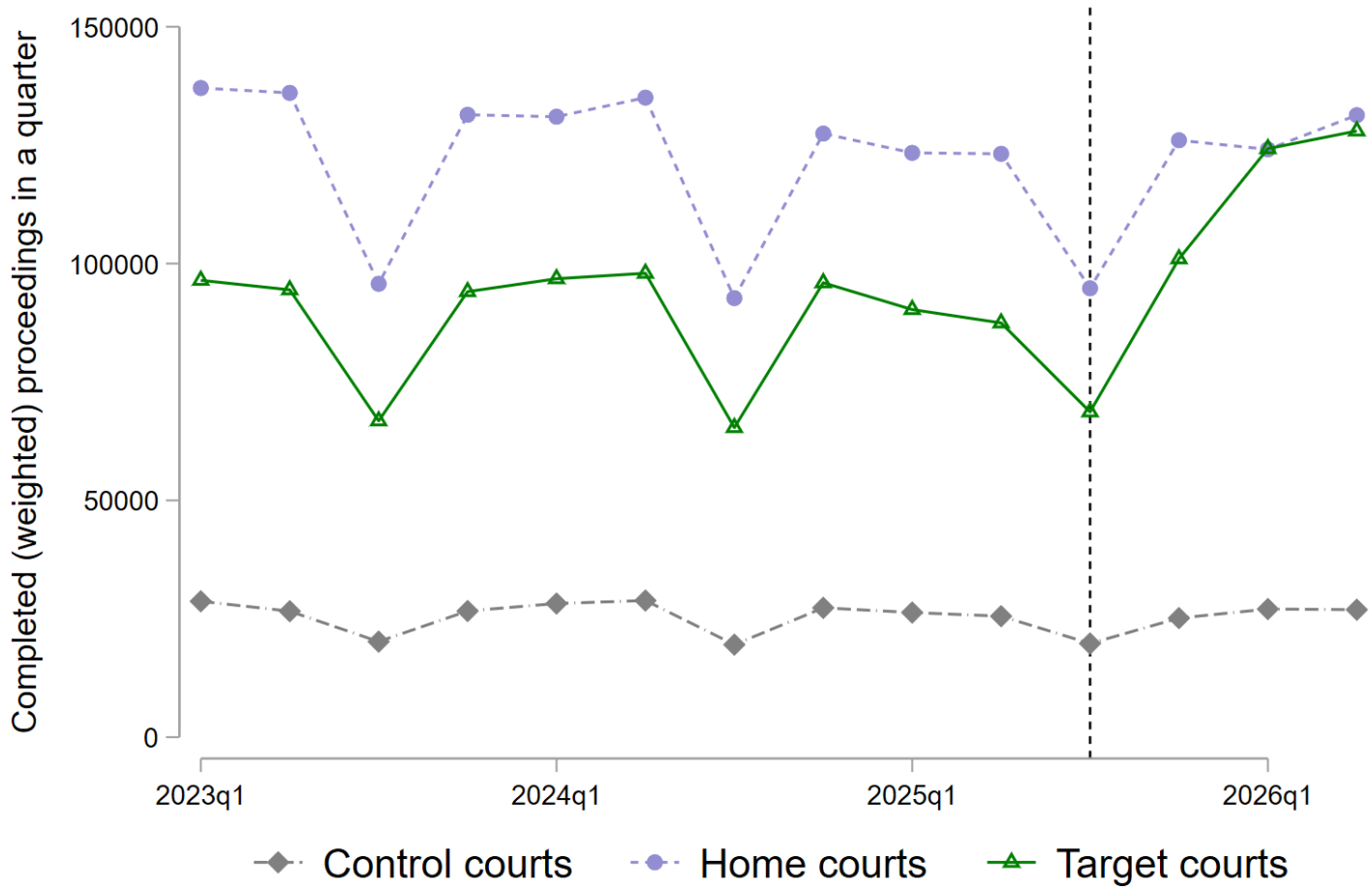
Impact of incentives on unweighted productivity

$$ln(P_{jt}) = \beta I_j \cdot Post_t + \alpha_j + \psi_{c(j,t)} + \tau_t + \sum_{s=1}^{12} \delta_s I_j \cdot 1\{m = s\} + \varepsilon_{jt}$$

	Proceedings	Ln(Proceedings)	In-person proceedings	Ln(in-person proceedings)
	(1)	(2)	(3)	(4)
Post*Incentivized judge	3.708**	0.164***	-2.859*	-0.029
	(1.644)	(0.055)	(1.640)	(0.060)
N	399842	399842	399842	399147
Mean	23.623	2.505	23.578	2.504
R-squared	0.540	0.543	0.540	0.543
Time FE	YES	YES	YES	YES
Judge FE	YES	YES	YES	YES
Court FE	YES	YES	YES	YES

- 4 more unweighted proceedings per month, from an avg of 24 (+16%);
- 7 more weighted proceedings per month, from an avg of 24 (+30%);
- Incentivized judges marginally reduce in-person proceedings.

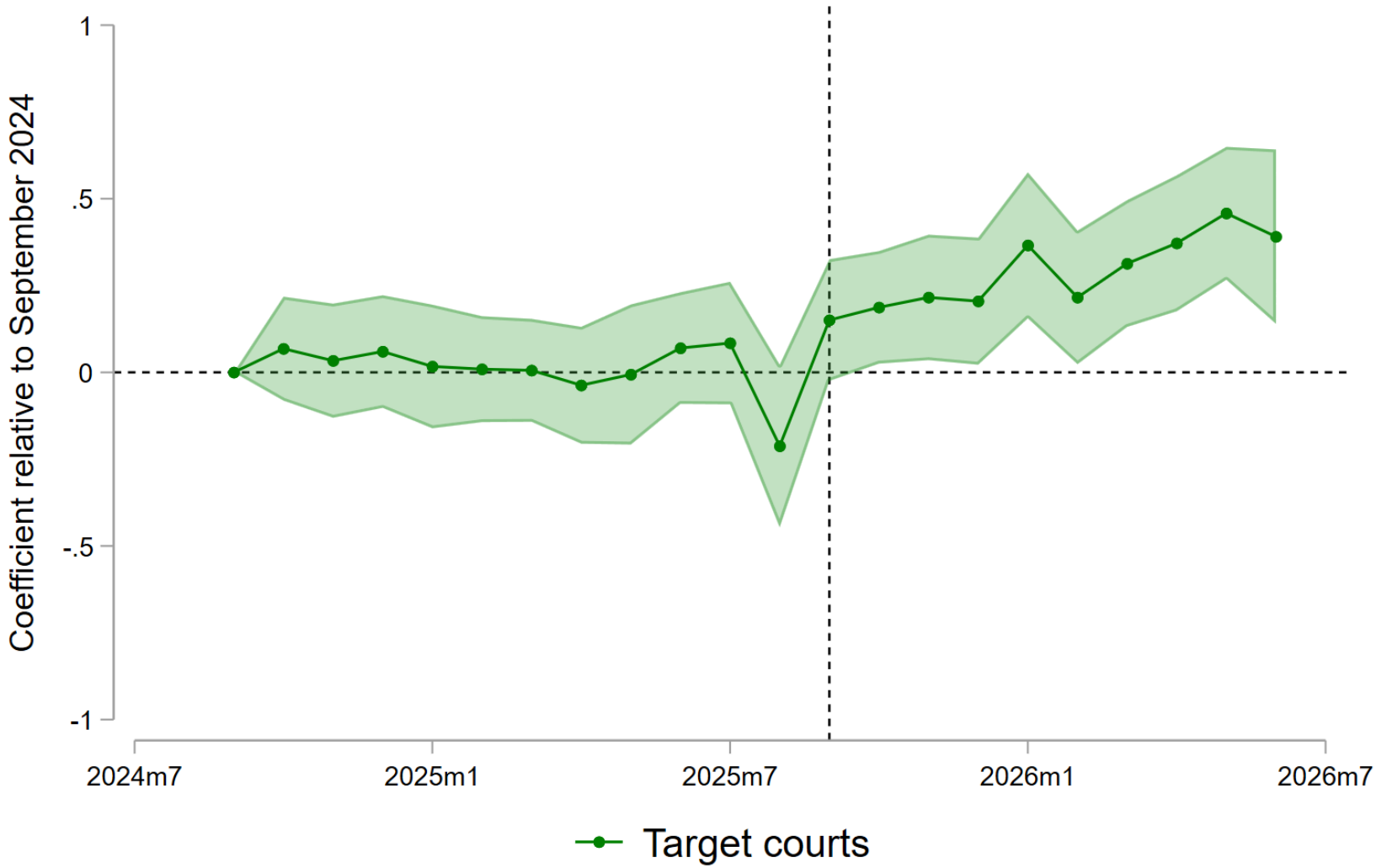
Remote work reduces spatial gaps in state capacity



▸ Spillover

Output increases in target courts

$$\ln(P_{ct}) = \sum_{s=-11}^{9} \gamma_{T+s} Target_c \mathbf{1}\{t = T + s\} + \theta_c + \pi_t + v_{ct}, \text{ for } t \in [T - 12, T + 9]$$



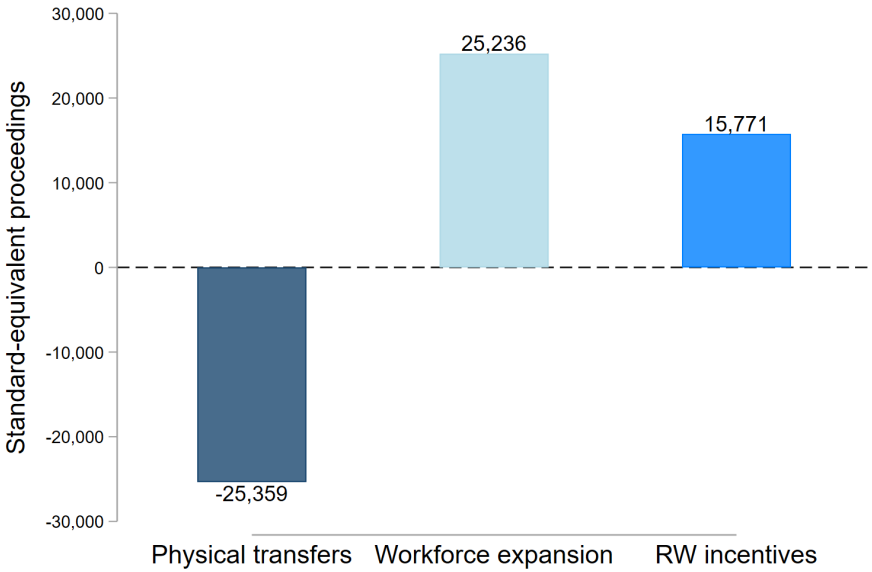
Remote work reduces geographic gaps in justice

	Unweighted		Weighted	
	Proceedings	Ln(Proceedings)	Proceedings	Ln(Proceedings)
	(1)	(2)	(3)	(4)
Post*Target court	57.393**	0.092***	134.611**	0.193***
	(23.144)	(0.033)	(51.922)	(0.048)
N	10709	10709	10709	10709
Mean	531.869	5.849	558.681	5.885
R-squared	0.908	0.908	0.875	0.894
Time FE	YES	YES	YES	YES
Court FE	YES	YES	YES	YES

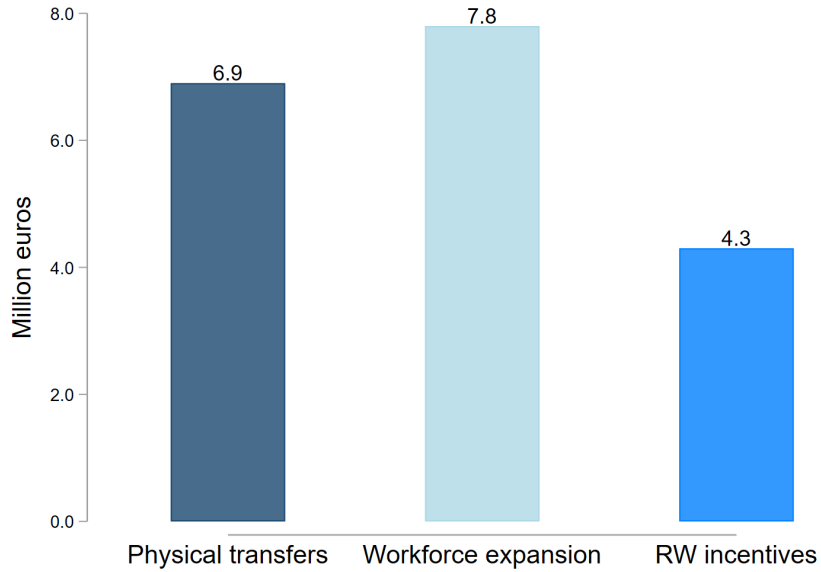
Remote-work incentives improved target-court capacity within ten months:

- completed proceedings +9%; complexity-weighted proceedings +19%;
- backlog -5%, disposition time -6%.

Which policy tool best reallocates state capacity?



(a) Aggregate output



(b) Fiscal cost

To deliver same output in target courts (25,236 proceedings) over ten months:

- RW incentives reduce output less in other courts than physical transfers;
- RW incentives cost less than physical transfers and workforce expansion.

Conclusions

- **In the Italian judiciary, state capacity resides largely in workers:**
  - Judges explain more variation in productivity than courts.
  - More productive judges do not produce lower-quality decisions.
- **Moving workers is costly:**
  - Transfers reduce productivity, generating a 5-month output loss.
- **Remote-work incentives can reallocate state capacity at lower cost:**
  - Judges' productivity increases by 16–30%.
  - Target courts complete more cases, backlog and disposition time fall.
  - Lower cost per additional proceeding than hiring or transferring.
- **Remote-work can reduce spatial inequality in state capacity:**
  - Potential applications include public procurement, tax administration, pension and welfare processing, urban planning, telemedicine.

Remote Work Incentives and State Capacity

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Banca d'Italia

2026 Remote Work Conference, Stanford University

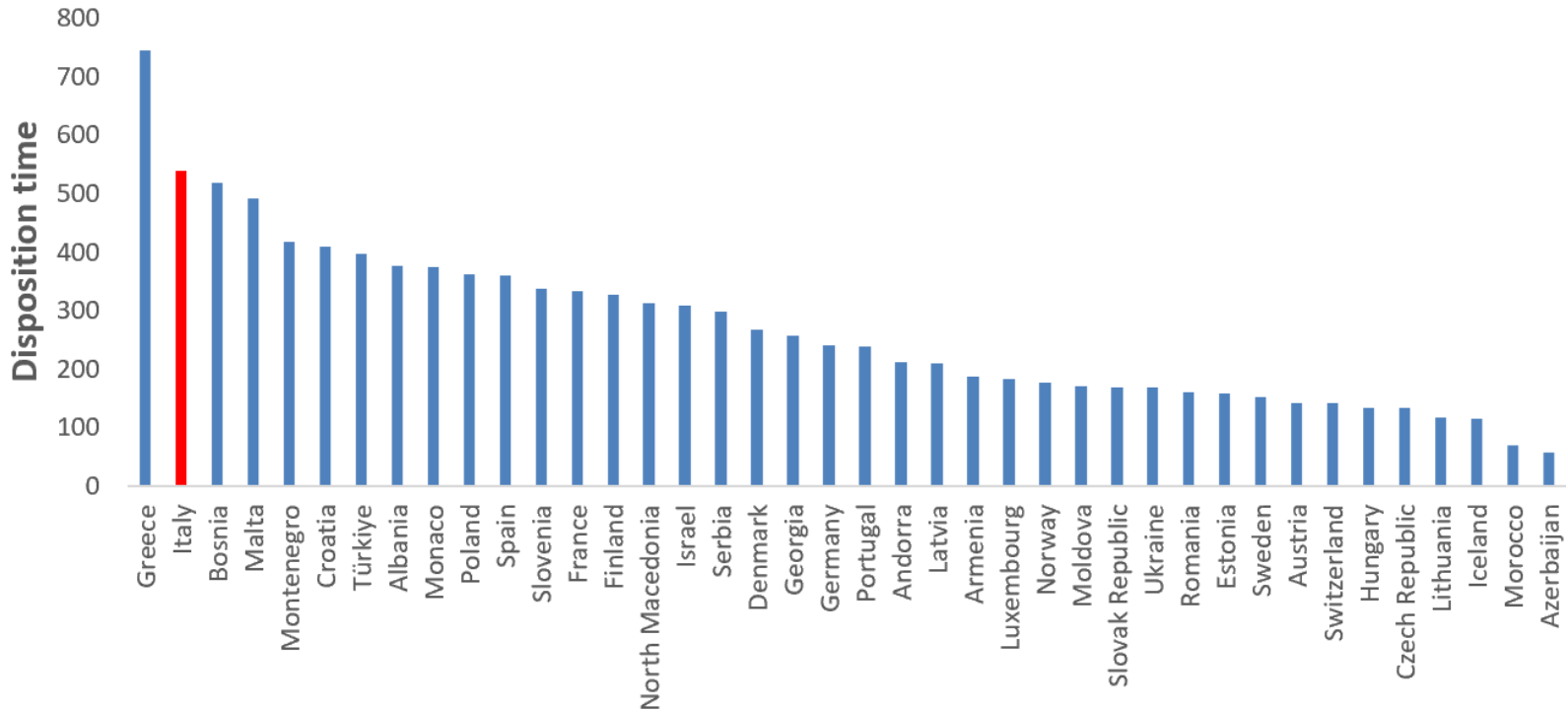
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Contribution

- **State capacity** (Acemoglu & Robinson, 2012; Michalopoulos & Papaioannou, 2013; Acemoglu et al., 2015; Bandyopadhyay & Green, 2016; O'Donnell, 1993; Fearon & Laitin, 2003)
  - Remote-work incentives can reduce spatial inequality in state capacity and mitigate its negative consequences.
- **Remote work** (Bloom et al., 2015; Linos, 2018; Choudhury et al., 2021; Bloom et al., 2022; Gibbs et al., 2023; Emanuel et al., 2023; Angelici & Profeta, 2024; Fenizia & Kirchmaier, 2024; Choudhury et al., 2024; Davis et al., 2026; Basso et al., 2026; Arenas et al., 2026)
  - A cost-effective technology for reallocating productive capacity across space.
- **Public-sector productivity and incentives** (Benabou and Tirole, 2006; Dal Bo et al., 2013; Ashraf et al., 2014; Finan et al., 2017; Deserranno, 2019; Ashraf et al., 2020; Fenizia, 2022; Best et al., 2023; Bennedsen et al., 2024; Munoz and Prem, 2024; Munoz and Otero, 2025; Dahis et al., 2025; Deserranno et al., 2025)
  - AKM+incentive: who takes up, and who becomes more productive?

Why an efficient judicial system matters

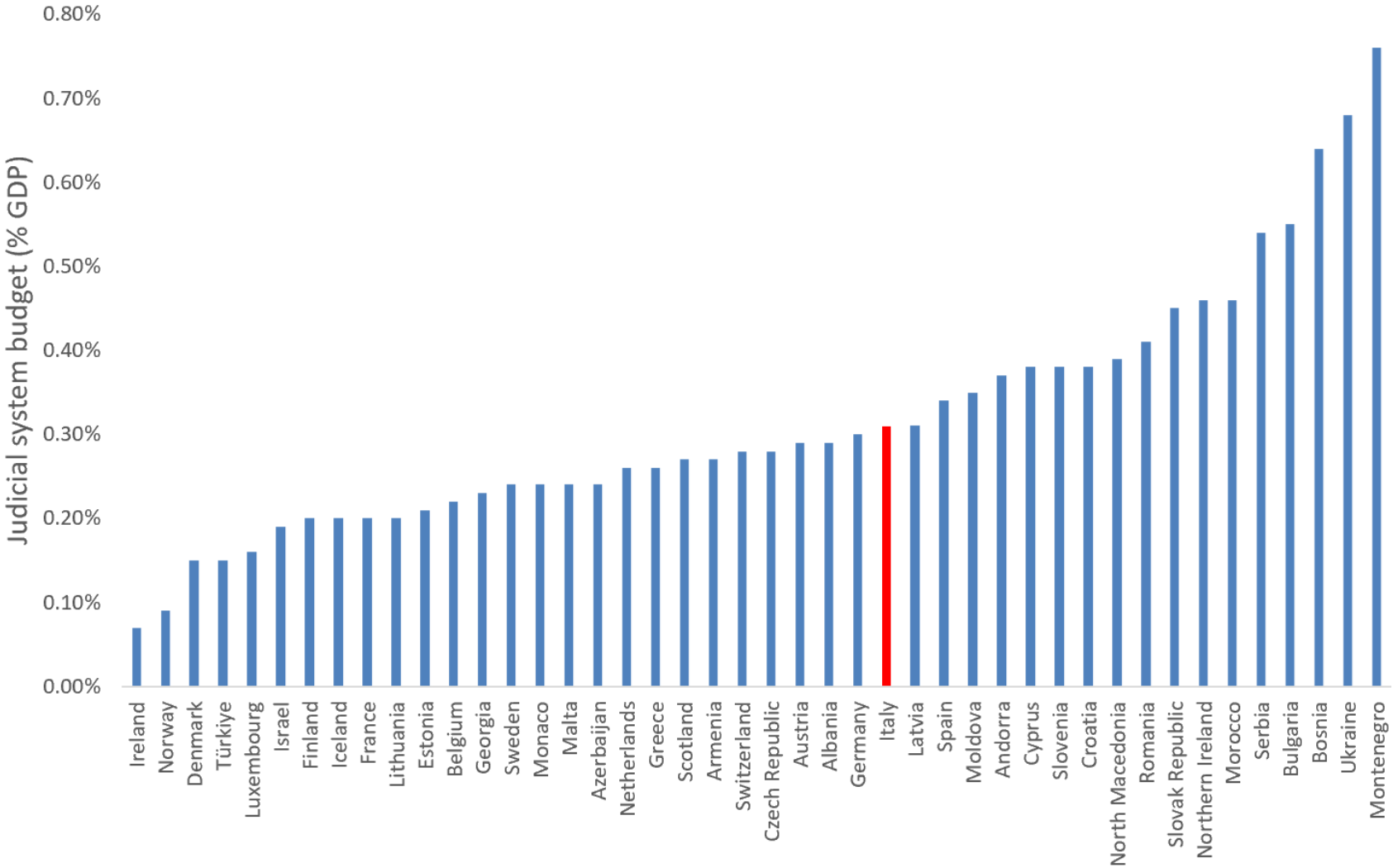
- Italy has the second slowest civil justice in Europe (CEPEJ, 2024)



- Italy spends 0.3% of GDP on justice, in line with the EU average
- Fewer judges but higher salary
- Elasticity TFP/disposition time≈-0.03 (Ciapanna, Mocetti & Notarpietro, 2020)
- 40% reduction in disposition time (PNRR) should increase GDP by ≈1.2%

Return

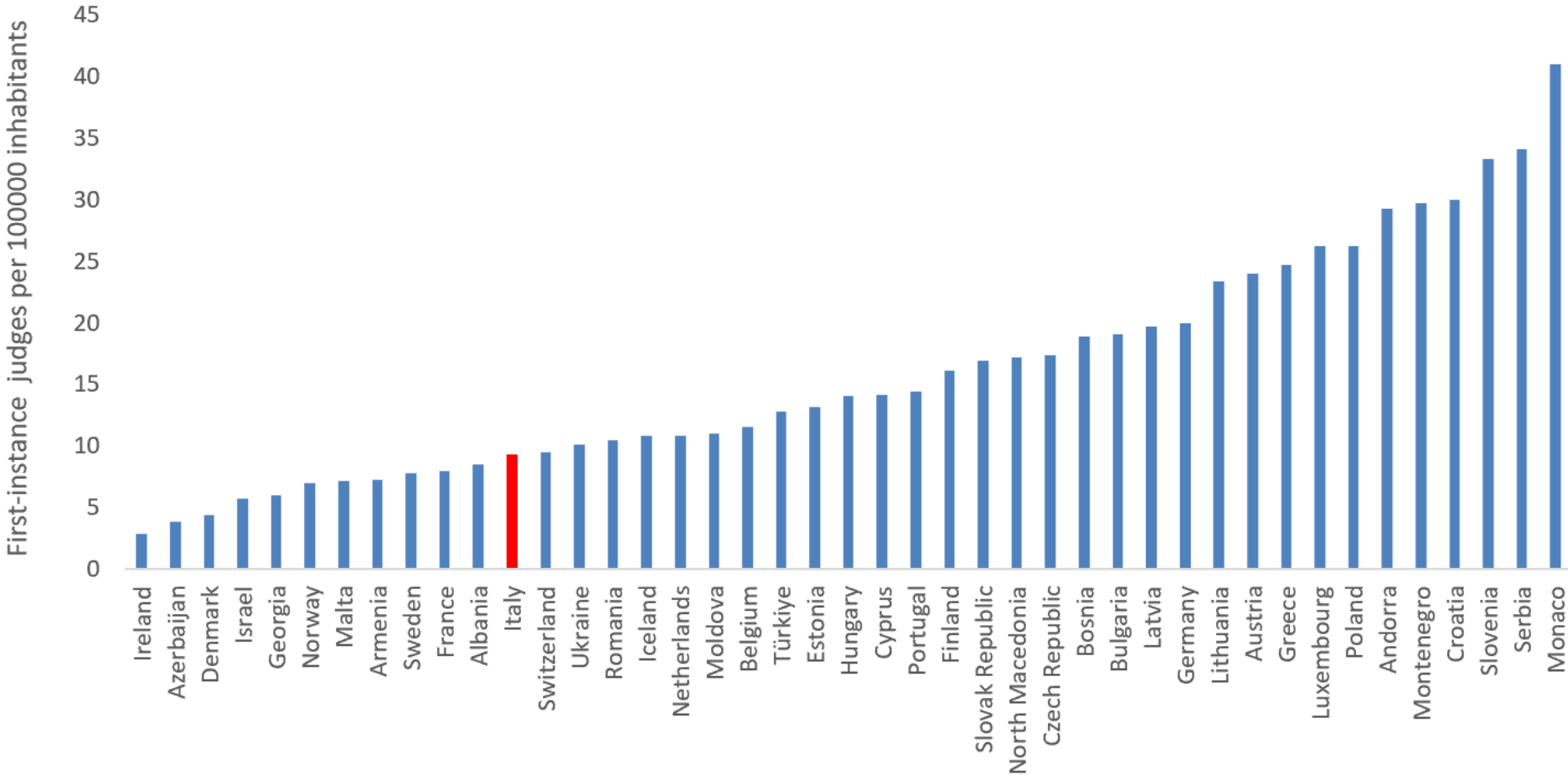
Italy spends on justice at the EU average



Source: CEPEJ (2024), Report on European Judicial Systems.

▸ Return

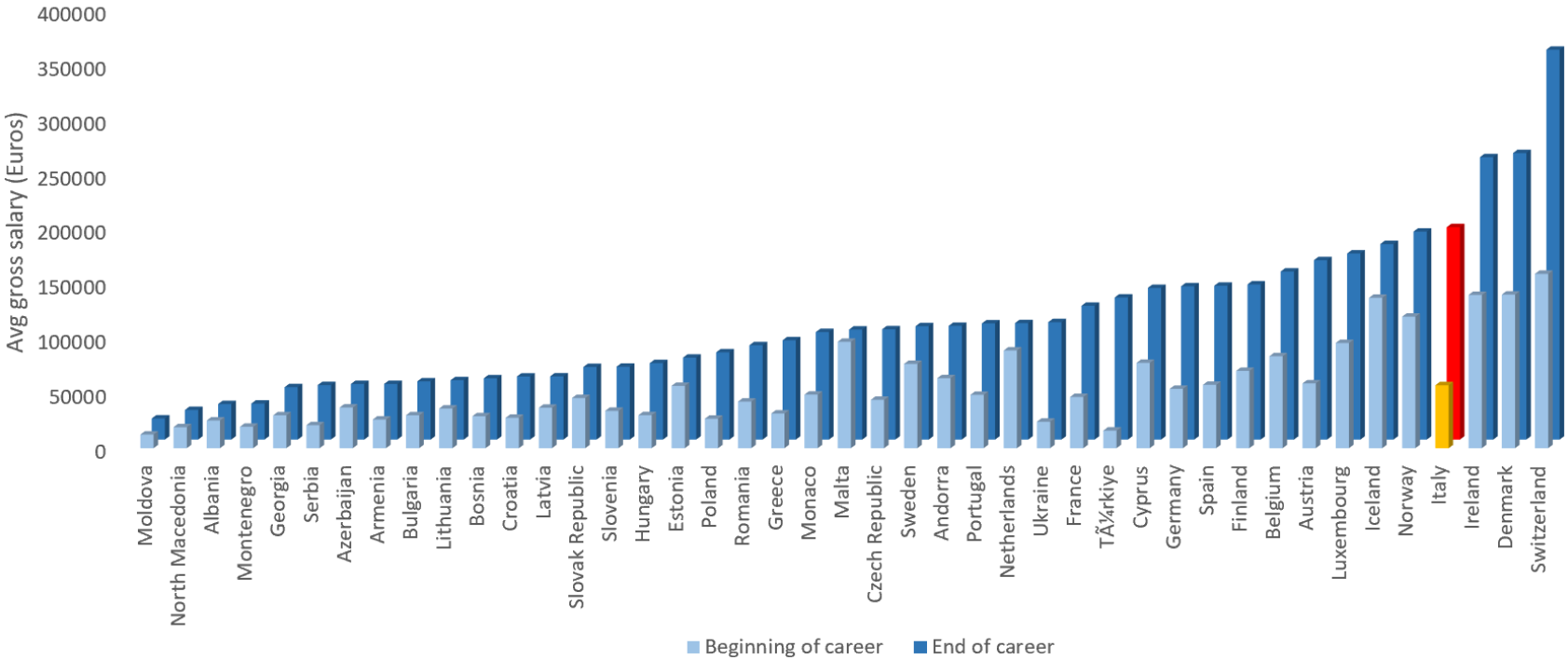
Italy has fewer judges than the EU median



Source: CEPEJ (2024), Report on European Judicial Systems.

Return

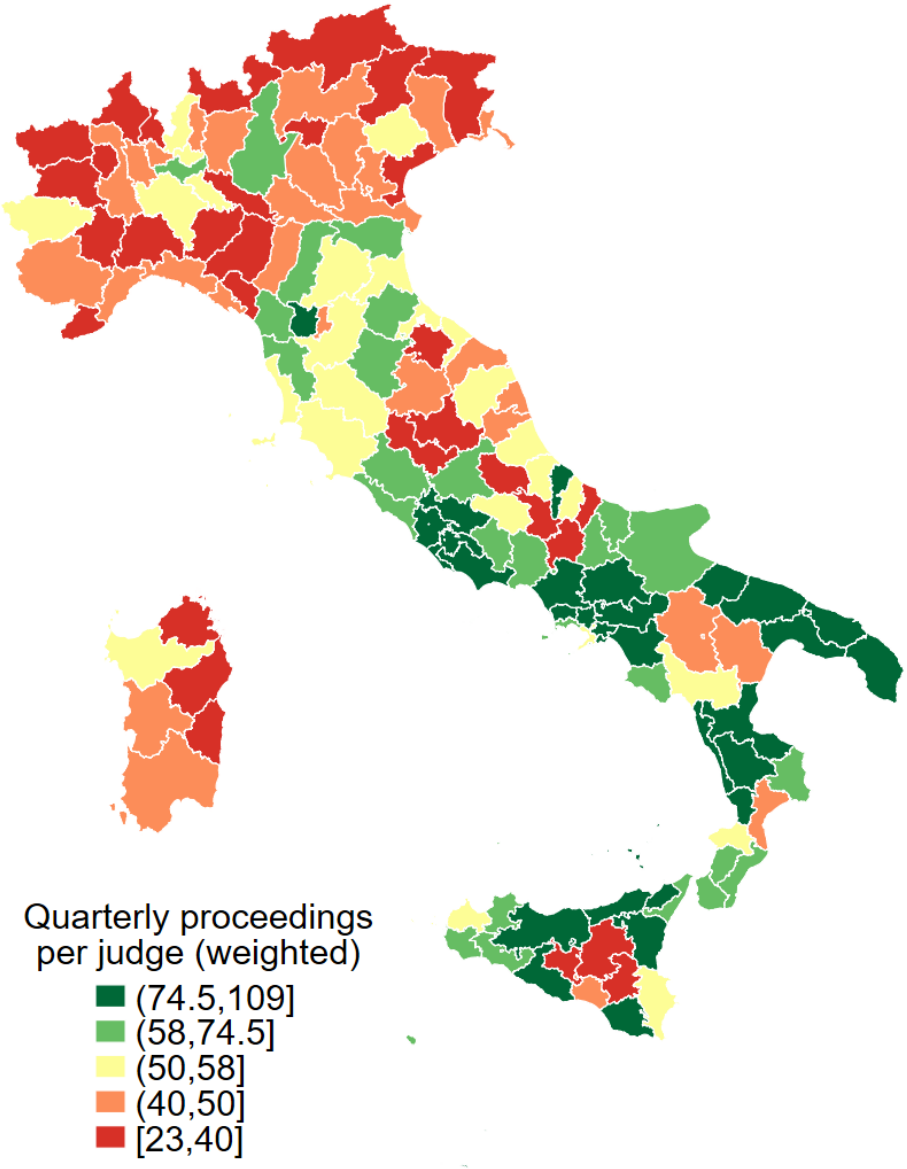
Italy pays judges more than EU median at career end



Source: CEPEJ (2024), Report on European Judicial Systems.

▸ Return

Southern Justice: slower, yet more productive



Recent productivity improvements insufficient to reduce spatial disparities

Return

Webscraping data on appeals

Through FOIA requests to all Courts of Appeal, I linked first-instance and appellate proceedings and then web-scraped appellate outcomes.

Num. of first-instance judgment appealed

First-instance court

Avente ad oggetto: appello avverso la sentenza n. 129/2016 del Tribunale di Grosseto giudice del lavoro, pubblicata il 25.10.2016

P.Q.M.

Rejects the appeal

La Corte, definitivamente decidendo, ogni altra domanda ed eccezione disattesa, respinge l'appello e condanna l'appellante alla rifusione delle spese del grado, che liquida in € 3.777,00 per compenso di avvocato ex DM 55/2014, oltre rimborso forfettario, IVA e CAP come per legge.

A norma del comma 17 dell'art. 1 legge 29.12.2012, n.228 dà atto che sussistono i presupposti processuali per l'applicazione all'appellante della disposizione dell'art. 13 del testo unico di cui al decreto del Presidente della Repubblica 30 maggio 2002, n. 115.

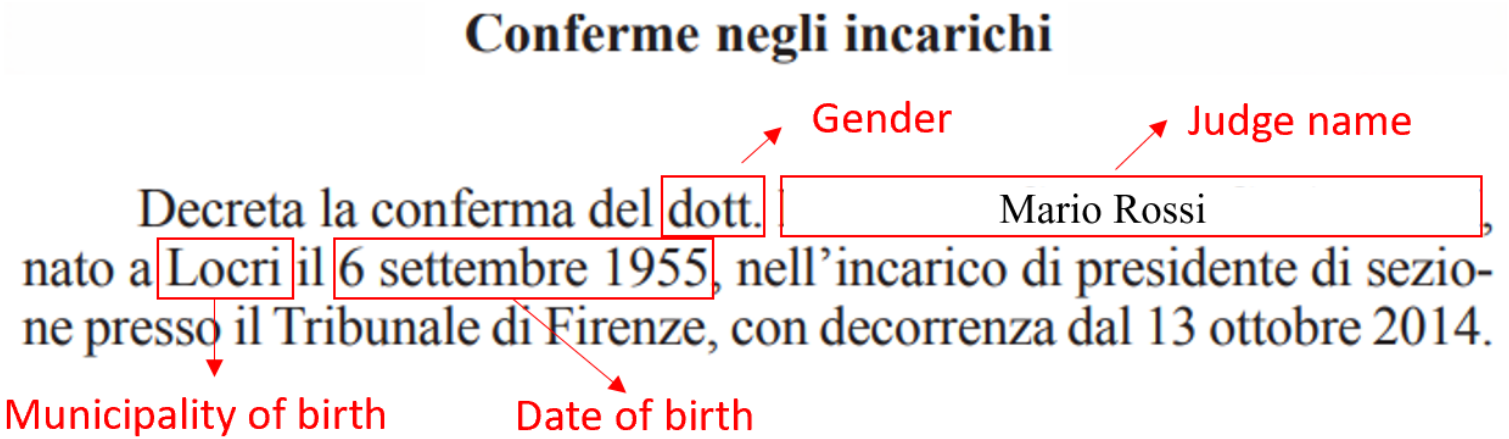
Firenze, 1°.3.2018

Source: Banca Dati di Merito; FOIA to Courts of Appeal (2016-2025)

▸ Return

Webscraping data on judges' demographics

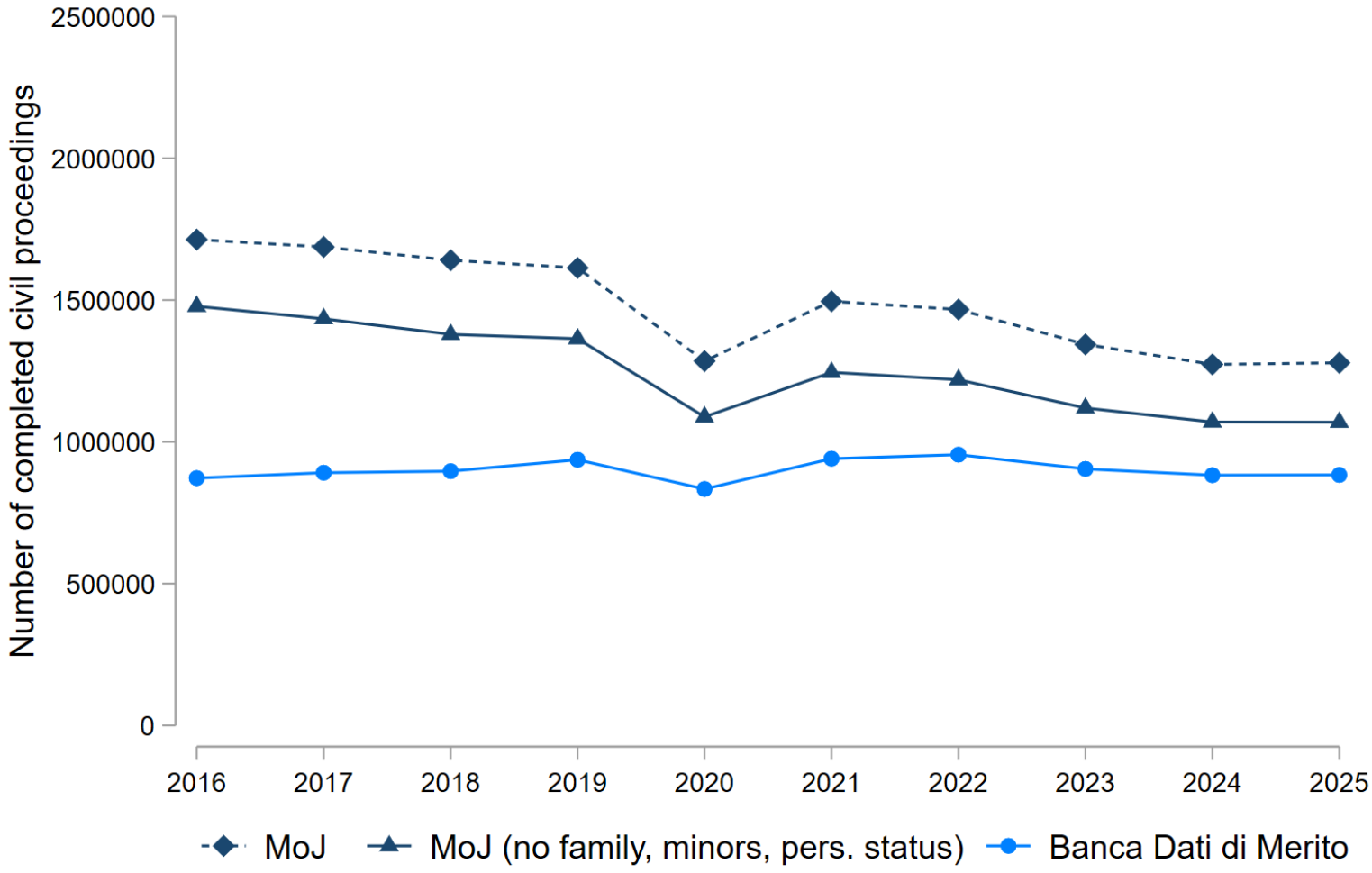
- I reconstructed the fiscal code for 58% of judges (76% proceedings), who could potentially be matched with INPS data: education, tenure, wages.



Source: Ministry of Justice bulletins (2007-2025)

▸ Return

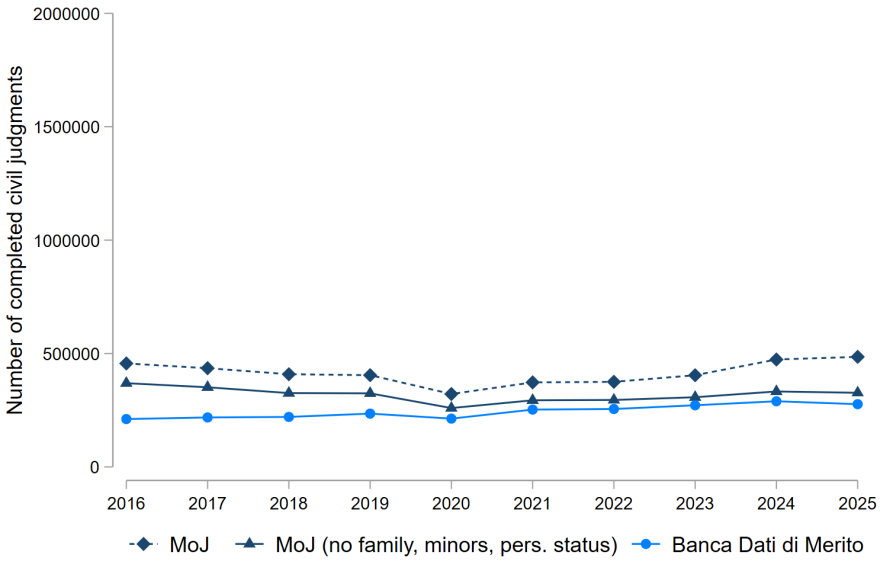
Webscraped data vs administrative data



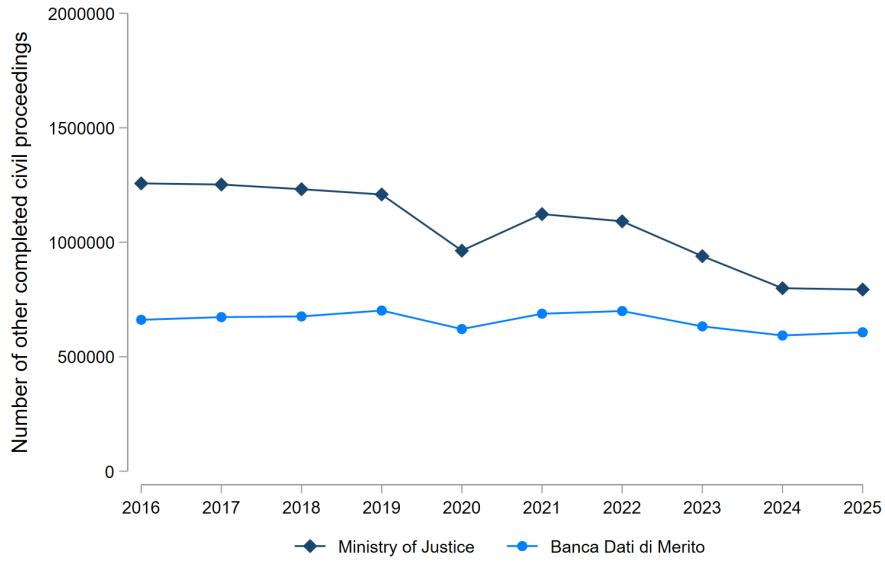
I double-checked that the number of downloaded observations for each court and month corresponds to the aggregate number shown in Banca Dati di Merito.

▸ By type of proceeding ▸ Return

Webscraped data vs official data, by type



(a) Judgments



(b) Orders and decrees

Source: Banca Dati di Merito, Ministry of Justice

▸ Return

Judges explain 60 percent of variation in productivity

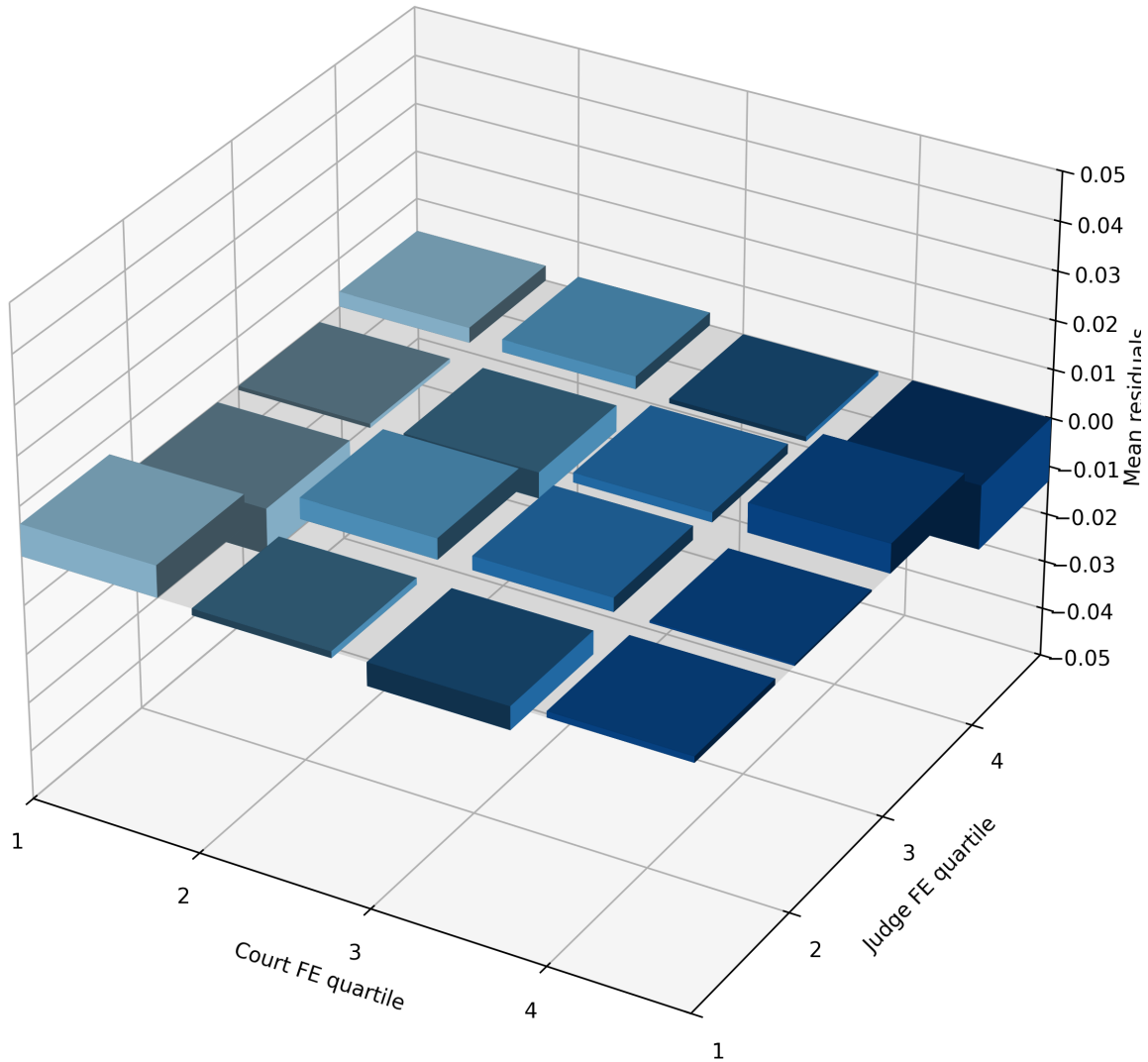
$$\begin{aligned}\text{Var}(ln(\tilde{P}_{jt})) = \text{Var}(\alpha_j) + \text{Var}(\psi_{c(j,t)}) + \text{Var}(\tau_t) + \text{Var}(u_{jt}) \\ + 2 \cdot \text{Cov}(\alpha_j, \psi_{c(j,t)}) + 2 \cdot \text{Cov}(\psi_{c(j,t)}, \tau_t) + 2 \cdot \text{Cov}(\alpha_j, \tau_t)\end{aligned}$$

	(1) (Component)	(2) (Share)
Var($ln(P_{jt})$)	2.3847	100.00 %
Var(Judge)	1.4340	60.13 %
Var(Court)	0.2627	11.02 %
Var(Quarter)	0.0981	4.11 %
Var(Residual)	1.2145	50.93 %
Cov(Judge, Court)	-0.2703	-22.67 %
Cov(Judge, Quarter)	-0.0403	-3.38 %
Cov(Court, Quarter)	-0.0016	-0.14 %
N	140194	

Bias-corrected estimates of the variance and covariance of court and judge effects, using the estimator by Andrews et al. (2008).

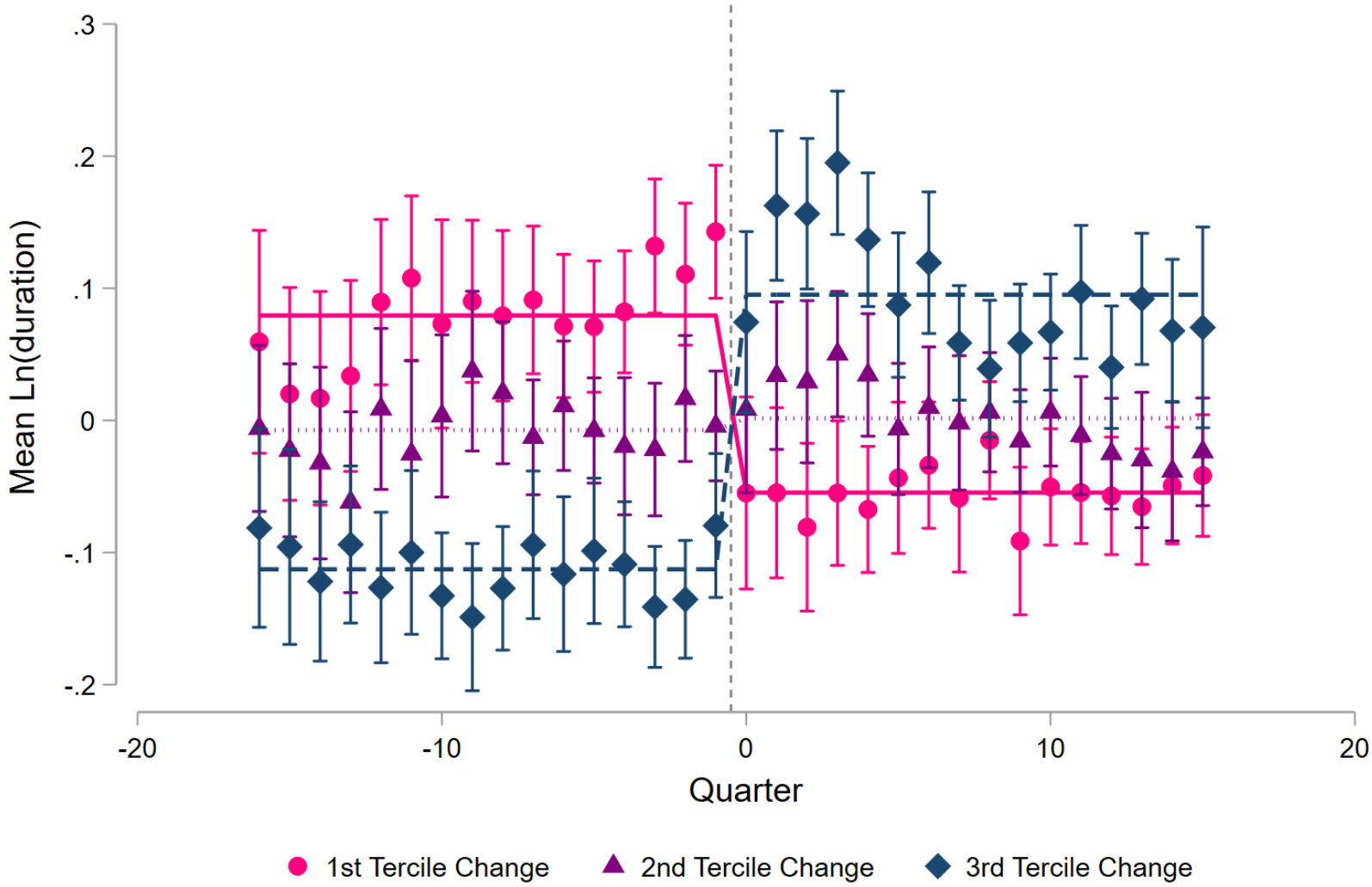
▸ Duration ▸ Return

Mean residuals, by quartiles of judge and court effects.



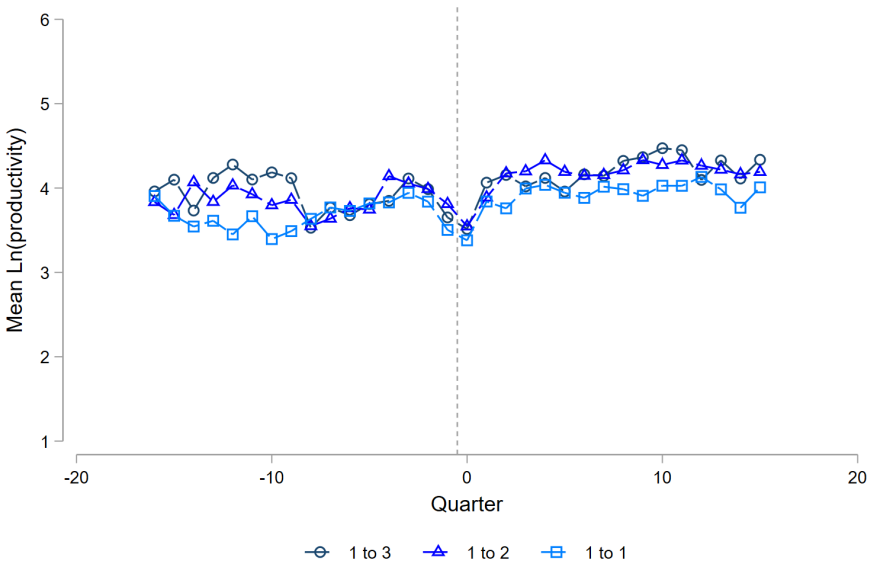
Return

Judicial transfers have symmetric effects on duration

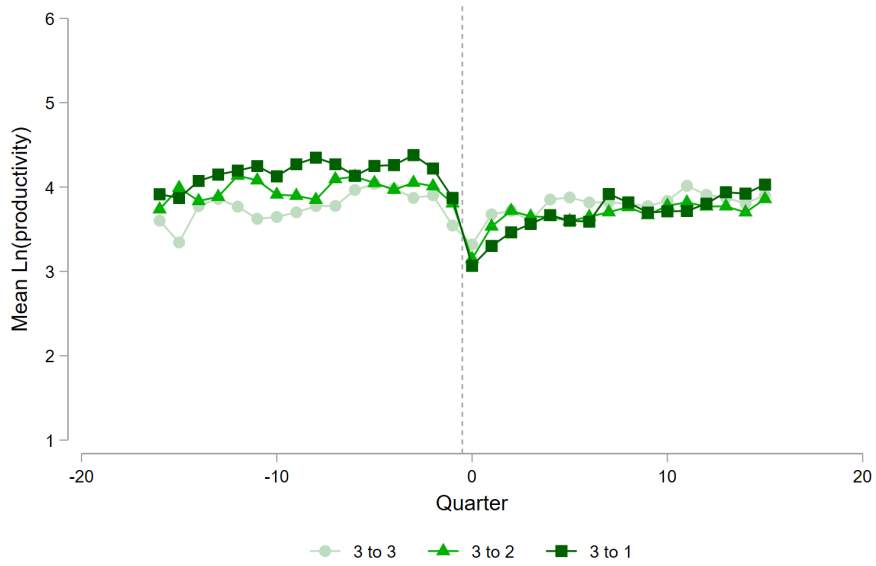


▸ Return

Effect of changing courts, by tercile of origin



(a) 1st tercile of origin



(b) 3rd tercile of origin

▸ Return

Judges and courts explain similar variation in duration

$$ln(D_{ijt}) = \kappa_i + \alpha_j + \psi_{c(j,t)} + \tau_t + u_{ijt}$$

where κ_i are keyword FE.

	(1)	(2)	(3)	(4)	(5)	(6)
N	9491104	9491104	9491104	9491104	9491104	9491104
R-squared	0.064	0.636	0.651	0.671	0.672	0.673
Adjusted R-squared	0.064	0.635	0.651	0.671	0.672	0.673
P-value courts			0.000		0.000	
P-value judges				0.000	0.000	
Time FE	YES	YES	YES	YES	YES	YES
Type FE	NO	YES	YES	YES	YES	YES
Court FE	NO	NO	YES	NO	YES	NO
Judge FE	NO	NO	NO	YES	YES	NO
Judge-by-Court FE	NO	NO	NO	NO	NO	YES

▸ Return

Judges and courts explain similar variation in duration

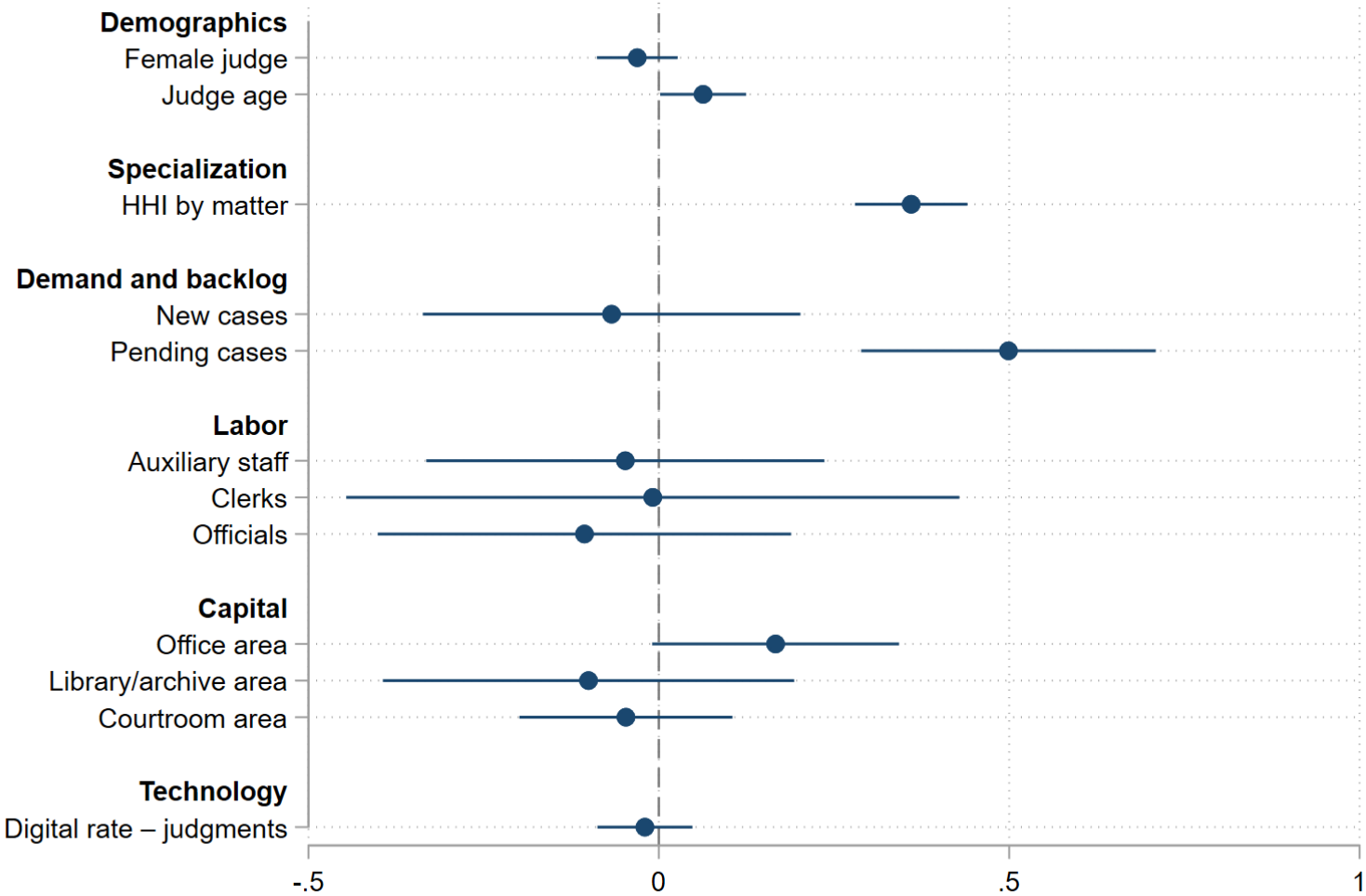
	(1) (Component)	(2) (Share)
Var($Ln(D_{ijt})$)	1.1289	100.00 %
Var(Judge)	0.0295	2.62 %
Var(Court)	0.0294	2.60 %
Var(Month-keyword)	0.7250	64.22 %
Var(Residual)	0.3083	27.31 %
Cov(Judge, Court)	-0.0077	-1.36 %
Cov(Judge, Month-keyword)	0.0068	1.20 %
Cov(Court, Month-keyword)	0.0067	1.20 %
N	9491104	

Bias-corrected estimates of the variance and covariance of court and judge effects, using the estimator by Andrews et al. (2008)

▸ Return

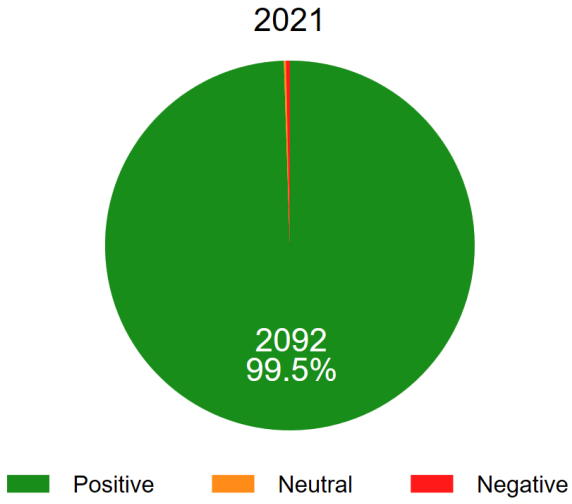
Judge productivity FE increase with demand and specialization

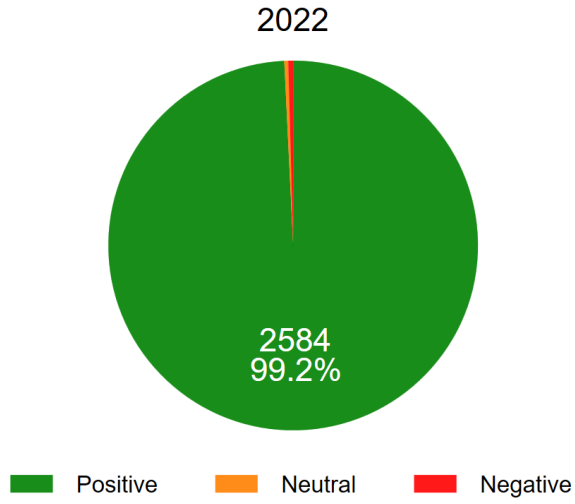
$$\hat{\alpha}_j = \gamma + X_{jt}\beta + \varepsilon_{jt}$$

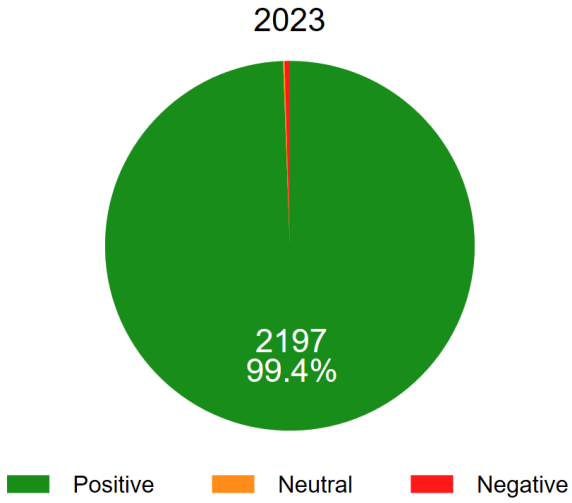


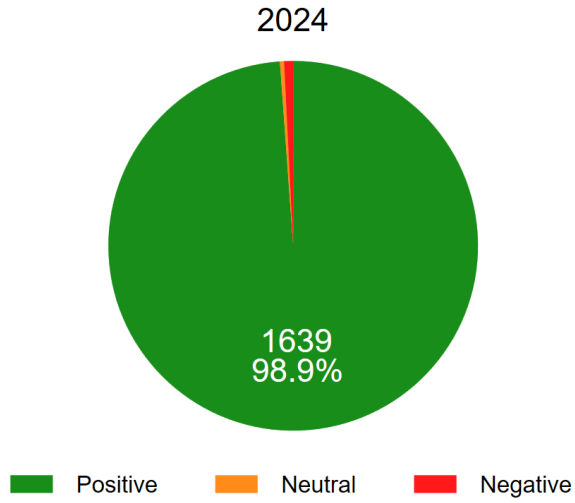
Merging small courts can increase specialization (Mocetti et al., 2025) ▸ Return

99% of judicial performance valuations are positive









▸ Return

No trade-off between productivity & quality of decisions

	Reversal (1)	Reversal, conditional on appeal (2)	Reversal, conditional on appeal (3)
Log productivity FE	-0.010*	-0.010*	-0.012***
	(0.005)	(0.005)	(0.004)
N	40882	40882	40871
Mean	0.469	0.469	0.469
R-squared	0.060	0.060	0.155
Time FE	YES	YES	YES
Type FE	YES	YES	YES
Court FE	YES	YES	YES
Appeal judge FE	NO	NO	YES

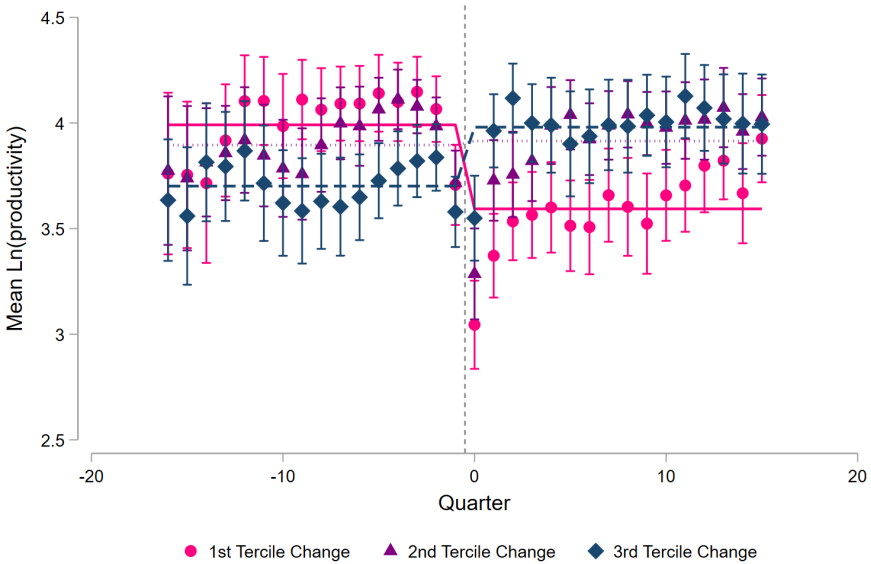
▸ Return

Shorter proceedings by more productive judges

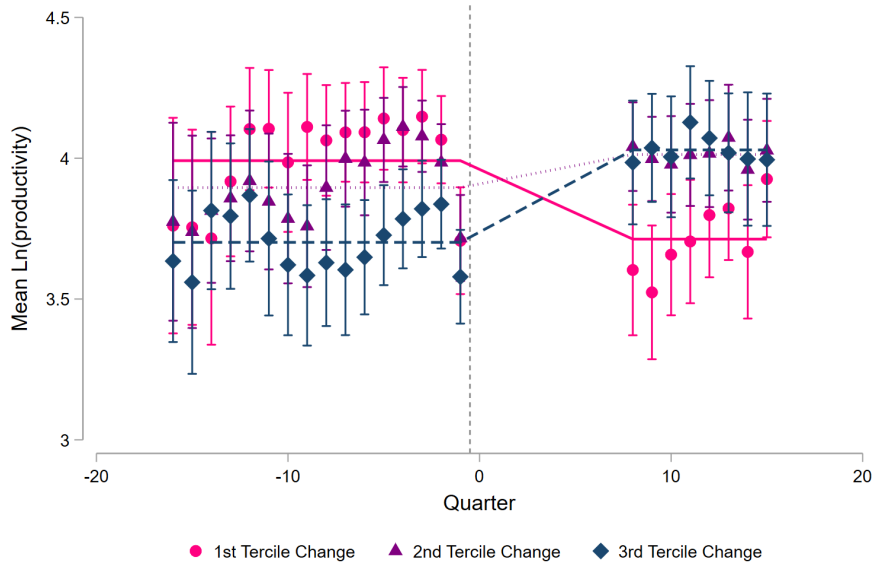
	Log duration (1)	Log duration FE (2)
Log productivity FE	-0.035***	-0.011***
	(0.004)	(0.004)
N	9457112	5742
Mean	5.859	0.025
R-squared	0.652	0.003
Time FE	YES	NO
Type FE	YES	NO
Court FE	YES	NO

▸ Return

Transfers cause productivity losses even in best courts



(a) All quarters

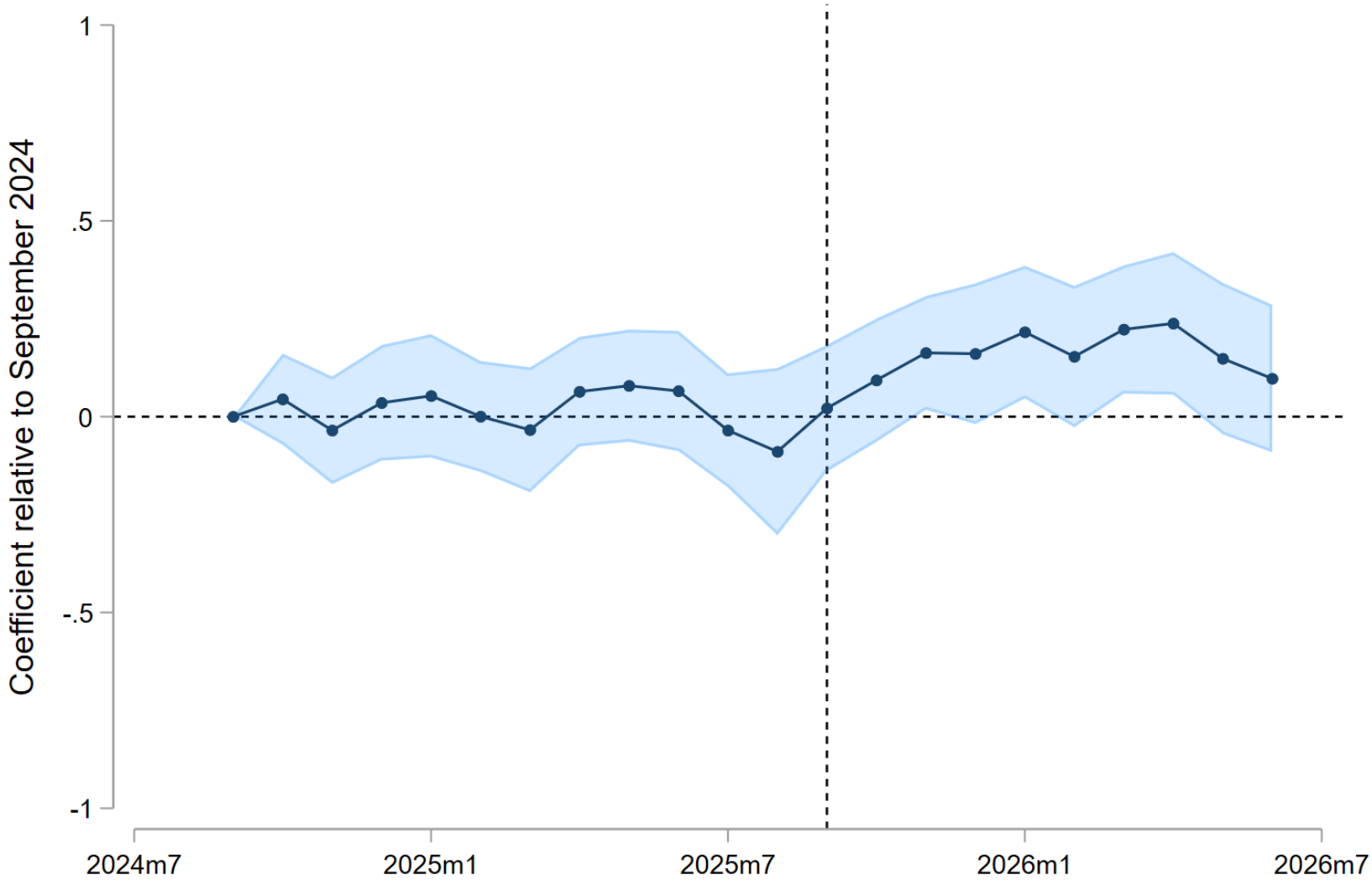


(b) Excluding post-transfer period

Transfers are costly even when judges move from the least to the most productive courts.

▸ Return ▸ Duration ▸ By tercile of origin ▸ Mean residuals

Incentives increased judges' productivity, unweighted



▸ Return

Incentives increased judges weighted productivity, only control courts

$$ln(\tilde{P}_{jt}) = \beta I_j \cdot Post_t + \alpha_j + \psi_{c(j,t)} + \tau_t + \varepsilon_{jt}$$

where I weigh each proceeding by its average national length (see slide 9)

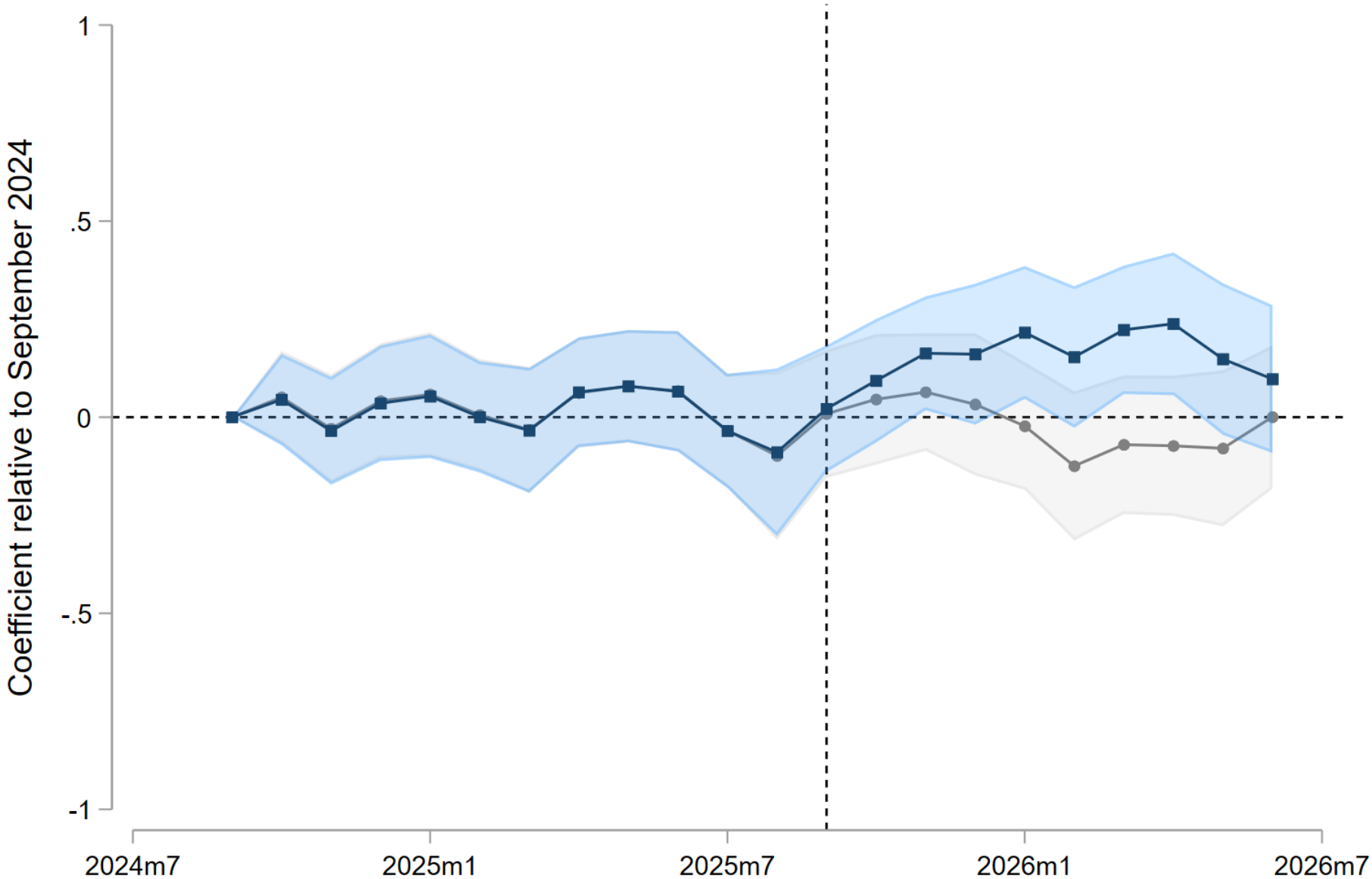
	Proceedings	Ln(Proceedings)	In-person proceedings	Ln(in-person proceedings)
	(1)	(2)	(3)	(4)
Post*Incentivized judge	9.182***	0.285***	1.201	0.081
	(2.085)	(0.072)	(1.824)	(0.072)
N	75247	75247	75247	74551
Mean	20.419	2.436	20.163	2.429
R-squared	0.548	0.439	0.551	0.442
Time FE	YES	YES	YES	YES
Judge FE	YES	YES	YES	YES
Court FE	YES	YES	YES	YES

Impact of incentives on unweighted productivity, only control courts

$$ln(P_{jt}) = \beta I_j \cdot Post_t + \alpha_j + \psi_{c(j,t)} + \tau_t + \varepsilon_{jt}$$

	Proceedings	Ln(Proceedings)	In-person proceedings	Ln(in-person proceedings)
	(1)	(2)	(3)	(4)
Post*Incentivized judge	4.372**	0.145**	0.189	0.019
	(1.957)	(0.066)	(1.816)	(0.064)
N	75247	75247	75247	74551
Mean	22.106	2.478	21.863	2.473
R-squared	0.595	0.518	0.598	0.522
Time FE	YES	YES	YES	YES
Judge FE	YES	YES	YES	YES
Court FE	YES	YES	YES	YES

Incentivized judges did not shirk in the home court, unweighted



Judges identified as incentivized: actual and placebo

Incentive period	**Judges identified as incentivized**
September 2025-June 2026	139

Placebo periods	**False positive**
September 2024-June 2025	1
September 2023-June 2024	2
September 2022-June 2023	4
September 2021-June 2022	3
September 2020-June 2021	5
September 2019-June 2020	10
September 2018-June 2019	7
September 2017-June 2018	3
Average	4.38

▸ Return

Judges' characteristics

	(1) Full sample	(2) Movers	(3) Incentivized
A. Demographics			
Female	0.58	0.57	0.51
Age	49.00	46.28	44.37
B. Macroareas of birth			
South	0.40	0.41	0.44
Islands	0.13	0.12	0.13
Center	0.19	0.20	0.15
North-East	0.11	0.10	0.10
North-West	0.16	0.17	0.17
Abroad	0.01	0.00	0.01
C. Number of judges			
With observed characteristics	3573	1195	115
Total	6242	1463	139

Incentivized judges are younger, less likely to be female and more likely to be born in the South.

▸ Return

An event-study to estimate the incentive effects

$$ln(\tilde{P}_{jt}) = \sum_{s=-12}^{9} \beta_{T+s} I_j + \alpha_j + \psi_{c(j,t)} + \tau_t + \varepsilon_{jt}$$

- I_j equal to 1 if judge is a participant of the incentive scheme, 0 otherwise;
- α_j, $\psi_c(j,t)$, τ_t are judge, home court and month fixed effects;
- β_{T+s} coefficients of interest: test for pre-trends and dynamic effects.
- Control group 1: all non-incentivized judges.
- Control group 2: judges in control courts (neither home nor target).

▸ Return

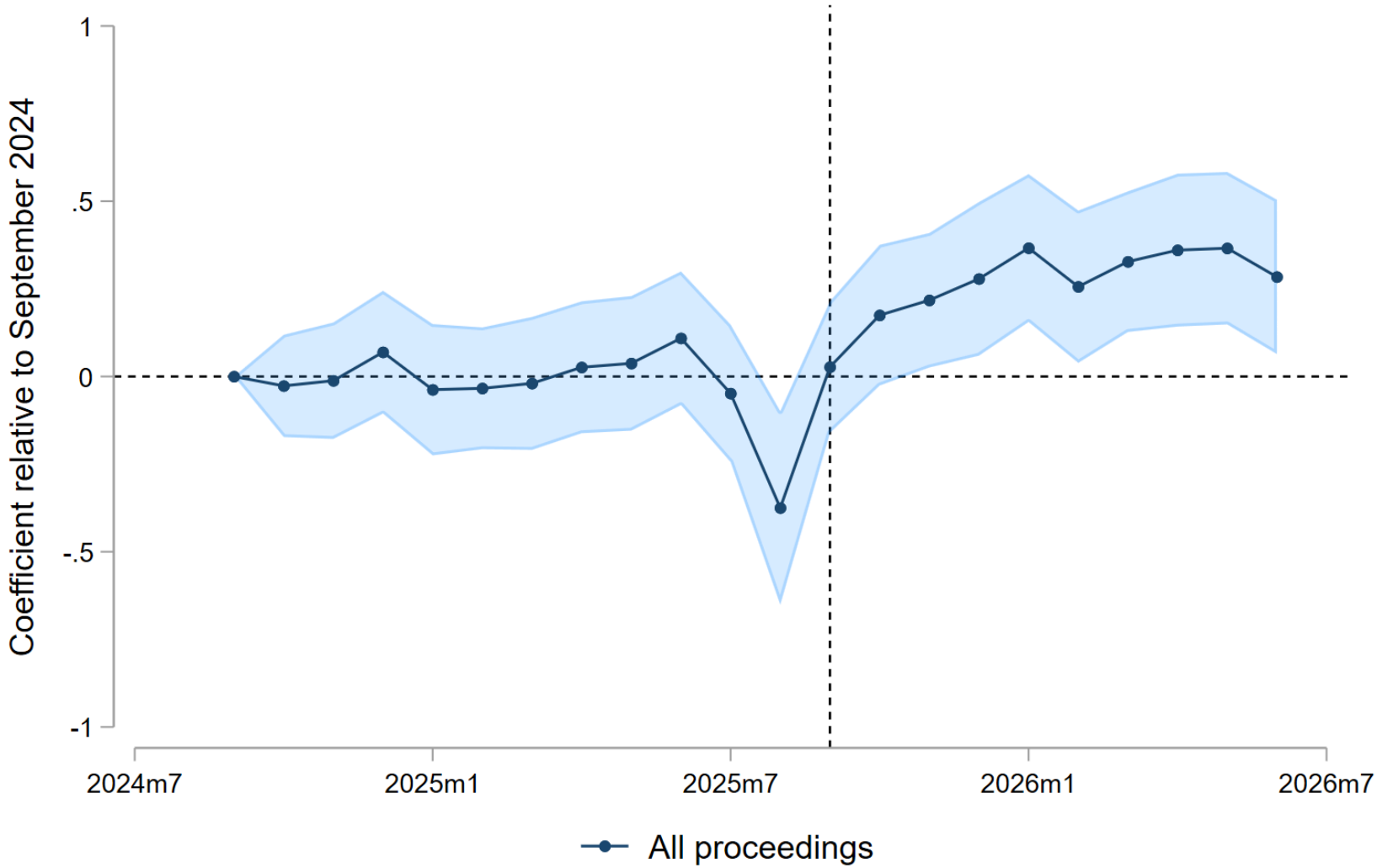
Incentives increased *weighted* productivity even more

$$ln(\tilde{P}_{jt}) = \beta I_j \cdot Post_t + \alpha_j + \psi_{c(j,t)} + \tau_t + \sum_{s=1}^{12} \delta_s I_j \cdot 1\{m = s\} + \varepsilon_{jt}$$

	Proceedings	Ln(Proceedings)	In-person proceedings	Ln(in-person proceedings)
	(1)	(2)	(3)	(4)
Post*Incentivized judge	7.439***	0.302***	-4.465**	0.007
	(1.897)	(0.062)	(1.811)	(0.066)
N	399842	399842	399842	399147
Mean	23.414	2.541	23.366	2.540
R-squared	0.417	0.447	0.417	0.447
Time FE	YES	YES	YES	YES
Judge FE	YES	YES	YES	YES
Court FE	YES	YES	YES	YES

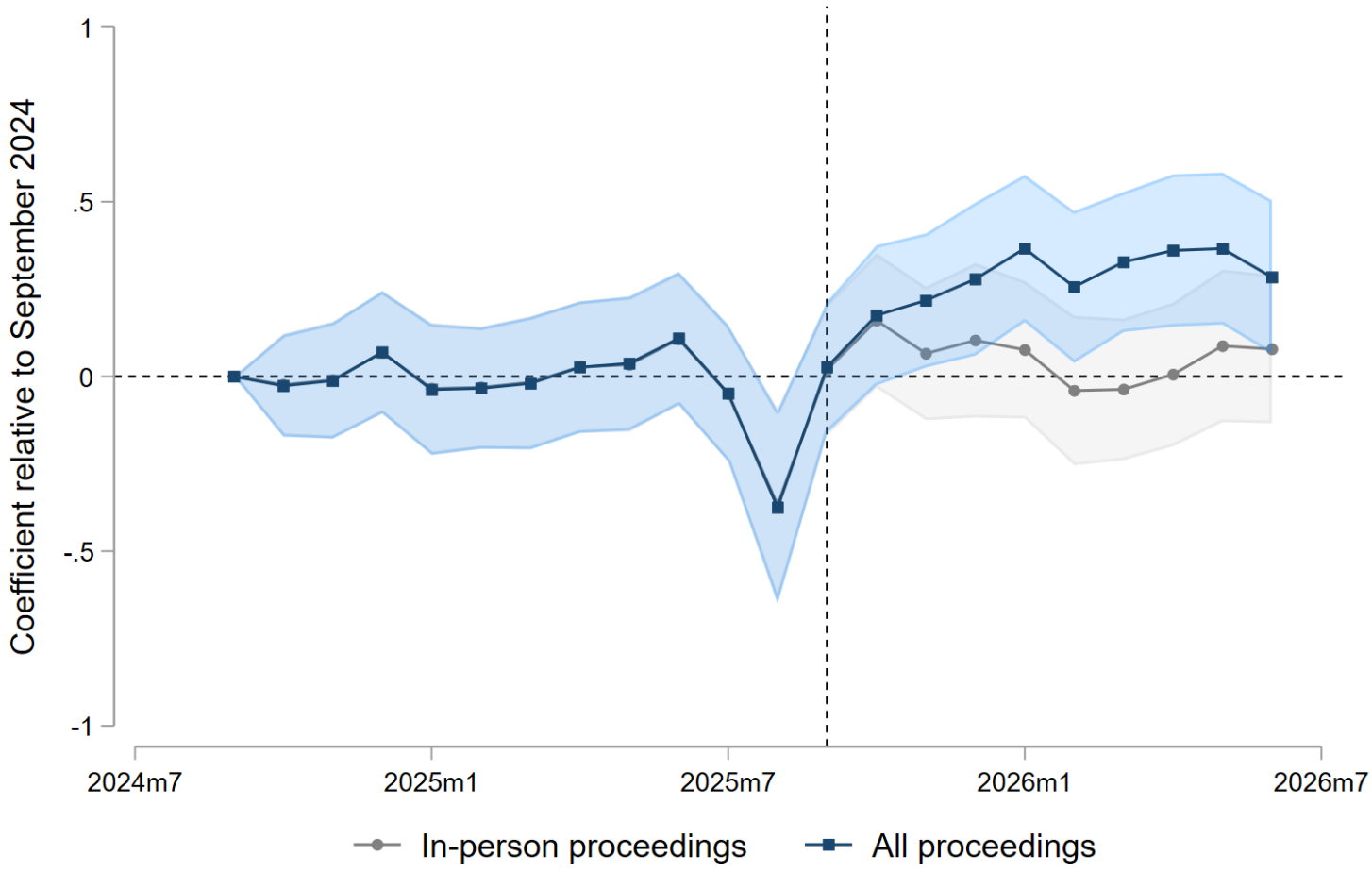
▸ Return

Incentives increased judges' productivity, only control courts



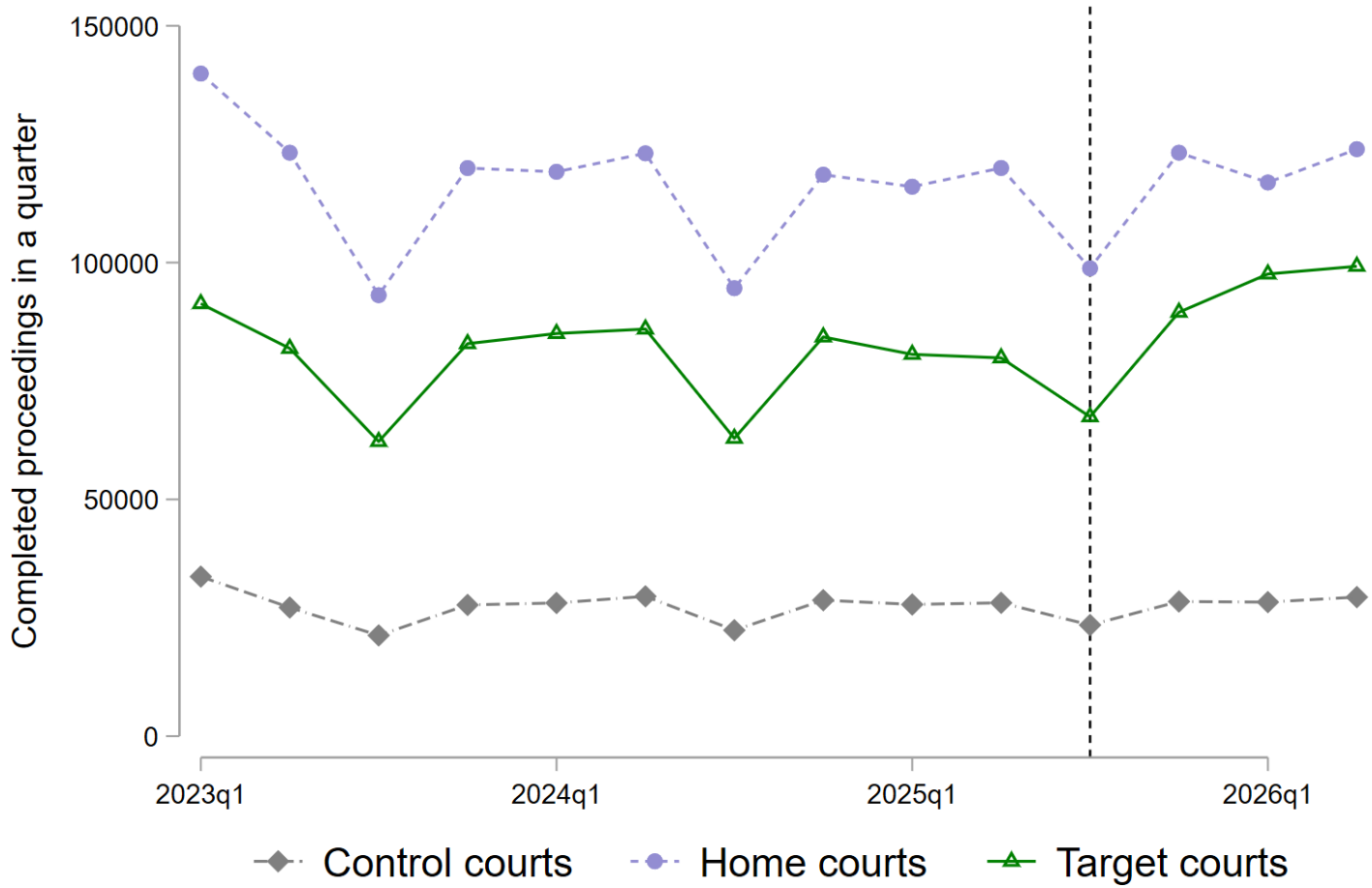
Return

Incentivized judges did not reduce in-person proceedings, only control courts



Return

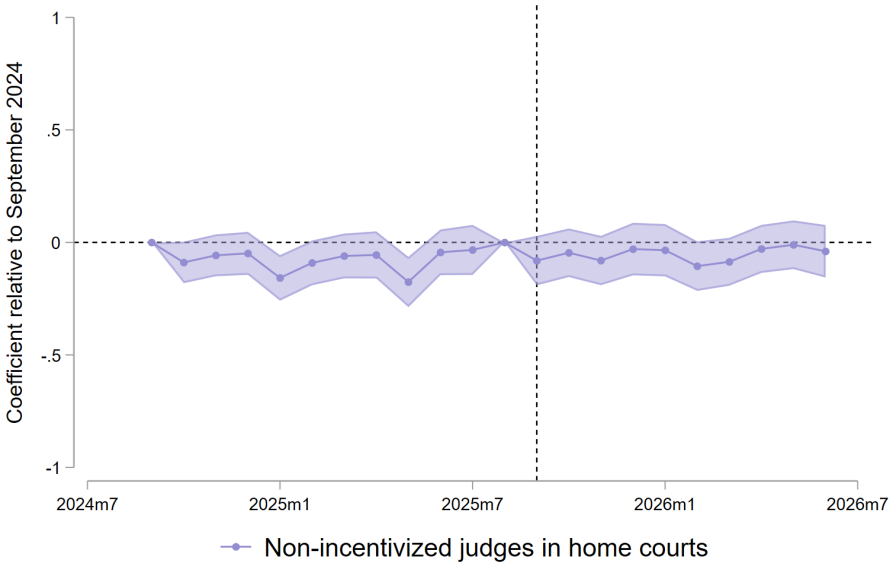
Remote work reduces geographic inequality in justice, unweighted



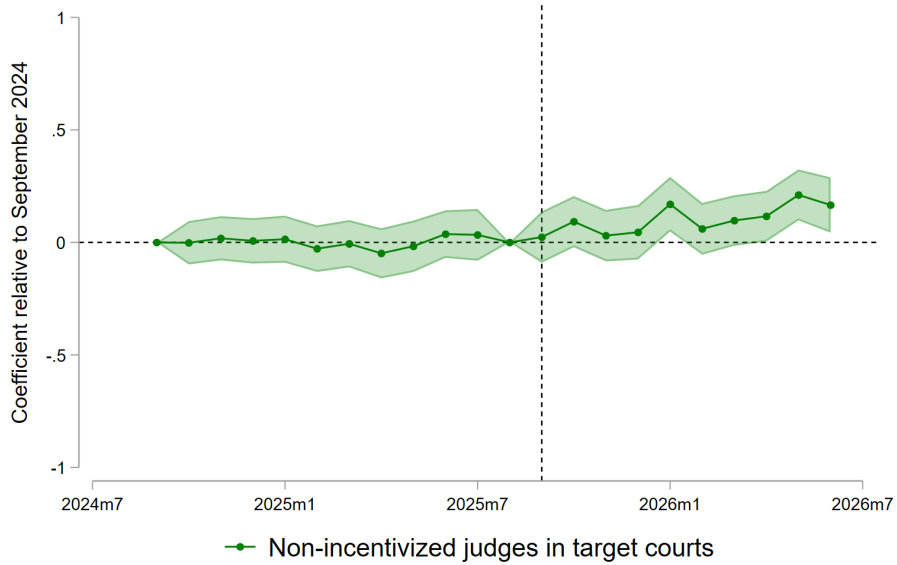
This analysis **includes** proceedings completed **remotely by incentivized judges**

Return

Non-incentivized judges' productivity does not fall



(a) Home courts



(b) Target courts

This analysis **excludes** proceedings completed by **incentivized judges**

▸ Return

Can incentives cure the justice system?

- 1.2 million first-instance civil proceedings were pending in 2025.
- Clearing the entire backlog via the incentive would cost just €440 million (0.02% of GDP).

Problems:

1. Low take-up. With 212 judges, clearing the backlog would take 57 years.
   - Raise the performance-pay share. Pay per case, not in bundles.
2. Scaling up may attract less motivated judges and raise in-person shirking.
   - Incentivize in-person proceedings as well.
3. Quality of judgments may fall, clogging appeal courts.
   - Reward judges with fewer decisions overturned on appeal.