Curriculum Vitae

Personal Information

Martti Eino Mikael Kaila   Phone: +358 40 357 3291
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Research Interests

Economics of Crime, Labor Economics, Economics of Education

Academic Positions

Assistant Professor   September 2023-
     University of Glasgow, Adam Smith Business School

Research Affiliate   October 2023-
     CESifo

Education

Ph.D., Economics, University of Helsinki	2017-2023
Visiting PhD Student, Princeton University	2019-2020
M.A., Economics, University of Helsinki	2017
B.A., Economics, University of Helsinki	2015

Publications

"The Impact of an Early Career Shock on Intergenerational Mobility" (with Emily Nix and Krista Riukula) - **Journal of Labor Economics, Vol. 43 Number 4 (October 2025)**
Children's incomes are highly correlated with their parents' incomes. Differences in the first job explain part of this intergenerational persistence in incomes, but little is known about how subsequent labor market shocks might contribute to intergenerational mobility. This paper focuses on a consequential early career shock, job loss. We document three results. First, those born to lower-income parents suffer more from job loss. After an exogenous job loss, adult children born to parents in the bottom 20% of the income distribution have double the unemployment compared with those born in the top 20%, with 118% higher earnings losses. Second, this causes the rank-rank correlation, a measure of persistence of incomes, to increase by 34% for those impacted and country-level rank-rank correlations to increase as children age. Third, direct interventions by parents after their child loses a job and earlier life investments both explain our main results.

Work in Progress

"How Do People React to Income-Based Fines? Evidence from Speeding Tickets Discontinuities"
This paper studies the impact of income-based criminal punishments on crime. In Finland, speeding tickets become income-dependent if the driver's speed exceeds the speeding limit by more than 20 km/h, leading to a substantial jump in the size of the speeding ticket. Contrary to predictions of a traditional Becker model, individuals do not bunch below the fine hike. Instead, the speeding distributions are smooth at the cutoff. However, I demonstrate that

the size of the realized speeding ticket has sizable but short-lived impacts on reoffending ex-post. I use a regression discontinuity design to show that fines that are 200 euros larger decrease reoffending by 20 percent in the following six months. After 12 months, the effect disappears. My empirical results are consistent with an explanation that people operate under information frictions. To illustrate this, I construct a Becker model with misperception and learning that can explain all the empirical findings.

"The Punishment Ladder: Estimating the Impact of Different Punishments on Defendant Outcomes" (with Kristiina Huttunen and Emily Nix)

Most criminal justice systems use a "ladder of punishments" starting with less severe punishments and progressing to more severe ones according to crime severity and criminal history. Using random assignment to judges, we estimate the causal impacts of three common punishments on the ladder - fines, probation, and prison - on defendants' criminal and labor market outcomes. We find that fines increase recidivism. However, this increase is concentrated among those committing less severe crimes. Probation decreases recidivism for those committing less severe crimes and first offenders. Neither fines nor probation affects earnings. Prison has a mixed impact, decreasing future charges but also decreasing earnings.

"Financial Crime and Punishment" (with Kristiina Huttunen and Emily Nix)

Financial crimes are prolific and impose significant costs on societies. In this paper, we investigate whether prison sentences reduce financial crimes. Using random assignment of judges to identify causal impacts of prison sentences from 2000 to 2018 in Finland, we show that prison reduces defendant re-offending by 42.9 percentage points in the three years following the crime. We also find that a prison sentence reduces colleagues' propensity to commit financial crimes in the future, suggesting important spillover effects of harsher punishments.

"Inequality in College Applications: Evidence from Three Continents" (with Adam Altjmed, Aspacia Bizopoulou, Martti Kaila, Christopher Neilson, Rigissa Megalokonomou, José Montalban Castilla, Sebastián Otero, and Xiaoyang Ye)

"Punishment Thresholds, Perceptions, and Learning" (with Daniel Hauser and Xiaogeng Xu)

TEACHING EXPERIENCE

Lecturer at University of Glasgow

    Econometrics: 2023

Teaching Assistant at University Of Helsinki

    Public Economics 1 Taxation Policy: 2023

    Advanced Macroeconomics: 2021

    Intermediate Macroeconomics 1: 2021, 2022

    Intermediate Macroeconomics 2: 2019, 2021

    Intermediate Microeconomics 1: 2018

    Intermediate Microeconomics 2: 2018

PRESENTATIONS

2024 Criminal Justice Settings, Crime, and Reintegration workshop at Lorentz Center

2023 Vrije Universiteit Amsterdam; University of Glasgow; VATT Institute for Economic Research; CESifo Labor Economics Conference; EALE

2022 SOLE; EALE; IZA Summer School in Labor Economics; Helsinki Graduate School of Economics; Bocconi

2021 NBER Labor Summer Institute (coauthored); Helsinki GSE Lunch Seminar; Helsinki GSE Labor and Public Workshop; ETLA Economic Institute; Turku School of Economics

2020 Helsinki GSE Labor and Public Workshop; Criminological Seminar, University of Helsinki

2019 Princeton university; Nordic Summer Institute in Labor Economics; European Society for Population Economics Annual Conference; APPAM Fall Research Conference

2018 OECD, France

Grants

OP Financial Group Research Foundation	2022
Yrjo Jahnsson Foundation Grant	2019
Finnish Cultural Foundation Grant	2018
Yrjo Jahnsson Foundation Grant	2017

Refereeing

European Economic Review, *Journal of European Economic Association*, *Journal of Finnish Economic Association*

Personal Details

Citizenship: Finnish
Languages: Finnish (native), English (fluent), Swedish (basic)