

# Abstract

This thesis is divided into two parts. The first part analyses recently published data from the Central Grant Registry (CEDR) on state grant distribution in Czechia between 1999 and the present year. In the second part, I link this data to information on political connections established through donations to parties and examine whether politically connected firms are more successful in competing for state grants. I match the donating firms to non-donating but otherwise similar firms using propensity scores based on a number of observable characteristics. The results indicate that donating companies have a 40% higher success rate in receiving state grants compared to non-donating firms. I find that the effect is higher for grants from the state budget than for grants from EU funds, which is consistent with EU-funded grants being subject to stricter regulations.

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<b>JEL Classification</b>	D72, D73, H2, H71, H81
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