

“Courting Prosperity: How Kenya's Legal Infrastructure Boom Unlocked Economic Potential”

Prof. Matthieu Chemin

McGill University

The role of a robust legal system in promoting investment and economic growth is well established. Starting in 2012, the Kenyan government embarked on one of the largest court construction programs on record. Leveraging exogenous delays in construction (due to weather, ground conditions, contractor delays, and fund disbursement), our findings reveal a significant increase in court usage, particularly for civil, commercial, succession, and property cases, following the establishment of these courts. Consequently, firms in contract-intensive sectors demonstrate increased investment, underlining the vital link between physical court infrastructure and economic development.