# NAVID NESHAT

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## EDUCATION

**Indiana University, Kelley School of Business**
*Ph.D. in Finance, 2025*
**Sharif University of Technology**
*M.S. in Economics, 2019*
*B.S. in Petroleum Engineering, 2016*

## REFERENCES

**Eitan Goldman** (co-chair)
Professor of Finance
Kelley School of Business
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**Kristoph Kleiner** (co-chair)
Associate Professor of Finance
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**Matt Billett**
Professor of Finance
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**Ankit Kalda**
Associate Professor of Finance
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## FIELDS OF INTEREST

Empirical Corporate Finance
Political Economy
Banking

## JOB MARKET PAPER

**Political Connections in Times of Social Unrest: Assets or Liabilities?**

Analyzing over 1.1 million corporate assets, I find that politically connected firms are significantly more likely to incur damage to their physical assets during social protests, compared to similar assets of unconnected firms located within the same municipal district. Conditional on sustaining damage during protests, the extent of damage to assets of connected firms is also greater. Additionally, I find that during protests, connected firms obscure their government ties by having their connected corporate officers remove their resumes from Google search results or edit their resumes, potentially to downplay their past government employment. Lastly, the paper documents that connected firms, even those undamaged during protests, often cut political ties afterward, evidenced by a significant increase in the likelihood of involuntary turnover among their connected officers within a year, a pattern that persists even in within-firm estimations. Overall, my findings underscore the ex-post costs associated with corporate political connections, an area that has remained underexplored in the literature.

## WORKING PAPERS

### Forming Banking Relationships: The Role of Hiring Bankers (*with* Ankit Kalda)

Despite evidence on the benefits of banking relationships for firms, it has remained unclear how firms form such relationships. Analyzing a proprietary dataset of corporate loans matched to a database of resumes, we find that firms without a borrowing history hire commercial bankers and improve their prospects of obtaining a first bank loan. This first bank loan, on average, marks the start of a banking relationship that persists even beyond the hired banker's tenure at the firm. Exploiting variation in loans issued to the same firm by different branches of the same lender within the same calendar year, our findings show that having a former banker on staff is associated with a higher likelihood of receiving a loan, larger loans, and lower spreads from the branch where the hired banker had previously worked. Further analysis indicates that the key mechanism at play is the mitigation of information frictions, likely achieved by capitalizing on the mutual trust and interpersonal ties between the hired banker and their former colleagues at the lending institution. The loans to firms employing a lender's former employee are significantly less likely to become delinquent, compared to similar-term loans issued by the same branch within the same calendar year.

### Robots Don't Vote: Political Cycles in Financing Automation (*with* Kristoph Kleiner)

This study documents empirical evidence that, despite an expansion in aggregate credit prior to elections, bank lending to finance automation technologies significantly contracts during these periods. Analyzing over 0.2 million corporate loans, we find that the likelihood of a bank loan origination for automation technologies is 25.2 percent lower in election years in constituencies where the incumbent politician is seeking reelection and facing electoral competition. Conditional upon issuance, the interest rate of bank loans that finance automation technologies is, on average, 40.4 basis points higher in treated constituencies during election years. These findings suggest that politically motivated bank lending may distort technology adoption decisions, revealing a mechanism hitherto unexplored through which political business cycles hamper economic growth.

### The Impact of Workplace Substance Abuse on Women's Involvement in Corporate America (*with* Samin Solouki)

Recent national surveys on the drug abuse indicate that the management of companies and enterprises industry has the third-highest rate of past month illicit drug use, 12.1 percent, among workers aged 18 to 64. This study posits that the prevalence of substance abuse in the workplace is a significant, yet overlooked, factor affecting women's participation, especially among highly educated groups like female MBA graduates. Conducting a non-deceptive field experiment in the U.S., we find evidence that reducing the incidence of substance abuse in the workplace could lead to a substantial increase in the female labor supply to the corporate world. Our findings thus imply that policies that decrease the workplace substance abuse could disproportionately enhance women's interest in contributing labor to the corporate world, offering a potential strategy for addressing the underrepresentation of women in corporate America.

## WORK IN PROGRESS

- Corruption, Talent, and Innovation (*with* Isaac Hacamo)
- Reputation Laundering By Investing in Public Goods
- Negotiating with a Weak Hand: How Firms Exploit Negative Sentiment Towards the Government

## TEACHING EXPERIENCE

### Indiana University, Kelley School of Business

Equity & Fixed-Income Investments (evaluation: 6.2/7) — Summer 2023
Intermediate Corporate Finance (evaluation: 5.7/7) — Summer 2023

**Sharif University of Technology**

STATA Workshop — Fall 2018

## HONORS & AWARDS

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|---|---|
| William G. Panschar Undergraduate Teaching Award, Finalist | 2024 |
| Harry R. Kelsey Fellowship ($5,000 Award) | 2024 |
| Designated as the National Scientific Elite | 2016 |
| Ranked $1^{st}$ in Iran's Nationwide University Entrance Exam for M.S. in Energy Economics | 2016 |
| Ranked $7^{th}$ in Iran's Nationwide University Entrance Exam for M.S. in Economics | 2016 |
| Achieved $1^{st}$ Place in the RoboCup Junior Competition, Rescue League | 2007 |

## SERVICE

PhD Brown Bag Seminar Coordinator — 2024

## LANGUAGES

English (fluent), French (fluent), Persian (native), Arabic (intermediate)