

**Doctor of Economics**

**The Role of Political Connections and Institutions in Public Procurement. Evidence from Czech Administrative Data.**

**Vítězslav Titl**

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**Abstract:**

The doctoral thesis is concerned with the relation between political connections and public procurement on the one hand and the relationship between political connections and the efficiency of public sector on the other. The first chapter examines whether and how firms' political campaign contributions to political parties affect the subsequent allocation of public procurement contracts. In the second chapter, he finds that the efficiency of public good provision is lower when a larger share of public procurement contracts is awarded to firms donating to the party in power. The third chapter examines whether political connections lead to worse public procurement outcomes and it shows that favoritism to politically connected firms increases the price of procurement contracts by 8% of the estimated costs while no gains in terms of quality are generated. The last chapter studies the phenomenon of single-bidding on public procurement market and it shows that making single-bid contracts pushed prices down by 13% for the majority of procurement contracts while the prices decrease is not present for contracts delivered by politically connected and anonymously owned firms.