Aleksandr Kazakov

Halle Institute for Economic Research,
Kleine Maerkerstrasse 8, 06108 Halle (Saale), Germany
aleksandr.kazakov@iwh-halle.de

Education

IWH-Halle, Germany — 2020 – present
Ph.D. in Economics

Friedrich-Schiller University Jena, Germany — 2017 – 2020
M.S. in Economics

Saint-Petersburg State University, Russia — 2015 – 2018
Candidate of Sciences in Economics

Saint-Petersburg State University, Russia — 2008 – 2014
B.A. and M.A. in Economics

Working Papers

The Effect of Firm Subsidies on Credit Markets [Latest version]
with *Michael Koetter*, *Lena Tonzer* and *Mirko Titze* —
R&R at the *Journal of Banking & Finance*

Invisible Lines: How Banks Use Firm Networks to Blunt Supervisory Tightening
with *Koen Schoors* and *Mikhail Mamonov*

Work in Progress

Political Lending Along the 'Freedom Ladder', *JMP*

Banks and Political Economy of Subsidy Allocation, with *Michael Koetter*

Policy Reports

Kazakov, A. and Koetter M. (2024). **Place-based Industrial Policies and Credit Markets: Evidence from the Former East and West Germany**, *EBRD Transition Report*, 88-89

Research Interests

Political distortions in finance · Financial intermediation · Public policy

Conferences

NEFI Winter School — Riezlern, Austria	Feb. 2025
11th CGDE Doctoral Workshop — Dresden, Germany	Feb. 2024
SAFE Workshop 'Challenges to the European Monetary and Fin. System' — Frankfurt, Germany	Nov. 2023
29th Annual Meeting of the German Finance Association (DGF) — Stuttgart, Germany	Sep. 2023
EEA-ESEM-2022 — Milan, Italy	Aug. 2022
Tri-City Day-Ahead Workshop on the Future of Fin. Intermediation — Frankfurt, Germany	Aug. 2022
Annual Event of Finance Research Letters, 2022 CEMLA Conference (Online)	Apr. 2022
HU-IWH Joint Junior Seminar in Finance — Halle (Saale), Germany	Jan. 2022

Teaching

Teaching Assistant:

Macro Finance Policy Evaluation (Masters, Prof. Lena Tonzer), OvGU Magdeburg	Fall 2023
Money and Financial Markets (Masters, PD Markus Paasche), FSU Jena	Spring 2019
Advanced Public Finance (Masters, Prof. Silke Uebelmesser), FSU Jena	Spring 2019
Introduction to R (Masters, PD Holger Graf), FSU Jena	Spring 2018

Lecturer & Teaching Assistant:

Corporate Finance (Masters), SPBU Russia	2015 – 2016

Advanced Training

Banking Theory (Prof. David Martínez Miera), Barcelona BSE	Jul. 2023
Corporate Finance (Prof. Filippo Ippolito) , Barcelona BSE	Jul. 2022

Other information

Software: R · Stata · LaTeX · Python · JavaScript · Git · SQL
Languages: Russian (Native) · English (Fluent)

Past Employment

IWH-Halle, Germany — 2018 – 2020
Research Assistant

Friedrich-Schiller University Jena, Germany — 2017 – 2020
Research Assistant

Saint-Petersburg State University, Russia — 2015 – 2016
Junior Lecturer

SberBank of Russia JSC, Russia — 2014 – 2016
Credit Analyst (SME Lending)

Abstracts

Political Lending Along the 'Freedom Ladder'
JMP

What politicians do to stay in power? Existing work shows that incumbents maximize their re-election chances through cycles of fiscal spending or lending by state banks. Yet either of the two instruments has been studied in isolation and exclusively in democratic setting, while recent evidence documents that more countries are drifting toward authoritarian rule. This paper aims to generalize existing evidence by tracing evolution of fiscal and lending cycles along a country's path down the 'freedom ladder'. I further test whether political use of state banks goes beyond previously documented rent extraction and tactical redistribution but also serves to maintain political control, by using credit to offset center–periphery frictions and to respond quickly to episodes of social unrest. The analysis also requires bringing protests, repression, and propaganda into the empirical framework, which has not been done yet due to severe scarcity of such data. I aim to fill this gap by drawing on an arguably most comprehensive hand-collected single-country dataset, providing insight into two decades of political life in Russia.

The Effect of Firm Subsidies on Credit Markets
with *Michael Koetter*, *Lena Tonzer* and *Mirko Titze*

Governments use firm subsidies to spark corporate investment, which may have repercussions in credit markets though. To test for potential credit market distortions due to this economic policy, we combine project-level information for the largest regional economic development program in German history with bank lending and firm borrowing over a long horizon: 1998–2019. Firm subsidies associate with larger lending volumes provided by banks. On the flip-side of credit markets, we document increased corporate borrowing. Importantly, we find neither evidence of excessively risky lending by banks nor crowding-out of credit to nonsubsidized firms. Firm subsidies support lending especially when credit constraints are elevated during the financial crisis. Overall, firm subsidies unfolded a positive multiplier effect in regional credit markets in our setting.

Invisible Lines: How Banks Use Firm Networks to Blunt Supervisory Tightening
with *Koen Schoors* and *Mikhail Mamonov*

This paper proposes a novel approach to measuring banking fraud, which we apply in a setting characterized by a sharp decline in regulatory forbearance, where the central bank shut down roughly two-thirds of Russian banks for fraudulent activity. We develop an empirical model of the supervisory decision rule governing unscheduled on-site inspections of suspect banks. Using predictions from the estimated rule, we define a treatment group of likely-to-be-inspected banks and implement de Chaisemartin and D'Haultfoeuille (2017) difference-in-differences regressions to estimate the effects of regulatory tightening. The baseline estimates show a substantial decline in treated banks' asset size; however, this masks sharp heterogeneity. Using unique firm-ownership registry data, we measure each bank's ego-network complexity and find that ownership networks are pivotal for adjustment to tighter supervision: weakly connected banks contract, cutting assets and equity, while well-connected banks expand their balance sheets and shift from consumer toward corporate lending.

Banks and Political Economy of Subsidy Allocation
with *Michael Koetter*

This paper explores how partisan (mis)alignment shapes the outcomes of industrial subsidy policy within a federal democracy. We document a case where alignment appears to grease the wheels of policy implementation by facilitating the bottom-up information transfer about subsidy applicants through aligned local state banks. Drawing on granular subsidy data and hand-collected county-level election results spanning more than two decades (2000–2019), we find that counties aligned with their state governments receive substantially more subsidies, while these transfers translate into higher investment and employment, effectively serving the program's intended purpose. The effects are more pronounced in counties with higher per capita lending by local state banks while being not related to lending by otherwise comparable control group of private cooperative banks.