

The Democratic Returns of Pluralism in Autocracy: Opposition Representation and Local Development in Cambodia's Commune Councils

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Abstract

The proliferation of “competitive authoritarian” regimes has rendered the participation of legal opposition parties commonplace in authoritarian elections, legislatures, and sub-national councils, yet we know little about how the opposition’s participation in these institutions affects how they function and the outcomes they produce. In this paper, I consider three mechanisms through which the opposition party’s participation in local authoritarian institutions might “matter” for public goods delivery: by increasing political competition, by conferring oversight authority to opposition politicians, and by increasing opposition representation in local political institutions. Drawing from the democratic literature on the effects of pluralism and competition on corruption, I theorize that there are reasons to expect increased opposition participation in local institutions to translate to better governance in each case. I test my hypotheses using three distinct research designs, making use of original data from over 16,000 contracts for commune infrastructure projects in Cambodia’s 1633 elected commune councils and a novel close-elections regression discontinuity design in a proportional representation setting. I find evidence that increased political competition alone fails to lead to improvements in governance; however, increases in the opposition’s share of seats in local institutions leads to significant increases in the number of bidders in competitive procurement and decreases in the price at which contracts are secured. The findings suggest that opposition parties’ participation in local political institutions can have important effects on authoritarian governance, even where the prospects for an outright opposition victory remain low.

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“A full description of the opportunities available for participation and contestation with a country surely requires one to say something about the opportunities available within subnational units.”

– Robert Dahl, *Polyarchy* (1972)

1 Introduction

The “institutional turn” in the comparative authoritarianism literature over the last two decades (Pepinsky, 2014) has produced a proliferation of research on the ways in which democratic-looking institutions, including elections, parties, and legislatures, help the autocrat to manage intra-elite rifts (Svolik, 2012; Boix and Svolik, 2013; Magaloni, 2008; Brownlee, 2007; Meng, 2020), co-opt external opponents (Gandhi and Przeworski, 2006; Gandhi, 2008; Lucardi, 2019; Magaloni, 2006), gather valuable information (Malesky and Schuler, 2013; Geddes et al., 2018; Geddes, 2006; Gandhi and Lust-Okar, 2009), foster popular legitimacy (Schedler, 2006; Levitsky and Way, 2010), and ultimately, enhance regime durability. Despite the field’s careful theorizing about authoritarian regimes’ strategic incentives to institutionalize, the literature has only begun to scratch the surface on the implications of specific institutional features for important outcomes such as policy (Malesky et al., 2011; Martinez-Bravo et al., 2011), service provision (Malesky et al., 2014; Zhang et al., 2004; York, 2020), and citizen welfare.

At the same time, the literature’s emphasis on the role of authoritarian institutions in co-opting external threats and resolving intra-elite rifts has left legal opposition parties—neither entirely external to political institutions nor fully incorporated in the regime elite—in a difficult-to-theorize position.¹ Svolik (2012, p.23) dismisses any potential for opposition parties to threaten regime hegemony through political institutions, arguing that under authoritarianism “genuine competition for power takes place...with brute force” rather than in the electoral arena. By his account, the opposition remains little more than “window dressing” (Huntington, 1968) within the legislatures

¹Throughout the text, I use the terms “opposition party” and “opposition” interchangeably to refer to “a political institution with decisive organizational capacities whose interactions with the regime are of a competitive nature, yet based on a minimum degree of mutual acceptance” (Albrecht, 2005, p.379). My research is limited in scope to “competitive authoritarian” regimes (Levitsky and Way, 2002, 2010), or those regimes in which opposition parties are both legally and effectively permitted to contest the regime for power in elections, and operate independently from and in opposition to the ruling party. A wealth of regimes meet this criteria, including Malaysia under UMNO, Cambodia under the CPP (until 2017), Singapore under PAP, Mexico under the PRI, and Zimbabwe under ZANU-PF, among others.

and elections that serve primarily to facilitate powersharing between the autocrat and his allies. Others have argued that opposition parties are important to political outcomes only insofar as they structure the available alternatives for disillusioned regime elites to contest power from outside the ruling party (Magaloni, 2008; Brownlee, 2007, 2008). Yet such accounts fail to consider how an opposition party can increase its electoral competitiveness and, thus, its attractiveness to potential regime defectors as a viable alternative pathway to power. By contrast, scholars studying the phenomenon of “democratization by elections” (Lindberg, 2009) have treated opposition parties as key strategic actors in authoritarian regimes. However, the bulk of this literature has focused solely on the critical decisions made by the opposition surrounding elections, such as the formation of pre-electoral coalitions (Donno, 2013; Howard and Roessler, 2006; Gandhi and Reuter, 2013; Wahman, 2014; Van de Walle, 2006; Gandhi and Ong, 2019; Dettman, 2018) or the staging of election boycotts (Schedler, 2009; Lindberg, 2006a; Smith, 2014; Lindberg, 2006b; Beaulieu and Hyde, 2009). Little consideration has been granted to how the opposition’s actions *between* elections shape what electoral strategies are available to them in the future.

Starting from the recognition that in competitive authoritarian regimes, opposition party politicians can (and do) accede to political office without necessarily dismantling autocratic control, I consider in this paper how opposition participation in political institutions matters for everyday governance in authoritarian regimes. While elections and legislatures might contribute to the stability and longevity of authoritarian rule, in competitive autocracies—where opposition parties are allowed to contest the regime meaningfully (though not fairly) for power—these institutions can also imbue politics with a modicum of competition and provide the opposition with some degree of institutional legitimacy and power (Levitsky and Way, 2002, 2012; Schedler, 2002; Diamond, 2002). I argue that these democratic implications of authoritarian institutions — namely, meaningful electoral competition between the regime party and the opposition and the conferral of institutional roles and authority to opposition party politicians — can lead to the same improvements in governance and reductions in corruption typically associated with democratic institutions, specifically in the context of local government.

I theorize that as the degree of opposition participation in a locality increases, increased political competition may induce *ruling party politicians* to rid themselves of corrupt practices, while

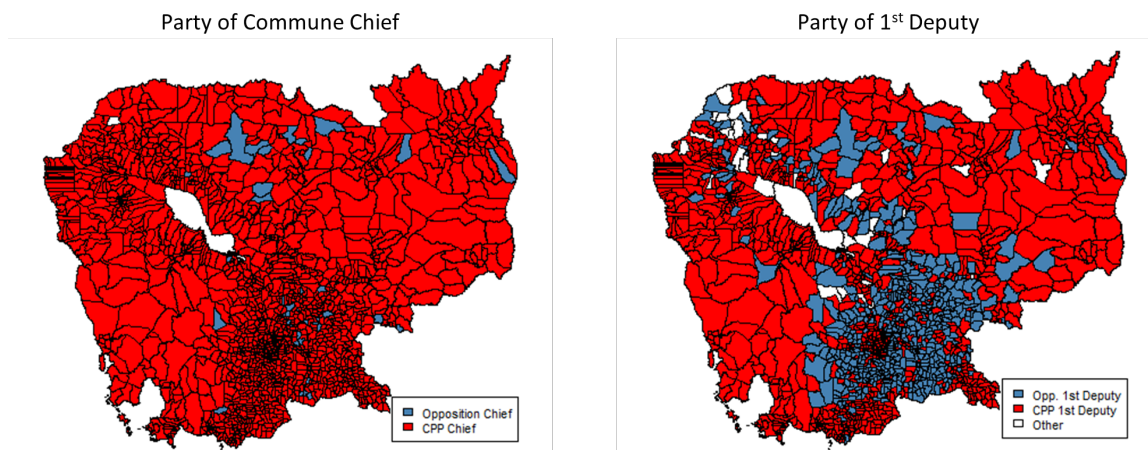
increased opposition representation within political institutions may grant *opposition politicians* the institutional authority necessary to constrain the political corruption of the ruling party. Institutional authority can come in several forms; I focus specifically on how both powers of oversight, as attained by securing special political position, as well as increased institutional representation, as attained by securing additional seats in local political institutions, shapes the opposition's ability to effect positive changes in local governance.

I study this question in the context of Cambodia's commune council. Since the UN restored elections in Cambodia in 1993, the political landscape has been dominated by Prime Minister Hun Sen and his Cambodian People's Party (CPP) in what is considered a competitive authoritarian regime (Levitsky and Way, 2010).² While the CPP has maintained tight political control at all levels of subnational administration and majority control of the National Assembly, competitive elections at the national and commune level have provided an avenue for legal opposition parties to contest, and often win, a non-trivial share of seats in the National Assembly and local commune councils. In the 2012 commune council elections, the CPP secured an outright majority and the executive position of commune chief in nearly 98% of the country's 1633 communes; however, opposition parties performed reasonably well, winning more than 25% of the total council seats throughout the country and securing the important financial oversight position of first deputy chief in a third of the communes (see Figure 1).

Drawing on original data on the procurement of over 16,000 contracts for over 42,000 local infrastructure projects scraped from a Cambodian government database, I employ three distinct research designs that allow me to disentangle the effect of political competition on corruption in local infrastructure projects, from the effect of increases in opposition institutional representation on corruption. Within a simple regression framework, I first estimate how increases in the opposition's political competitiveness, as measured by commune-level performance in general elections, affects corruption in the procurement in local infrastructure projects when holding the degree of opposition political representation constant. Next, using a close-elections style regression discontinuity (RD) design exploiting an idiosyncratic electoral rule on the allocation of the first deputy chief position, I

²In the run up to the 2018 national elections, the Supreme Court dissolved the main opposition party, the CNRP, and barred its from participating in politics for five years, effectively "push[ing] the regime from competitive authoritarianism to full-blown "hegemonic" authoritarian rule" (Morgenbesser, 2019, p.159).

Figure 1: Partisan Affiliation of Commune Chief and First Deputy (2012 - 2017)



estimate the effect of the opposition’s attainment of this oversight position on governance outcomes. A final close-elections RD design, modified for the context of proportional representation under d’Hondt seat allocation, estimates the effect of the opposition’s attainment of a single additional seat on governance, holding levels of political competition constant.

I find little evidence that political competition alone drives ruling party politicians in authoritarian regimes to police their own behavior in office. When holding the degree of opposition representation in the commune council constant, increases in political competition between the ruling CPP and the opposition do not correspond to reductions in corruption. The opposition’s attainment of the first deputy position, and its powers of financial oversight, similarly has no perceptible effect on measures of corruption in the procurement of local infrastructure projects. Instead, I find that a marginal increase in opposition representation, as measured by a single additional commune council seat won by the opposition, produces a significant improvement in the management of commune procurement that is indicative of reduced corruption. The addition of a single opposition politician to the commune council corresponds on average to one additional bid solicited for every two contracts and a three percentage point decrease in the price secured by the winning contract. The results indicate that by allowing opposition actors to access the institutional power of local office, pluralism in autocratic institutions can produce some of the same benefits for governance as in democratic institutions, even when the prospects of democratization remain low.

This paper makes several contributions to the literature. First, it posits a novel theory of opposition participation in autocracy, explicating several avenues through which opposition participation

in authoritarian regimes matters, even when an outright opposition victory at the national level remains far off. Second, it contributes to a growing body of research that looks at how subnational political institutions under autocracy shape outcomes related to public goods delivery and local governance, suggesting that local elections in authoritarian regimes might simultaneously enhance citizen welfare while strengthening the ruling party's grip on power (Malesky et al., 2014; Manion, 2017; Martinez-Bravo et al., 2011). Third, it brings the case of Cambodia into the literature on authoritarian regimes. Despite its status, from 1997 to 2017, as almost a prototypical competitive authoritarian regime, characterized by both real opposition competition and authoritarian repression and manipulation, Cambodia remains vastly understudied in the literature (c.f. Morgenbesser (2016); Un (2019)). Finally, this paper is among a limited body of work that adapts the methods of close-elections RD designs, most frequently used in contexts with single member districts and first-past-the-post elections, to the trickier context of proportional representation in multi-member districts with d'Hondt seat allocation (Poulsen and Varjao, 2020; Folke, 2014; Fiva et al., 2013).

The paper proceeds as follows. Section 2 builds on the democratic and authoritarian institutions literatures to theorize the effect of opposition participation in local authoritarian institutions on governance. Section 3 provides background on Cambodia's regime and local government institutions. Section 4 details the three research designs and data sources used in the empirical analysis. Section 5 presents and discusses the results from the analysis. Section 6 explores the persistence of the estimated effects following the dissolution of Cambodia's opposition, and Section 7 concludes.

2 Opposition Participation in Local Institutions under Autocracy

I theorize that insofar as opposition party candidates meaningfully compete for and fill local elected positions, opposition participation in local authoritarian institutions can provide a boon to local governance vis-à-vis the same mechanisms through which democratic institutions are understood to do so: by increasing political competition over elected positions and by imbuing opposition actors with institutional authority to serve as a “check” on ruling party hegemony. Below I theorize how

through each mechanism, increased opposition participation in local authoritarian government holds the potential to curb the self-dealing behavior of elected officials.

2.1 Political Competition and Local Authoritarian Governance

A large literature examines the role of political competition in improving governance and reducing corruption in democratic regimes.³ While the positive relationship between competition and governance can be conditional on a number of factors, including access to information (Brunetti and Weder, 2003; Ferraz and Finan, 2008), electoral institutions (Chang and Golden, 2007; Kunicová and Rose-Ackerman, 2005; Persson et al., 2003), and voter turnout, the logic underpinning the relationship is simple: “The more the system forces politicians to face the electorate, the higher are their incentives to stick to good governance” (Lederman et al., 2005, p.4). In competitive authoritarian regimes, however, unfair electoral competition, biased judicial institutions, and tight controls on the press and civil society work together to sever ties of accountability between politicians and the electorate. Nonetheless, there are several reasons we might expect increased political competition, especially in local elections, to have beneficial effects on governance in authoritarian regimes.

First, in contrast to national authoritarian elections, in which the outcome is often tightly-controlled, the outcomes of local authoritarian elections are not necessarily so strictly circumscribed. Because the stakes of the ruling party losing seats in any given constituency are lower as the number of constituencies increase, local elections provide a “safer” venue for the regime to collect honest feedback from citizens than national elections (Geddes et al., 2018). However, even if local elections are characterized by genuine electoral competition in order to serve as a source of information to the regime, the hyper-incumbency advantages enjoyed by the ruling party will nonetheless render the likelihood of opposition victory low (Gandhi and Lust-Okar, 2009; Greene, 2007; Magaloni, 2006; Malesky and Schuler, 2020). By both tilting the electoral playing field in favor of the ruling party and demonstrating to voters the futility of a vote for the opposition, the electoral advantages of authoritarian incumbency weaken the electorate’s ability to sanction poorly-performing ruling party politicians.

³See, for example, Aidt et al. (2008); Ferraz and Finan (2011); Finan and Mazzocco (2016); Foster and Rosenzweig (2004); Gerring and Thacker (2004); Lederman et al. (2005); Pelizzo and Stapenhurst (2012); Rose-Ackerman (1999); Shleifer and Vishny (1993); Treisman (2007).

I theorize that when voters lack the means to effectively sanction politicians through the polls, intensified political competition can exert an influence on ruling party politicians' behavior through their upward accountability to the party, rather than through the downward accountability to voters that is characteristic of democratic regimes. While the electorate might lack the ability to “throw the bums out” on their own, dips in ruling party support in local elections can signal to the party the unpopularity of local cadres (Boix and Svolik, 2007; Shih et al., 2012). So long as the ruling party strives to maintain good relations between local leaders and their constituents, increased electoral competition thus intensifies the pressure on ruling party politicians to ensure the party's popularity among citizens or else risk removal or censure from the party. In a perverse form of electoral accountability, local politicians are thus compelled to act in the best interests of citizens in order to maintain their status in the ruling party.⁴

Indeed, several regimes have embraced local elections as a means of alleviating the party's monitoring challenges and removing extractive or unpopular local leaders from their posts (Geddes et al., 2018; Martinez-Bravo et al., 2011; Greitens, 2016). During the debate surrounding China's adoption of village elections, the chairman of the National People's Congress Standing Committee, Peng Zhen, advocated for village self-government as a means of removing extractive party cadre who were souring the villagers' relationship with the party: “[Peng] lamented how relations between cadres and villagers had deteriorated since the 1950's, noting that some rural leaders had become ‘local emperors’ (*tu huangdi*) — cadres who flattered officials at higher levels but ‘used excessive force against villagers and even illegally jailed them.’ If such trends were not checked, he warned, villagers would ‘sooner or later attack our rural cadres with their shoulder poles.’ To prevent a further decline in cadre-mass relations, according to Peng, top-down supervision was not enough” (Li and O'Brien, 1999, p.132).

Cambodia's ruling CPP similarly welcomed local elections as a means of weeding out commune officials who were a liability to the party, with Prime Minister Hun Sen lamenting to donors that, in the absence of elections, he had to frequently step in to solve local conflicts arising from unpopular appointed commune leaders (Öjendal, 2005, p.292). Ahead of the first commune elections, CPP

⁴Naturally, we should expect politicians' upward accountability to the party to be especially strong when electoral institutions grant party leaders a substantial amount of control over individuals' political futures, as is the case when closed lists are used or independent candidates are barred from competing.

cabinet chief Tep Ngorn reported that the CPP would be replacing up to 30% of appointed commune leaders with new candidates because many of the existing commune chiefs “[had] shown some faults that make people unhappy . . . If it is our party’s strategy to win the heart of voters, we have to get popular candidates” (Chandara, 2001). Recently, the CPP has begun to make use of nomination elections to gauge the popularity of existing commune leaders prior to determining the party’s candidates for commune elections. CPP spokesman Sok Eysan argued that soliciting feedback from the people in the commune allows the CPP to select the most qualified candidates to run for office, stating that “we [the CPP] only choose those with achievements in their communes to be candidates” (Roeun, 2017). As in the cases of China and Cambodia, the KMT in Taiwan similarly “promoted electoral participation at the local level” in the 1950’s, “using elections to pressure party cadres” to expand the party’s base of support (Greitens, 2016, p.101).

In sum, I theorize that if ruling parties prefer their local leaders to be popular among the citizenry, and if ruling party politicians are motivated to retain their position and status in the party, then increases in the competitiveness of opposition parties in a local constituency can compel *ruling party* politicians to temper their use of political office for private gain.

Political Competition Hypothesis: *Localities in which opposition politicians are more electorally competitive will exhibit less corruption compared to localities where opposition politicians are less electorally competitive.*

2.2 Institutional Authority and Local Authoritarian Governance

I argue above that as the opposition’s popularity increases, the fear of losing their elected position or their status in the party prompts *ruling party* politicians in authoritarian regimes to police their own behavior, resulting in less corruption. The political competition theory, then, does not require members of the opposition to take any actions or even necessarily win any local positions for governance to improve. Rather, it is the mere *threat* of the opposition gaining influence that incentivizes ruling party politicians to improve their behavior in office. However, it might also be the case that opposition participation in local political institutions grants opposition politicians the opportunity to shape local outcomes directly through their own actions. I theorize that by winning

elected positions in local institutions, opposition politicians can attain institutional powers that allow them to serve as a check on unrestrained regime party rule. These powers can be linked to the attainment of a specific position within local institutions, such as mayor, deputy village chief, or city treasurer, that grant individuals special authorities, or can result from the intra-institutional voting power embodied in a given elected position, as in the case of a city council seat or a seat in the provincial legislature.

Scholars of democracy have argued that opposition parties, understood in the democratic context as the party or parties excluded from the executive branch, can serve as a check on the party in power both through parallel political institutions (Alt and Lassen, 2008; Poulsen and Varjao, 2020) and within the same institution (Sørensen, 2014; Brown et al., 2011). In both cases, mechanisms embedded in institutions grant political actors the authority to monitor the actions of other politicians, while electoral incentives motivate opposition politicians to use this authority to expose corrupt politicians rather than collude with them. Emphasizing the role of polarization in constraining corruption, Brown et al. (2011) argue that opposition parties can serve as a check on the party-in-power's behavior, even in the absence of institutional checks and balances, when the ideological distance between the opposition and the party-in-power is sufficient such that the price required for the opposition to collude is greater than the benefits of corruption for the executive's party.

The logic undergirding Brown et. al's theory helps illuminate why opposition politicians in local authoritarian institutions have incentives to serve as a check on regime party behavior. The advantages of authoritarian incumbency render the material gains associated with ruling party affiliation much greater than the material gains of opposition party affiliation. As a result, we can expect the price required to collude with a politician that already chose to forego such material gains by affiliating with the opposition to be high.⁵ Additionally, without a performance record in office and lacking the material resources and political connections of ruling party politicians, opposition party politicians in authoritarian contexts often struggle to demonstrate to voters their

⁵In the only theory of opposition-party affiliation under autocracy to date, Greene (2007, p. 60) argues that "whereas competitive parties can use their viability as an incentive for affiliation, challengers to dominant parties [opposition parties] cannot promise office benefits in the current round or in the foreseeable future. As a result, pure office-seekers...[and] those who seek club benefits by becoming party insiders are more likely to profit in the dominant party than in the opposition."

capacity and fitness for political office (Malesky and Schuler, 2020; Hughes, 2003; Greene, 2007; Magaloni, 2006). Opposition politicians therefore have more to gain by increasing their personal electoral appeal through improvements to public services than ruling party politicians, who already benefit from the regime's hyper-incumbency advantages. Furthermore, insofar as opposition parties campaign on the platform of curbing regime corruption, ameliorating the practices of self-dealing politicians affords the opposition a rare opportunity to demonstrate to voters their ability to follow through on campaign promises.

Unlike in the democratic context, however, in autocracies *de jure* institutional authority combined with personal incentives are not sufficient to ensure the opposition can serve as a check on regime party corruption. Because institutions under autocracy can be altered and selectively enforced at the autocrat's whim (Svolik, 2012, p.14), the capacity to constrain ruling party politicians must also be *de facto* granted by the regime.⁶ But why should we expect an authoritarian regime to grant its opponents the authority to constrain its own cadre?

The literature on authoritarian institutions contends that by granting opposition politicians institutional concessions, such as legislative seats and limited policy influence, autocrats coopt the opposition into participating in regime institutions rather than challenging them by extra-institutional or violent means (Gandhi and Przeworski, 2006; Magaloni, 2008). As York (2020) argues, institutionally-conferred authorities, such as oversight powers or influence over policy-making processes, might thus serve as a concession from the regime to the opposition to induce their continued participation. However, this cannot explain why we should expect the opposition's authority to have any "bite" — the opposition may be granted the *right* to participate in local institutions and fill designated political roles, but possess no *power* to ultimately affect outcomes.⁷

I theorize that insofar as the regime considers the opposition threat to be "managed" at the national level, granting the opposition the *de facto* permission to exercise *de jure* institutional

⁶Svolik (2012) writes that, in the absence of an independent authority to enforce political agreements, "promises made at one point by the dictator, his allies, or the regime's repressive agents may be broken later, when they become inconvenient." It is this distinctive characteristic of authoritarian rule that "decidedly limits the role that political institutions can plausibly play" in resolving conflicts over power (p.14).

⁷The same may be said about the promise of policy concessions as a tool for coopting the opposition – Gandhi and Przeworski (2007) themselves recognize that legislative decisions in authoritarian assemblies are by and large predetermined and always reversible, thus suggesting that the promise of "policy concessions" might be better understood as a promise to grant opposition the right to express opinions on, but not necessarily affect, policy.

authority confers benefits to the ruling party, in terms of reduced rent-seeking and improved local public service provision, that ultimately outweighs the risks. As discussed above, it is in the interest of the ruling party to maintain positive relations between the electorate and local party leaders; allowing opposition politicians to curb regime party cadres' extractive behaviors further eases the party's monitoring problems. Additionally, because rent-seeking by local officials diverts public funds allocated to the provision of public goods and services to politicians' pockets, the reduction of self-dealing in local administration can translate to improvements in public service delivery, a key source of popular support for autocrats (Dimitrov, 2008; Magaloni, 2006; Okruhlik, 1999). Ruling parties might thus assume that they can safely capture the credit for any improvements to public services that occur at the local level.

However, if the opposition poses a viable threat to the regime's continued rule at the national level, the discounted future benefits of improved service delivery and more popular local leaders will be overwhelmed by the risks of imbuing local opposition politicians with any *de facto* capacity, and the regime will retract the opposition party's institutionally-conferred powers. In this way, the threat of removal of powers — made credible by non-democratic rulers' unique ability to arbitrarily alter institutions — can effectively deter the opposition from using the limited powers it is granted to consolidate its threat against the regime.

In short, I argue that by attaining positions in local political institutions, opposition politicians can constrain self-dealing behaviors of regime party politicians, resulting in improvements to local governance. Consistent with the notion that different political positions confer political actors with different institutional authorities, I consider separately the effect of the opposition winning a political position that confers the special institutional authority of oversight from the effect of the opposition winning additional seats in local legislative bodies. This leads me to the two hypotheses below:

Opposition Oversight Hypothesis: *Localities in which opposition politicians hold oversight positions will exhibit less corruption compared to localities where ruling party politicians hold positions of oversight.*

Opposition Seat Hypothesis: *Localities in which opposition politicians hold more seats in*

local institutions will exhibit less corruption compared to localities where opposition politicians hold fewer seats.

3 Context

3.1 Politics in Cambodia

I study opposition participation in local institutions in the context of Cambodia. Since the UN restored elections in Cambodia in 1993, the political landscape has been dominated by Prime Minister Hun Sen and his Cambodian People's Party (CPP) in what was considered until recently to be a competitive authoritarian regime (Levitsky and Way, 2010). Prior to the 2018 national elections, opposition parties were permitted to contest the CPP in relatively free and fair elections, with several major opposition parties developing substantial followings and securing a non-trivial number of legislative and commune council seats in national and local elections (COMFREL, 2012, 2002, 2007). Nonetheless, the CPP's monopoly over the state administration, the media, financial resources, and the security and police force, in addition to sophisticated voter intimidation techniques and extensive infrastructure-building campaigns, has ensured its dominance over national and subnational government (Hughes, 2003, 2009; Hughes and Un, 2011). Furthermore, the bureaucracy remains squarely in the hands of the CPP. Although officially illegal,⁸ public servants are regularly asked to become members of the CPP and required to campaign on behalf of the CPP as part of their official duties (Hughes, 2003; Johnson, 2014; Meyn and Kaing, 2013).

The CPP repeatedly emphasizes two dimensions of its reputation to curry favor with voters: as the party of peace and security and as “the party that gets things done” (Hughes, 2009, p.60). This latter aspect of the CPP's reputation has been earned through the party's intense focus on infrastructure development. Since the latter half of the 1990s, the CPP has constructed thousands of roads, pagodas, and schools throughout the Cambodian countryside brandished with the party logo. This strategy has proven popular with voters. In a 2013 survey, the five most popular answers to the question “what are some of the reasons you feel the country is headed in the right direction”

⁸Article 82 of the Constitution bars civil servants, local authorities, and the police/army from “us[ing] the influence and power of their roles, directly or indirectly on the election process” (RGC, 2015).

were all related to infrastructure;⁹ furthermore, when asked in the same survey which party best represented their view on the issue of road building, 81% of respondents chose the CPP (IRI, 2013).

Opposition parties have had significantly more difficulty developing their reputations amongst voters. Two major opposition parties are relevant to the study – the Sam Rainsy Party (SRP) and the Human Rights Party (HRP).¹⁰ Without experience governing to draw on and crippled by a lack of access to resources, the SRP and HRP appealed to voters largely on the “anti-regime” dimension. Both parties have rallied around the corruption of the CPP and, in the case of the SRP, heavily criticizing the CPP’s Vietnamese origins (COMFREL, 2012; Hughes, 2009). While it was widely acknowledged after the HRP contested its first election in 2008 that both the HRP and SRP would benefit in subsequent elections from merging into a single opposition party, talks between the two parties regarding the formation of a united opposition broke down several times between 2008 and 2012 (Meyn, 2013b; Samean, 2008). As a result, the HRP and SRP competed separately in the 2012 commune election. It was only after seeing the results of the 2012 commune elections that the HRP and SRP joined forces as the Cambodia National Rescue Party (CNRP).¹¹

Following the formation of the CNRP, the opposition experienced significant gains in the 2013 general elections, winning nearly 45% of the vote and capturing 55 out of 123 seats in the National Assembly. The CPP responded to increased competition from the CNRP by adopting a “reformist” agenda focused on routing out corruption among government officials and improving public service delivery (Willemyns and Mech, 2013; Amaro, 2018; Dara, 2019). As one expert put it, the CPP started to “steal the opposition’s thunder” following the 2013 election by reclaiming the issues of public service quality and anti-corruption from the CNRP.¹² In a September 2013 speech following

⁹The five most popular answers were: Infrastructure – Roads (87%); Infrastructure – Schools (57%); Infrastructure – Health Clinics (27%); Infrastructure – Bridges (18%); and Infrastructure – Pagodas (16%).

¹⁰The third major opposition party is FUNCINPEC, the royalist party and official victor of the 1993 elections. Following Hun Sen’s takeover of the “First Prime Minister” role from FUNCINPEC by coup in 1997, the royalist party was co-opted and cowed into submission by the CPP, acting from there on out as a “loyal opposition” party. A 2017 article by VOA Khmer quotes the leader of FUNCINPEC, Prince Norodom Ranariddh, saying that while his party is not the regime’s puppets, “we are definitely not an opposition party” either (Tum and Boyle, 2017). FUNCINPEC’s support steadily waned throughout the 2000s and 2010s, receiving 151 commune council seats in 2012 and a mere 28 council seats in the 2017 election.

¹¹One SRP lawmaker, Son Chhay, attributed the parties’ failure to cooperate prior to the 2012 elections to conflicts between party leaders: “We had leaders who believed...that they are themselves the best leader and they can convince people to vote for them, but look at the results from...the commune election. The SRP was disappointed, we lost many commune seats” (quoted in Meyn (2013b)).

¹²Interview with high-level member of civil society, February 2, 2021, Phnom Penh (remote).

the CNRP's unexpected success in national elections, Prime Minister Hun Sen implored his fellow ministers to rid themselves of corrupt behaviors: "First, you need to use a mirror to look at yourself. Second, you have to take a bath to clean your body. Third, you have to scrub your body while bathing if it is plagued by dirty things. Fourth, you have to heal your disease...If this can't be done by all of you, I can't wait to die with all of you" (Hutt, 2016).

Despite the CPP's appeals to its leaders to rout out corruption within the party ranks, the CNRP continued to gain momentum, culminating in the capture of nearly 30% of communes in the 2017 commune elections. The stunning outcome of the 2017 commune election made it clear that the opposition had a real chance of winning the 2018 general election, threatening to disrupt the CPP's 25-year hegemony. However, less than six months prior to the general election, the Supreme Court of Cambodia ruled the CNRP guilty of conspiring to topple the government, stripping opposition legislators and councilors of their positions and banning the party's participation in politics for five years. The politically-motivated ruling illustrates how autocrats can manipulate political institutions to quash threats from the opposition. It was only once the opposition posed a serious threat to the CPP's national hegemony that the regime took actions to alter the institutions allowing for its participation in politics. Since the 2017 ruling, the CPP and satellite parties have assumed the CNRP's commune councilor positions, effectively eliminating opportunities for opposition participation at the local level.

3.2 Cambodia's Commune Councils

The Cambodian government operates at four levels of administration — national, province, district, and commune — however, only at the national and commune level are leaders directly elected.¹³ A product of French colonial rule, commune administration played little role in the daily lives of Cambodians throughout much of the 20th century, disappearing entirely under the Khmer Rouge (Vachon, 2017; Chandler, 2008). Commune authorities were re-established in 1981 by the Vietnamese-backed Kampuchean People's Revolutionary Party (the pre-cursor to the CPP),

¹³Since 2008, provincial and district councils are indirectly elected by commune councilors from closed party lists. The most powerful institution at both the provincial and district level, however, is the board of governors, presided over by the provincial or district governor. Members of the boards of governors are directly appointed by the Prime Minister and Ministry of Interior and oversee all activities of the provincial or district council (RGC, 2008, sec.5).

with party-appointed commune chiefs enjoying extensive autonomy over matters including revenue collection and commune defense (Blunt and Turner, 2005; Slocumb, 2004). When the UN Transitional Authority presided over Cambodia's first national election in 1993, the CPP was permitted to retain its chiefs in the communes (Vickery, 1994; Hughes, 2003); however, the position was stripped of most of its official government functions, serving instead as a grassroots network of CPP officials capable of surveilling and mobilizing citizens. A series of decentralization reforms beginning in 2001 mandated the replacement of CPP-appointed chiefs by elected, multi-party councils vested with both legislative and executive powers. Since 2002, Cambodia has held regular multi-party commune council elections in which citizens elect councilors to five-year terms according to a closed-list, proportional representation system. As commune elections take place in the year prior to national elections, they are important not only in determining local leadership but also in providing valuable information to the regime and the opposition about public opinion among the electorate.

Commune councils can have 5, 7, 9 or 11 seats, depending on population size. The executive of the commune council is the commune chief, a position awarded to the party that receives the most votes in the election. The commune chief is flanked by two deputies: a first deputy chief, charged with assisting the chief with financial and economic affairs, and a second deputy chief, charged with assisting the Chief with administrative services. When three distinct parties win seats on the council, the first deputy chief position is awarded to the party with the second-most votes, and the second deputy chief position is awarded to the party that receives the third-most votes. However, if only two parties receive seats in the election, the positions of chief *and* first deputy are awarded to the party with the most votes, and the party with the second-most votes fills only the position of second deputy chief (RGC, 2001b,a). In the 2012 commune election, the CPP won the chief position in 97.5% of communes. However, because the two main opposition parties, the SRP and HRP, had not yet formed a coalition at the time of the election, there was significant variation across communes in the number of distinct parties that won seats, causing the affiliation of the first deputy to vary greatly from commune to commune, and not necessarily in relation to the opposition's vote or seat share. Figure 1 illustrates the variation in the partisan affiliation of the chief and the first deputy position following to 2012 election. Throughout the text, I will refer to councilors affiliated with the SRP or the HRP as "opposition councilors."

Lacking both fiscal powers of revenue collection and *de facto* decision-making autonomy, commune councils have little control over the delivery of public services including water and sanitation, education, or health services in their commune (Eng and Ear, 2016). Apart from issuing official documents such as birth certificates and family books, the chief duty of the commune council is to implement small development projects including roads, irrigation systems, and schools using the Commune/Sangkat development fund (CSF), a fixed transfer from the national government and the only source of revenue for commune administration. CSF projects are selected by the council through a participatory process with the community and require modest local contributions to be completed. Roads are by far the most commonly built projects; over half of the 46,000 local public goods projects contracted between 2009 and 2020 consist of new roads, road updates, or road repairs (see Table 1). The average CSF contract implemented during the third commune council mandate (2012-2017) cost roughly 71 million Riels, or \$17,509.25, and the average commune implemented 4.64 contracts during the 5-year mandate, equivalent to roughly one contract a year (see Table 10).¹⁴

As the allocation of CSF funding to local infrastructure development remains among the only official responsibilities in which the commune council possesses some decision-making autonomy, I argue that evidence of corruption in CSF procurement is likely indicative of poor governance within the commune council overall. To minimize corruption, the law mandates procurement for CSF projects to occur through a competitive bidding process, in which multiple bids are solicited from contractors that have been pre-approved by provincial officials and the contract is awarded to the contractor with the lowest, valid bid in a public bid opening (Ministry of Economy and Finance, 2005). The procurement process is handled by a procurement committee, consisting of the commune chief, two commune councilors, and a bureaucrat from the provincial administration serving as technical support officer.¹⁵ The technical support officer enters detailed expenditure reports and procurement information about the project into a public database maintained by the National Committee for Subnational Democratic Development (NCDD).

¹⁴Note, contracts often include multiple projects. The database includes information on over 16,000 contracts detailing over 46,000 projects.

¹⁵Anecdotal evidence suggests the First Deputy would serve on this committee. Interview with High-Level Cambodian NGO Employee 1, February 18, 2021, Phnom Penh (remote).

Despite these measures, significant scope for corruption remains in the procurement process.¹⁶ Interviews suggest that while the call for bids and the bid opening are intended to be public, often the procurement committee opens the bids behind closed doors, allowing for elite capture of the procurement process. As the law requires the contractor with the lowest valid price to be awarded the contract, members of the procurement committee can declare lower bids “invalid” in order to award a contract to a preferred bidder with a higher price.¹⁷ Similarly, unit prices can be artificially inflated within contracts to obscure side payments to politicians and their cronies. As described in greater detail below, I draw on original, detailed data on CSF contracts and projects to create a number of measures indicative of corruption in CSF procurement.

Table 1: CSF Projects, 2009 - 2020

Project Category	N	Avg. Project Cost (Riels)
Road	26,217	48,580,761
Culvert, Canal, or Drainage	14,621	14,868,295
Community Training or Outreach	709	5,286,482
Water Well, Pump, or Tank	574	35,224,257
Dam or Water Gate	396	39,062,568
Other	396	30,932,375
Bridge	313	53,884,505
School	128	67,973,818

4 Empirical Strategy

4.1 Research Designs

I employ three distinct research designs, each designed to test one of the three hypotheses discussed above. However, disentangling the separate mechanisms presents a non-trivial challenge, as

¹⁶Corruption is also widespread in the implementation process - anecdotal evidence suggests it is common for contractors to use lower priced materials or pour half the agreed-upon amount of concrete for the projects. A 2011 World Bank report about commune governance found that opposition first deputies were active in preventing this type of corrupt implementation of CSF projects, reporting that “in a number of cases, opposition party Deputy Chiefs showed an ability to take on monitoring of investment projects and contractor performance,” and that “the SRP [Sam Rainsy Party] Deputy became the most diligent and outspoken monitor of contractors” in all cited cases (Plummer and Tritt, 2011, p. 45). Unfortunately, the CSF projects in the database are not geocoded, therefore it is virtually impossible to determine the location of the project in order to measure its quality.

¹⁷Interview with High-Level Cambodian NGO Employee 1 (remote), February 18, 2021.

empirical increases in the opposition’s political competitiveness in a constituency is closely related to increases in the opposition’s local seat share. I employ a straightforward linear model and two close-elections style RD designs to distinguish the effect of increased political competition between the opposition and the ruling party, from the effect of the opposition’s attainment of the special oversight position, from the effect of increased opposition representation in local institutions. For all three designs, I draw on the same data sources — digitized election returns from Cambodia’s National Election Committee and commune-sangkat fund (CSF) project data, scraped from a Cambodian government website — discussed in greater detail below. The unit of analysis is the CSF project or CSF contract. Because “treatment” — political competition, opposition oversight, or additional opposition representation — in each of the three designs is administered at the level of the commune, I cluster the standard errors by commune. The paragraphs below provide an overview of each of the three research designs, with technical details and validation exercises reported in Appendix B.

4.1.1 Political Competition Hypothesis

To test the political competition hypothesis, I need to isolate the effect of the opposition’s competitiveness from the opposition’s representation in the commune council. To do so, I take advantage of the fact that Cambodia held general elections nearly a year into the 2012-2017 commune council term and use the CNRP’s total share of the vote received in the commune in the 2013 general election as a proxy for opposition competitiveness. The two opposition parties, the SRP and HRP, ran separately in the 2012 commune elections but ran under one party, the CNRP, in the 2013 general election. I use the opposition’s 2013 electoral returns, rather than the 2012 returns, as a proxy for the degree of political competition for two reasons. First, the CNRP’s unanticipated success in the 2013 general elections marked a turning point in Cambodian politics, as it communicated to the ruling party the extent to which the opposition posed a serious threat to CPP hegemony. Minister of Information and former CPP spokesman Khieu Kanharith referred to the 2013 election as a “wake-up call for [the] CPP” (Meyn, 2013a); the party’s poor showing prompted CPP leadership to review their electoral strategy, with Prime Minister Hun Sen and other prominent party leaders imploring the party cadre to curb their corrupt behaviors (Hutt, 2016; Hughes, 2015).

Second, as a result of the opposition’s electorally-disadvantageous fragmentation in the 2012 election, combined with the boost in popular support the opposition received following their merger (Un, 2019), we see a substantial amount of variation in the CNRP’s 2013 vote share in communes with similar opposition seat shares for the 2012 - 2017 commune council mandate. For example, as illustrated by the first panel in Figure 2, communes in which the opposition secured zero seats in the 2012 commune council elections saw the opposition win anywhere from 0% to 55% of the votes in the 2013 general election. Whereas we’d expect opposition seat share and opposition vote share in the 2012 commune elections to be mechanically related, the variation in 2013 support for the CPP among communes with similar degrees of opposition representation ameliorates concerns of multicollinearity, thus allowing us to estimate the effect of different levels of political competition *among* communes with equivalent shares of opposition-held seats.

To test the political competition hypothesis, I estimate the following two linear models:

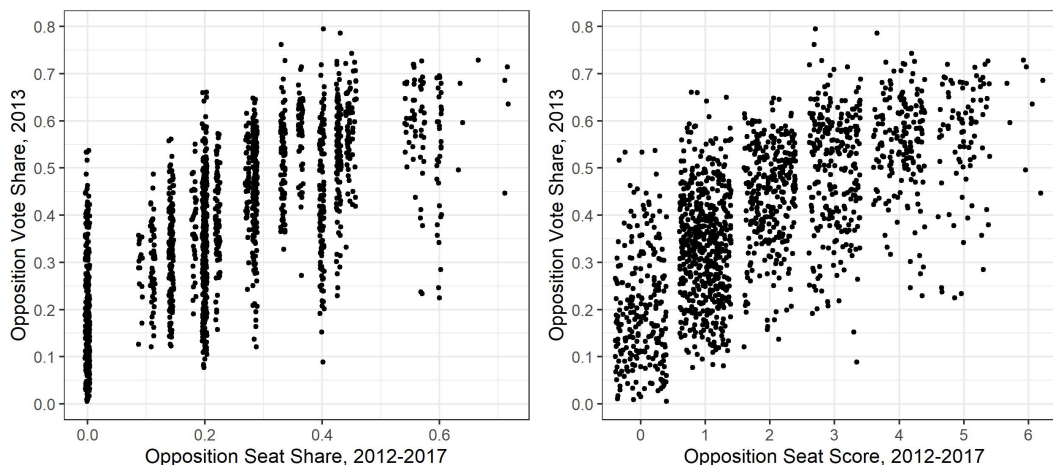
$$Y_{ip} = \beta_1 \text{OppositionVoteShare}_i + \beta_2 \text{OppositionSeatShare}_i + \mathbf{X}_i + \delta_i + \theta_i + \epsilon_{ip} \quad (1)$$

$$Y_{ip} = \beta_1 \text{OppositionVoteShare}_i + \mathbf{X}_i + \mu_i + \delta_i + \theta_i + \epsilon_{ip} \quad (2)$$

Where Y is the outcome of interest for project or contract p in commune i , *OppositionVoteShare* is the share of total votes the opposition won in the 2013 general election in commune i , *OppositionSeatShare* is the share of total seats in commune i ’s council held by the opposition for the 2012-17 commune council mandate, \mathbf{X}_i is a vector of commune-level controls, δ_i are province fixed effects, and θ_i are year fixed effects. Because commune councils can have 5, 7, 9 or 11 seats (depending on population size), one potential limitation with Equation 1 is that opposition seat share is treated as a continuous variable, when in reality it can only take a finite number of values. For example, we see in Figure 2 that observations clump around values like 0.2 and 0.4, representing communes in which the opposition holds one or two seats, respectively, on a five-seat council, or 0.29, representing communes in which the opposition holds two of seven seats.

To reduce some of the complexity in controlling for the number opposition-held seats that arises from heterogeneity in council size and to allow for explicit comparison between communes with similar substantive levels of opposition representation, Equation 2 omits the variable *OppositionSeatShare*

Figure 2: Opposition’s 2013 Vote Share vs. Commune Council Seat Share (2012-2017)



and instead includes “opposition seat score” (OSS) fixed effects, represented by the term μ_i . OSS is a factor variable ranging from zero to six that is assigned to each commune based on the degree of opposition representation on that commune’s council from 2012-2017. Table 2 describes how communes are assigned scores based on their share of opposition-held seats. Communes in which the opposition holds no seats receive a score of zero, communes in which the opposition holds between 9% and 20% of the total seats are assigned a score of one, and so on, with councils in which the opposition holds 64% of the total seats and above receiving a score of six. Panel B in Figure 2 illustrates the large amount of variation in the CNRP’s 2013 vote share within communes receiving the same opposition seat score, helping to alleviate concerns about potential multicollinearity.

Table 2: Assigning Communes an Opposition Seat Score (OSS)

OSS	Opposition Seat Share	Number of Communes
0	0	251
1	0.09-0.20	548
2	0.22-0.29	311
3	0.33-0.40	258
4	0.43-0.46	172
5	0.55-0.60	85
6	0.64-0.85	8

In both models, the unit of analysis is either the CSF contract or the CSF project. The sample of projects and contracts is restricted to only those in which bidding began after August 1, 2013, two days after the 2013 general election, and before June 4, 2017, the date of the subsequent commune

election. As the degree of political competition varies by commune, standard errors are clustered at the level of the commune. Both models are estimated both with and without the standard panel of commune controls and province and year fixed effects.

4.1.2 Opposition Oversight Hypothesis

To test my theory of opposition oversight, I wish to isolate the effect of the opposition attaining the financial oversight position of First Deputy from the effect of other factors that could influence governance, including the degree of political competition in the commune, the number of seats the opposition holds in the council, as well as other observable and unobservable commune characteristics. To do so, I employ a close-election style regression discontinuity (RD) design that compares communes in which an opposition party *barely won* the First Deputy position – the position charged with assisting the Commune Chief with financial affairs – to communes in which an opposition party *barely lost* the First Deputy position.

Cambodia has a closed-list proportional representation system in which commune council seats are allocated according to the d’Hondt method. Compared to single-member districts in a first-past-the-post system, the d’Hondt seat allocation method presents a more complicated context for calculating the continuous running variable integral to RD designs. I exploit an idiosyncratic electoral rule that allocates the First Deputy position to the party with the most votes when two or fewer parties win seats in the council, and to the party with the second-most votes if three or more parties win seats in the election. As a result of this rule, comparing communes in which the opposition *barely won* versus *barely lost* the first deputy position is functionally equivalent to comparing CPP-led communes in which the third-most winning party *barely won* a single seat in the election to CPP-led communes in which the third-most winning party *barely lost* a single seat.

To construct the running variable, I calculate the percent of total commune votes by which the third-most-winning party in each CPP-led commune won or lost their first seat.¹⁸ The treatment variable is an indicator equal to one if an opposition councilor holds the oversight position of

¹⁸Appendix B provides a detailed description of how the running variable for each commune is calculated. I exclude from the sample any communes in which a party other than the CPP won the most seats (less than 3% of communes), as well as any communes in which the party that barely wins or barely loses the First Deputy seat is neither the SRP or the HRP, given that the other parties that participated in the election are considered to be co-opted by the CPP.

first deputy, and zero if a ruling party councilor holds the position. I then employ a local linear regression model, which compares outcomes in communes with and without opposition oversight within a narrow bandwidth while also controlling for the distance from the treatment threshold, to estimate the causal effect of having an opposition councilor occupy the first deputy seat on the outcomes of interest.¹⁹ To increase the precision of the RD estimator, I re-estimate the models with the inclusion of commune covariates and year and province fixed effects.

To increase confidence in the suitability of the RD design for this context, I conduct density tests of the running variable and test for balance of pre-treatment covariates across treatment and control groups. The results of these validations are presented and discussed in detail in Appendix B. While the continuity assumption underpinning identification in RD designs can never be directly validated, a McCrary density test returns no evidence of sorting across the threshold. Likewise, when regressing 21 pre-treatment covariates on commune treatment status using local linear regressions within the maximum CCT and IK bandwidths, I find no coefficient across the 42 regressions with a t-statistic that approaches the 1.96 threshold for statistical significance. Thus, for each covariate I reject the null hypothesis of a non-zero difference between treatment and control communes, further increasing confidence in the validity of the RD design.

4.1.3 Opposition Seat Hypothesis

Finally, to test the opposition seat hypothesis, I consider how the addition of a single opposition councilor on the commune council affects the management of CSF funds. The challenge is to disentangle the effect of political competition from the effect of opposition representation, as the two are necessarily directly related: as the opposition's vote share increases, the ruling party faces more political competition, while at the same time the opposition party receives more seats in the council. My strategy to circumvent this mechanical relationship is to employ a regression discontinuity design that restricts comparisons to communes in which the competition between the ruling party and the opposition over the last seat in the commune council was close, such that one party *barely* beat out the other for the last seat. In other words, to compare communes

¹⁹I estimate each model using the Imbens and Kalyanaraman (2012) optimal bandwidth (IK) and the CCT optimal bandwidth (2014) for the dependent variable. The IK bandwidths range from .057 to 0.064, and the CCT bandwidths range from 0.032 to 0.041.

with approximately equivalent levels of political competition (i.e. opposition voteshare) but with different levels of opposition representation, I exploit the natural discontinuity between vote share and the allocation of seats. By comparing only those communes in which the opposition *barely beat out the CPP* for its last seat, managing to attain an additional opposition-held seat, to only those communes in which the CPP *barely beat out an opposition party* for its last seat, the attainment of a single additional opposition seat on the council can be treated “as-if random” and thus orthogonal to political competition and other important commune characteristics.

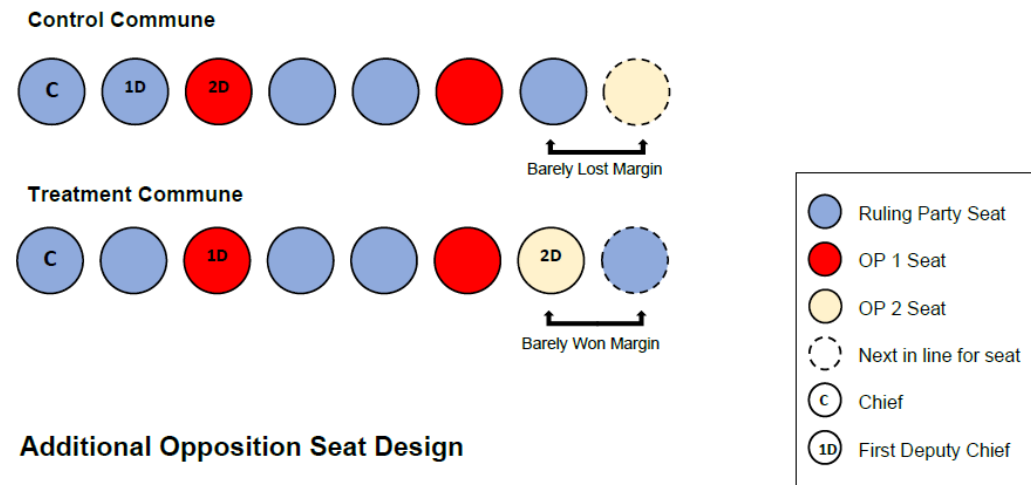
To quantify this modified conception of a close election, I calculate a “barely won” margin for the opposition party which won the last opposition seat in the commune, equivalent to the percent of the total commune votes that the CPP would had to have captured from the barely-winning opposition party to win its last seat. A “barely lost” margin is also calculated for the opposition party which would have won the next opposition seat; the barely lost margin is given by the percent of total votes the barely-losing opposition party would had to have captured from the CPP in order to win an additional seat.²⁰ For every commune in which an opposition party holds at least one seat, it is possible to calculate both a barely-lost and barely-won margin, however, by nature of the regression discontinuity design, I want to restrict the sample only to those communes in which the barely-lost or barely-won margins are small. Similar to Poulsen and Varjao (2020), I consider cases where the opposition won their last seat by a smaller margin than they lost an additional seat as “treated” communes, or communes with an additional opposition held seat, and vice versa. The treatment variable is thus an indicator variable that takes the value of one if the barely-won margin is smaller than the barely-lost margin, and the value of zero otherwise. The running variable is a continuous variable equal to the barely-won margin for treated communes, and equal to the negative of the barely-lost margin for control communes.²¹ Figure 3 provides a visual simplification of how the margins of interest for the opposition seat design are calculated in a stylized 7-seat commune, where a barely-lost and barely-won margin can both be calculated for each commune,

²⁰See Appendix C for a detailed explanation of how the quantities of interest are calculated.

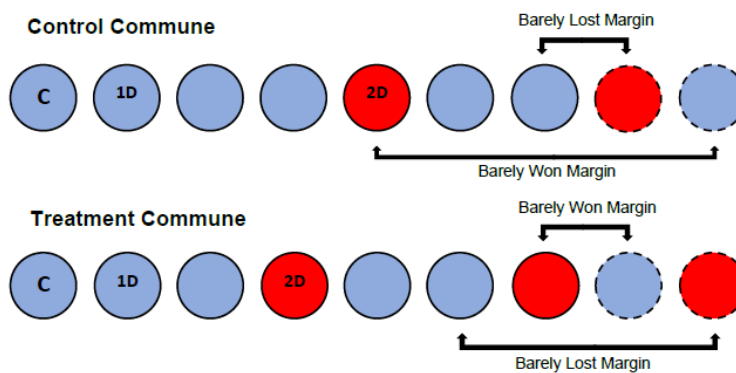
²¹As I am only interested in considering the margin by which the SRP or HRP won or lost its last seat to the CPP, I exclude from the analysis the communes in which the opposition won or lost the seat in question to the other opposition party or to a co-opted party, such as FUNCINPEC. Communes in which the SRP and HRP failed to secure a single seat are automatically considered control communes, as the “barely won” margin cannot be calculated for these units.

Figure 3: Margins and Treatment Status in a Stylized 7-Seat Commune

Opposition Oversight Design



Additional Opposition Seat Design



as compared to in the opposition oversight design, where each treatment and control commune has only a barely-won or barely-lost margin, respectively.

As in the previous RD design, I employ local linear regressions to estimate the effect of an additional opposition-held seat on the outcomes of interest within a narrow bandwidth, controlling for the commune's distance from the treatment threshold. As with the design describe above, compared to a first-past-the-post election with two candidates, in which the treatment threshold is always 50%, in the proportional representation context, the treatment threshold is different for each commune. As a result the estimation provides a weighted average across cut-offs of the average treatment effects across the units at each individual cutoff (Cattaneo et al., 2016). This can be understood as a benefit of utilizing the “close elections” RD design in multi-party, multi-seat contexts, as it allows for communes with vastly different levels of political competition and opposition representation to feature in both the treatment and control groups within a narrow cut-

off.²² However, we might suspect that the effect of the marginal opposition councilor also depends on how many *other* seats in the council are held by opposition councilors. It would be reasonable to expect, for example, that in a seven-seat commune with only one opposition councilor, the effect of the opposition winning its last (and in this case, also its first) seat is categorically different than the effect of the opposition winning its last seat in a seven-seat commune with four opposition councilors, where the last seat won by the opposition was crucial in granting them the majority.

To explicitly compare communes in which the opposition barely wins its first seat to communes in which the opposition barely loses its first seat, and communes in which the opposition barely wins its second seat to communes in which the opposition barely loses its second seat, and so on, I re-estimate the core local linear regression models with the inclusion of “competed-over-share score” (COSS) fixed effects. Because communes have differently-sized councils, the number of seats won can also have different substantive effects depending on the size of the council.²³ COSS is a factor variable that takes into account the fact that the relative weight of an additional opposition councilor also depends on the total number of seats in the council by assigning each treatment and control commune a score from 1 to 6 based on the share of total council seats the opposition won (when $T = 1$) or just failed to win (when $T = 0$). Thus, similar to the OSS fixed effects described above, COSS captures the notion that the substantive meaning of the marginal opposition seat changes as the opposition’s potential seat share changes, while reducing some of the variation across potential opposition seat share due to different council sizes and allowing for greater comparability among communes. When the last seat allocated in the commune has the potential to give the opposition between 9% (one out of eleven seats) and 20% (one out of five seats) of total council seats, the commune is assigned a COSS of one. When the last seat allocated in the commune has the potential to give the opposition between 22% (two out of eleven seats) and 29% (two out of seven seats) of total council seats, the commune is assigned a COSS of two, and so on as indicated in Table 3 below.

²²Consider, for example, that in two candidate, first-past-the-post elections, close elections are necessarily those in which candidates receive an approximately equivalent number of votes, thus constraining the external validity of the design.

²³For example, winning a third seat in a five-seat council grants the opposition 60% of the total seats, a majority, whereas winning a three seats in an eleven-seat council grants the opposition only 27% of seats in the council, less than half the voting power as in the five-seat council.

Table 3: Assigning Communes a Competed-Over-Share Score (COSS)

COSS	Opposition Seat Share	Number of Communes
1	0.09-0.20	483
2	0.22-0.29	282
3	0.33-0.40	329
4	0.43-0.46	246
5	0.55-0.60	201
6	0.64-0.85	33

Standard validation of the suitability of the RD design can be found in Appendix C. McCrary density tests do uncover evidence indicative of sorting across the threshold. The direction of the sorting is consistent with what we might expect to see if there is fraud in the vote tallying beneficial to the ruling party — that is, I find there are more “barely losers” at the threshold than “barely winners.” However, as discussed at length in the appendix, given the computational complexity of converting a seat that was in fact “barely won” by the opposition to appear on the vote tally as if it was instead “barely lost,” it is quite unlikely (and indeed, no evidence exists) that the ruling party orchestrated the sort of “precise” ex-post fraud in vote counting that would threaten the internal validity of the RD design.

Balance tests help to ameliorate concerns about the suitability of the design. Most importantly, I find no evidence of imbalance in the opposition’s 2012 or 2013 vote share across treated and control communes, thus suggesting the design allows for the disentanglement of the opposition representation mechanism from any effects of political competition. I find that treatment and control communes are balanced across all other covariates as well, with the exception of the average distance of villages in the commune to the nearest school and the total number of seats in the commune. The imbalance on this former covariate does not seem to be related to a more broad imbalance across treatment and control communes in terms of access to service delivery, land area, or total population. The observed imbalance on total seats in the commune is intuitive, as we would expect it to be easier for the opposition to barely win a seat in an 11-seat commune council compared to in a 5-seat council. Nonetheless, the imbalance threatens to confound the design, as what appears to be the effect of an additional opposition seat in the council might in fact simply be the effect of having a larger council in general. In order to ensure this is not the case, I re-estimate

the core models with seat fixed effects, effectively constraining the comparison between treatment and control communes to occur only among communes with the same-sized councils.

4.2 Data and Measurement

4.2.1 Electoral Returns

To measure opposition competition and representation in Cambodia, I rely on electoral returns from the 2012 commune council elections and the 2013 general elections. Scanned documents reporting electoral returns are published on Cambodia's National Election Committee (NEC) website and have been digitized and translated from the Khmer by Open Development Cambodia. The NEC's commune council returns report the total number of votes and seats received by each party in every commune, including which parties were awarded the Chief and First and Second Deputy Chief positions. General election results report the total number of votes received by each party by polling station, which can then be aggregated to the level of the commune.²⁴

4.2.2 Financial Mismanagement of CSF Projects as a Measure of Governance

I consider three ways in which poor financial management in the procurement of CSF projects may manifest itself. One commonly employed indicator of financial mismanagement is a small number of bids collected for each project. By collecting a limited number of bids, councilors, commune clerks, or technical support officers may seek to award contracts to personal connections (Broms et al., 2019; Coviello and Gagliarducci, 2017). I expect that in better-governed communes, contracts will receive more bids, reflecting a more competitive bidding process. Another plausible indicator of mismanagement in public procurement is a small winning discount²⁵ (Coviello and Gagliarducci, 2017), as low winning discounts may reflect a rigged procurement process aimed at channeling project funds into rents. High unit costs may be similarly indicative of financial mismanagement. Thus I expect to find larger winning rebates and smaller standardized unit costs on projects in

²⁴I obtained general election returns for all but 12 communes; it is unclear why these communes were missing from the results.

²⁵The winning discount is the percentage reduction from the cost of the contract estimated by the government to the price offered by the contractor that wins the auction. For example, if the contract's reserve price is \$100, and the winning contractor offers to do it for \$80, the winning discount is -20%.

better-governed communes.

Data for the dependent variables of interest — number of bids collected per contract, winning rebate, and project unit costs — were scraped from NCDD’s project implementation database (pID).²⁶ The pID includes information on the nature and dimensions of the project, bids received, hired contractor, projected and actual total costs, unit costs, timeline of completion, village location and estimated number of project beneficiaries, payment amounts, and payment schedule for over 16,000 CSF contracts including over 46,000 projects implemented between 2009 and 2020. *Number of Bids* is an integer variable reflecting the number of valid bids that were collected for the project. *Winning Discount* is a continuous variable that indicates the percentage reduction from the cost of the contract as estimated by the government to the price offered by the contractor that wins the auction; as it is a negative variable, a lower winning discount is indicative of a *larger* discount (or *lower* price paid by the commune).

To calculate the variable *standardized unit costs*, I first categorize all 46,000+ projects in the database by project category (e.g. earth road, laterite road, wood bridge, concrete bridge, canal, etc.) and project type (new project, repair, upgrade, routine maintenance) and deflate the amounts to constant 2018 Riel. I then standardize the provided unit cost for each project by subtracting the mean unit cost for all projects in the database in the same category and type, and then dividing by the standard deviation of all projects in the same category and type. For any project category-types with less than 100 observations in the combined category and type, I do not calculate a standardized unit cost.

For the first two dependent variables, *Number of Bids* and *Winning Discount*, the unit of analysis is the contract. For standardized unit costs, the unit of analysis is the project (contracts can include multiple projects). For the two regression discontinuity designs, the sample is limited to projects which were contracted during the third commune council mandate: between July 8, 2012, when the commune councilors elected in 2012 took office, and June 4, 2017, the date of the subsequent commune election. For the difference-in-differences design, I include projects begun between July 8, 2012 and December 20, 2020, excluding from the sample any contracts or projects which were

²⁶The pID can be accessed here: <http://db.ncdd.gov.kh/pid/reports/home/index.castle>. Data scraped by author in December 2020.

begun in the six-month period between the 2017 commune council election and the dissolution of the opposition, as well as any contracts or projects in communes where a party other than the CPP held the chief position between 2012-2017.

4.2.3 Covariates

In order to improve the precision of estimates, I re-estimate all core models in the analysis including a vector of pre-treatment covariates measured at the commune level. Several of these covariates capture demographic and socioeconomic features of the commune prior to the commencement of the period which I study, including an indicator for whether the commune is considered urban, the commune's land area (logged, in hectares), the total population (logged), the literacy rate, and the percent of the commune population that is Muslim, all from the 2008 Census, as well as the percent of households considered poor, aggregated from IdPoor's 2010-2011 Identification of Poor Households.²⁷ To account for pre-treatment access to public services and economic development in the commune, I include a control for the number of health facilities in the commune, collected in 2010 by the Cambodian Ministry of Health;²⁸ the student-teacher ratio in the commune, calculated from data collected in 2012 by the Ministry of Education, Youth and Sport;²⁹ and the number of businesses (logged) in the commune, as measured by the Royal Government of Cambodia's 2011 Economic Census.³⁰ Summary statistics for commune-, contract-, and project-level variables of interest are reported in Table 10 in Appendix A.

²⁷The 2010-2011 IdPoor dataset surveyed 20 of Cambodia's 25 provinces, excluding Kampong Thom, Stung Treng, Kambong Cham (and Tboung Khmum), and Phnom Penh. Data from IdPoor Round 4 (2010) and Round 5 (2011) can be accessed at https://data.opendevelopmentcambodia.net/en/dataset/map_number_id_poor_households_round_4_2010?type=dataset and https://data.opendevelopmentcambodia.net/en/dataset/map_number_id_poor_households_round_5_2011.

²⁸Available at <https://data.humdata.org/dataset/cambodia-healthsites>

²⁹Available at <https://data.humdata.org/dataset/cambodia-education>

³⁰Dataset available for download at <https://data.opendevelopmentcambodia.net/en/dataset/economic-census-2011?type=dataset> as well as from the National Institute of Statistics.

5 Results

5.1 Effect of Political Competition on Governance

First, I estimate the effect of political competition on commune governance using the commune's opposition vote share in the 2013 election as a measure of competition, controlling for the share of total council seats held by the opposition from 2012 to 2017. For each dependent variable of interest, I estimate a model both with and without the inclusion of commune covariates and province and year fixed effects. Should political competition exert an effect on governance vis-a-vis the actions of ruling party councilors, we would expect to find a positive effect of opposition vote share on governance, holding the degree of opposition representation constant.

Table 4 reports the results. I find no relationship between political competition and the number of bids solicited per contract; the coefficients in both models are substantively small and close to zero. Instead, I find that opposition seat share has a positive and significant effect on the number of bids solicited, providing some support for the opposition seat hypothesis. Contrary to the political competition hypothesis, I find that increases in political competition correspond to larger winning discounts, suggesting that, holding opposition representation constant, councils characterized by more electoral competition are actually securing *more expensive* contracts than less competitive communes. This effect is substantively large in both models, and significant at the 1% level in the model excluding commune controls. Finally, I find mixed results for standardized unit costs: in the model excluding controls, an increase in political competition corresponds to a decrease in project unit costs, consistent with securing better prices for individual project inputs. However, this effect does not hold up; with the inclusion of covariates and fixed effects, competition appears to exert no influence on project unit costs.

In Table 5, I report the results of regressions of the outcomes of interest on opposition vote share, this time controlling for opposition representation on the commune council through the inclusion of “opposition seat score” (OSS) fixed effects. Effectively, this restricts the estimation of the effect of competition to communes with similar degrees of opposition representation on the council. Overall, I find results that are quite similar to those reported in Table 4: competition has no consistent effect on the number of bids solicited, a positive, though inconsistently significant,

Table 4: Effect of Political Competition on Outcomes: Control for Opposition Seat Share

	<i>Dependent variable:</i>					
	Number of Bids		Winning Discount		Std. Unit Costs	
	(1)	(2)	(3)	(4)	(5)	(6)
Opposition Voteshare (2013)	0.068 (0.259)	0.036 (0.442)	7.324*** (2.809)	3.472 (4.624)	-0.308*** (0.117)	0.028 (0.157)
Opposition Seatshare (2012-17)	0.772*** (0.284)	0.571* (0.331)	-4.247 (3.006)	-3.445 (3.508)	0.039 (0.101)	0.055 (0.107)
Bandwidth	NA	NA	NA	NA	NA	NA
Controls		Yes		Yes		Yes
OSS FEs						
Year and Province FEs		Yes		Yes		Yes
Observations	6,691	5,090	6,691	5,090	18,252	14,344
R ²	0.004	0.187	0.001	0.229	0.003	0.137
Adjusted R ²	0.003	0.181	0.001	0.224	0.003	0.135
<i>Note:</i>				*p<0.1; **p<0.05; ***p<0.01		

Table 5: Effect of Political Competition on Outcomes: With Opposition Seat Score FEs

	<i>Dependent variable:</i>					
	Number of Bids		Winning Discount		Std. Unit Costs	
	(1)	(2)	(3)	(4)	(5)	(6)
Opposition Voteshare (2013)	-0.256 (0.257)	0.165 (0.425)	10.463*** (2.871)	2.736 (4.523)	-0.249** (0.119)	0.036 (0.154)
Bandwidth	NA	NA	NA	NA	NA	NA
Controls		Yes		Yes		Yes
OSS FEs	Yes	Yes	Yes	Yes	Yes	Yes
Year and Province FEs		Yes		Yes		Yes
Observations	6,691	5,090	6,691	5,090	18,252	14,344
R ²	0.010	0.190	0.006	0.231	0.006	0.138
Adjusted R ²	0.009	0.184	0.005	0.224	0.006	0.136
<i>Note:</i>				*p<0.1; **p<0.05; ***p<0.01		

effect on winning discount, and an inconsistent effect on standardized project unit costs. The results also remain substantively similar when controlling for the *number* rather than the *share* of opposition-held seats, when removing communes with an opposition seat score of six from the OSS fixed effects models, and when regressing the outcomes of interest on opposition vote share only in communes with zero opposition-held seats.³¹ In sum, apart from inconsistent results suggesting a decrease in project unit costs with increased competition, I find very little evidence that electoral competition alone influences corruption in CSF procurement.

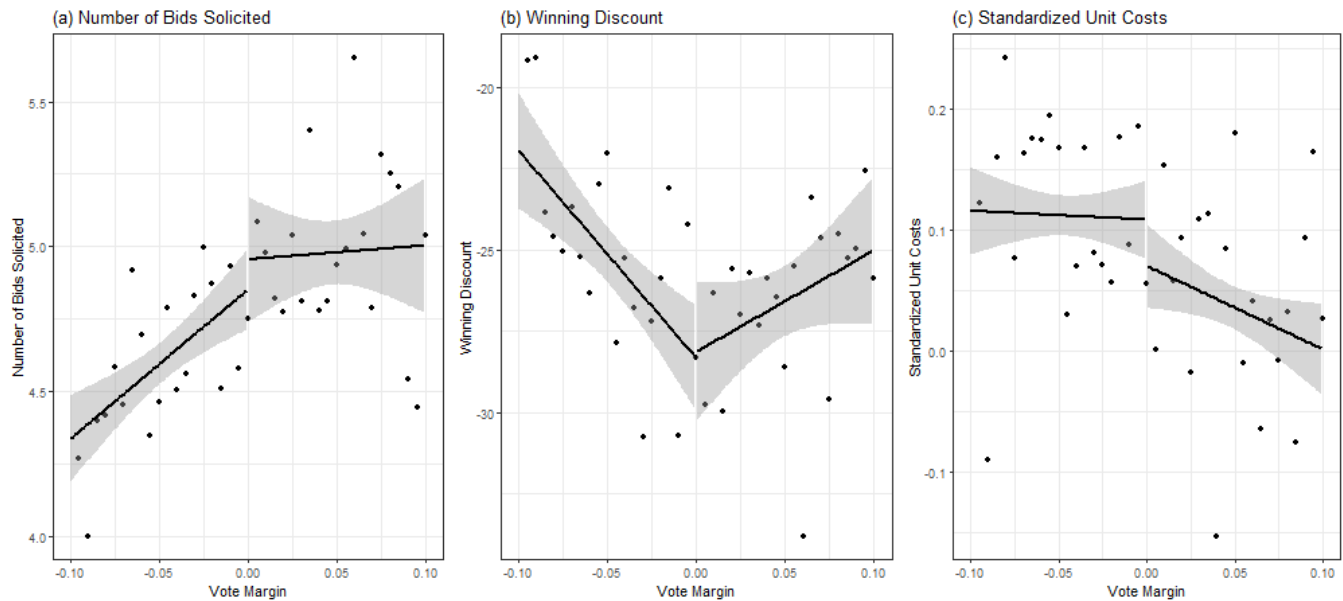
5.2 Effect of Opposition Oversight on Governance

Next, I consider the direct effects of opposition representation on local governance, looking first at the effect of opposition oversight on the financial management of CSF projects. Figure 4 presents the graphical illustrations of the regression discontinuity treatment effect for the three dependent variables of interest: number of bids solicited, winning rebate, and standardized unit costs. Each panel plots the mean values of the dependent variables within 0.5% vote margin bins, featuring lines of best fit for the twenty points on either side of the threshold and 95% confidence intervals. Panel A shows a positive jump at the threshold, consistent with the expectation that the number of bids collected per contract will be greater in communes with opposition oversight. In Panel B, I find no evidence of a discontinuity in the winning discount at the cut-off, though it appears that winning discount decreases as we approach the threshold from either side. Finally, Panel C suggests a clear, negative jump in unit costs at the threshold that is consistent with the hypothesis that communes with opposition oversight will secure contracts with lower unit costs. However, the data for standardized unit costs appears quite noisy, as the points lack a clear trend on either side of the threshold that can be seen in the previous two plots. In fact, when fitting lines on either side of the threshold by LOESS, we fail to find any evidence of a discontinuity.³² While the plots above suggest that there is evidence of a discontinuity in both the number of bidders and unit costs at the cut-off, the plots fit simple linear regressions on a much wider bandwidth of the running variable

³¹Results from robustness checks reported in Appendix D.1. Note, when estimating the effect of competition in communes with no opposition councilors, I find that an increase in opposition vote share corresponds to a significant *decrease* in the number of bids and a significant *increase* in project unit costs. Both results indicate that governance worsens as political competition increases in communes with no institutional opposition representation.

³²For plots with lines fit by LOESS, see Figure 11 Appendix D

Figure 4: Visualization of Discontinuities: Opposition Oversight



than is suggested by data-driven bandwidth selection procedures.

Table 6 reports the results of naive regressions of the three outcomes of interest on treatment status (whether or not the commune has opposition oversight) with controls and fixed effects, as well as local linear regressions of each of the three outcome variables on treatment status, vote margin (the running variable) and the interaction between treatment status and vote margin within the CCT optimal bandwidth, estimated both with and without commune controls and year and province fixed effects. In the local linear models, the coefficient on Opposition Oversight can be understood as the effect of treatment precisely at the cut-off, when the running variable is equal to zero.

Across the first six models, I find coefficients consistent in sign with my opposition oversight hypothesis: when the oversight seat is occupied by an opposition member, communes solicit up to 0.36 more bids during the open bidding process and secure contracts at a discount rate up to 2.86 percentage points larger than in communes with ruling party oversight.³³ However, the coefficients fail to reach standard levels of statistical significance in all cases except in the naive model estimated on the full sample. Models 6 to 9 estimate the effect of opposition oversight on the standardized unit costs of project inputs. I find no evidence that whether or not an opposition member holds the first deputy chief position has an effect on the unit price secured in contracts, as coefficients are

³³Recall winning discount is expressed as a negative number, such that as the magnitude of the winning discount increases, the price of the contract decreases.

substantively small and oscillate around zero across the three specifications.

Overall, I find no strong evidence that when the opposition party occupies the oversight position of first deputy chief, communes solicit more bids or secure lower prices on local infrastructure projects. Notably, the null effects found in Table 6 persist when re-estimating the local linear models across the wider IK optimal bandwidths (results reported in Table 17 in Appendix D).

Table 6: Opposition Oversight

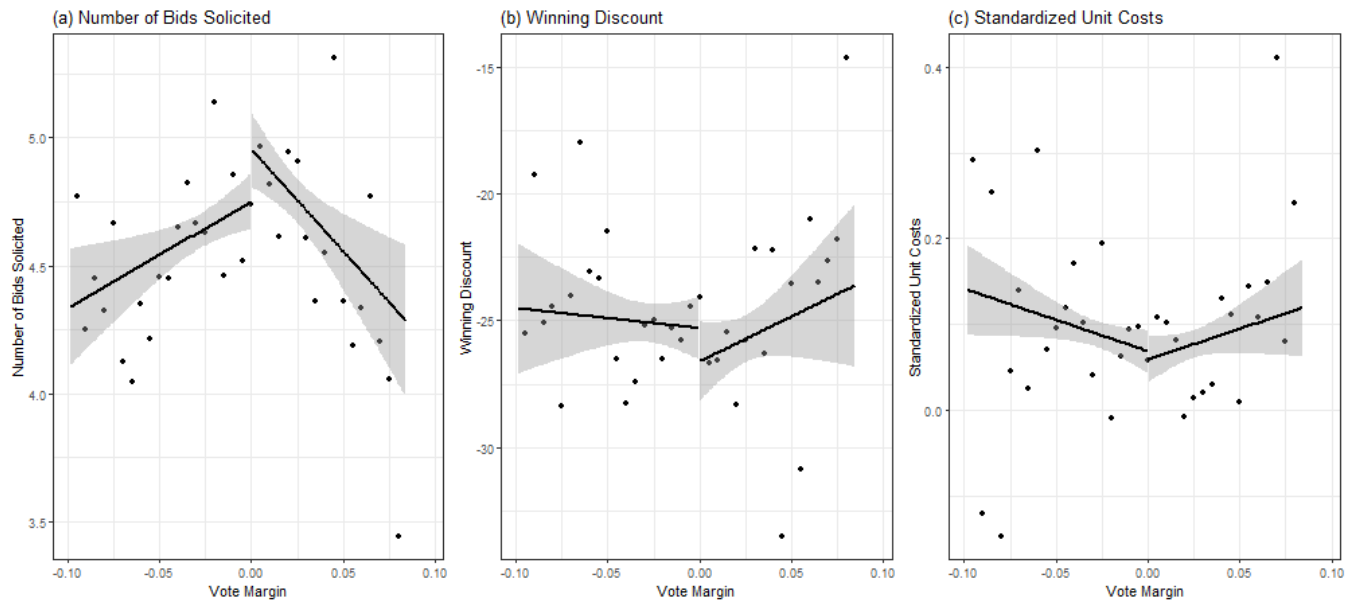
	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Opposition Oversight	0.282*** (0.087)	0.185 (0.279)	0.357 (0.243)	-0.647 (0.897)	-2.359 (3.001)	-2.855 (2.598)	-0.017 (0.028)	0.010 (0.090)	-0.001 (0.075)
Margin		-3.542 (8.359)	-5.240 (7.580)		29.083 (100.577)	22.290 (96.411)		-1.580 (2.836)	-0.316 (2.128)
Oversight*Margin		9.861 (13.616)	1.765 (12.844)		72.139 (144.552)	122.598 (130.269)		0.768 (4.569)	2.999 (3.915)
Bandwidth	0.206	0.036	0.036	0.206	0.041	0.041	0.206	0.032	0.032
Controls	Yes		Yes	Yes		Yes	Yes		Yes
Year & Province FEs	Yes		Yes	Yes		Yes	Yes		Yes
Observations	4,092	1,764	1,383	4,092	1,764	1,383	11,818	5,137	4,018
R ²	0.185	0.003	0.222	0.244	0.001	0.268	0.133	0.001	0.163
Adjusted R ²	0.178	0.001	0.201	0.237	-0.001	0.249	0.130	0.0002	0.155

*p<0.1; **p<0.05; ***p<0.01. Models 1, 4, and 7 are simple regressions of the outcome of interest on the treatment variable in all communes, with controls and province and year fixed effects. The remaining models are local linear regressions estimated within the CCT optimal bandwidth for each dependent variable. Coefficients in models 3, 6, and 9 are estimated using a covariate-adjusted RD estimator (Calonico et al. 2019) including a vector of the following pre-treatment controls specific to the commune: number of health facilities, student-teacher ratio, % population that is Muslim, dummy variable for urban, % of adults over 15 who are literate, % of households in the commune that are poor, area in hectares (logged), number of businesses in the commune (logged) and total population (logged), as well as province and year fixed effects. Robust standard errors clustered by commune appear in parentheses.

5.3 Effect of an Additional Opposition Seat on Governance

Finally, I consider the effect of an additional opposition-held seat on corruption in local development projects. If, as the opposition seat hypothesis predicts, increases in opposition representation on the council allows for opposition politicians to serve as a check on regime party corruption, we would expect to see that an additional opposition-held seat corresponds to more bids solicited, a larger winning discount, and lower standardized unit costs. Recall that to test the opposition seat hypothesis, I implement a regression discontinuity design that compares communes in which the

Figure 5: Visualization of Discontinuities: Marginal Opposition Seat



opposition barely won its last seat, to communes in which the opposition barely lost an additional seat. This method allows for the estimation of the average effect of an additional opposition councilor on self-dealing in CSF procurement, while ensuring the attainment of this additional seat is orthogonal to the degree of political competition between the ruling party and the opposition.

Figure 5 visualizes discontinuities in the outcomes of interest at the threshold, with the average value of the dependent variable plotted within 0.5% bins on either side of the threshold, fitted with a line of best fit by linear regression. In Panels A and B, I do find some visual evidence of a jump at the threshold, and in both cases the discontinuity appears in the direction consistent with the opposition seat hypothesis. I find no such jump in the standardized unit costs of CSF projects in Panel C. Again, the plots in Figure 5 should be taken as no more than suggestive evidence, as the sample is not restricted to the communes only in which the opposition barely won its last seat or barely lost an additional seat, or, in other words, the communes in which treatment assignment might be considered “as-if random.”

Table 7 reports both naive and local linear regressions of the three outcomes of interest on treatment status. Naive regressions are estimated on the entire sample of communes, with commune covariates and province and year fixed effects. Local linear regressions are estimated only on the sample of communes for which the running variable falls within the CCT optimal bandwidth and are

estimated both with and without the inclusion of commune covariates and fixed effects. As reported in Table 7, I find clear and consistent evidence of a positive effect of an additional opposition-held seat on the number of bids collected during procurement. Model 3 suggests that an additional opposition councilor in the commune corresponds to an average of 0.56 additional bids solicited on each contract, or roughly an additional bid on every two contracts; the effect is significant at the 1% level.

I also find consistent evidence of a positive effect of an additional opposition councilor on the winning discount secured in the awarded contract, with model 5 indicating that an additional opposition seat on the council corresponds to a 3.5 percentage point increase in the winning discount, significant at the 5% level. This increase in effect size is equivalent to roughly 14% of the average winning discount (-25.44) and nearly 18% of the median winning discount (-20) across all contracts. However, there is no evidence of a similarly-sized effect of additional opposition representation on project unit costs. The results found in Table 7 are robust to the inclusion of seat fixed effects controlling for the total number of seats in the commune.³⁴ When utilizing the IK optimal bandwidths — which are narrower than the CCT bandwidth for the number of bids solicited, nearly twice as wide as the CCT bandwidth for winning discount, and slightly wider than the bandwidth for unit costs — I find almost identical results for the effect of an additional opposition councilor on the number of bids solicited, again significant at the 1% level in the specification with controls.³⁵ Results for the outcome winning discount are similar in magnitude to the results presented in Table 7, but fail to reach standard levels of statistical significance.

Altogether, the results presented in Table 7 seem to suggest that the presence of an additional opposition councilor in commune government leads to reduced corruption in the procurement of local infrastructure projects, in terms of the number of contractors from whom contract bids are solicited and the discount in the secured contract price from the winning bidder. However, as discussed in the research design section, we might expect the substantive effect of an additional opposition councilor to vary based on the share of seats the opposition occupies on the commune council. To restrict the comparison to communes in which the share of total opposition seats in

³⁴See Table 19 in Appendix D.

³⁵Results using the IK bandwidth are reported in Table 18 in Appendix D.

Table 7: Marginal Opposition Seat

	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Add'l Opposition Seat	0.157** (0.064)	0.344* (0.191)	0.562*** (0.178)	-1.014 (0.653)	-1.530 (1.953)	-3.515** (1.751)	-0.010 (0.022)	0.061 (0.057)	0.048 (0.050)
Margin		-12.783 (7.939)	-24.858*** (7.626)		88.737 (81.978)	111.523 (72.179)		0.120 (2.620)	-1.617 (2.413)
Seat*Margin		9.463 (13.153)	12.582 (12.728)		-161.338 (131.780)	-34.029 (119.456)		-5.322 (3.847)	-1.386 (3.364)
Bandwidth	0.125	0.027	0.027	0.125	0.018	0.018	0.125	0.016	0.016
Controls	Yes		Yes	Yes		Yes	Yes		Yes
Year and Province FEs	Yes		Yes	Yes		Yes	Yes		Yes
Observations	4,917	3,779	2,852	4,917	3,779	2,852	13,908	10,658	8,202
R ²	0.187	0.002	0.192	0.231	0.001	0.246	0.135	0.001	0.135
Adjusted R ²	0.181	0.001	0.181	0.225	0.001	0.236	0.133	0.001	0.131

Note:

*p<0.1; **p<0.05; ***p<0.01

the council, prior to the allocation of the final competed-over seat, is similar — for example, to only compare communes in which the opposition barely lost the seat that would have granted them between 22% and 29% of total council seats to communes in which the opposition barely won the seat granting them a seat share between 22% and 29% — I re-estimate the above models with the inclusion of competed-over-share score (COSS) fixed effects. The results are reported in Table 8. The results change very little as a result of the inclusion of the COSS fixed effects: we find substantively similar effects of an additional opposition councilor on number of bids and winning discount.

In total, then, I find strong support for the opposition seat hypothesis. That is, holding the level of political competition in the commune constant, increased opposition representation on the commune council is associated with two outcomes indicative of reduced corruption in the procurement of local development projects: an increase in the number of bids solicited for a contract and a decrease in the final price at which the contract is secured.

Table 8: Effect of the Marginal Opposition Seat, with COSS fixed effects

	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Add'l Opposition Seat	0.188*** (0.066)	0.326* (0.190)	0.546*** (0.179)	-1.064 (0.664)	-1.275 (1.936)	-3.422* (1.760)	-0.006 (0.022)	0.065 (0.055)	0.047 (0.049)
Margin		-10.826 (7.876)	-24.224*** (7.562)		89.833 (82.123)	115.366 (73.465)		-0.475 (2.541)	-1.648 (2.397)
Seat*Margin		9.394 (13.123)	14.527 (12.721)		-174.120 (131.425)	-52.019 (119.815)		-5.233 (3.797)	-0.877 (3.387)
Bandwidth	0.125	0.027	0.027	0.125	0.018	0.018	0.125	0.016	0.016
Controls	Yes		Yes	Yes		Yes	Yes		Yes
Year and Province FEs	Yes		Yes	Yes		Yes	Yes		Yes
COSS FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,917	3,779	2,852	4,917	3,779	2,852	13,908	10,658	8,202
R ²	0.189	0.006	0.196	0.232	0.005	0.248	0.136	0.007	0.137
Adjusted R ²	0.182	0.004	0.184	0.225	0.003	0.236	0.133	0.006	0.132

Note:

*p<0.1; **p<0.05; ***p<0.01

6 The Persistence of the Returns to Pluralism

Above, I find evidence that while official oversight roles do not appear to confer to the opposition increased latitude over local decision-making that translates to better financial management of local development projects, an additional opposition councilor in the commune council corresponds to a 12% percent increase in the average number of bids collected in the procurement process and a 14% increase in the discount secured in the winning contract. However, in Cambodia, the phenomenon of pluralism in local authoritarian institutions was short-lived, as a Supreme Court ruling barring the CNRP from political participation took effect mere months into the fourth commune council mandate. Given the regime's crackdown on the opposition immediately followed the period of pluralism I study above, it is reasonable to consider whether the beneficial effects of the opposition's participation in commune councils on local governance persist beyond the tenure of the opposition's participation in politics.

Using a difference-in-differences design, I estimate how corruption in the procurement of local infrastructure projects changed following the dissolution of the opposition and, thus, effective removal of both political competition and opposition representation in local political institutions. If the effect of the opposition's participation in the 2012-2017 commune council mandate fails to persist into the present period of hegemonic party rule, then we would expect the communes which

had larger shares of opposition councilors in the third mandate to experience the most negative drops in governance following the dissolution of the opposition, as these previously competitive communes return to “baseline” levels of governance. Conversely, if the opposition’s participation in local political institution prompted ruling party politicians to improve their own performance as councilors, then we should expect to see no change in governance in the communes that were most formerly the most competitive in the years following the dissolution.

I employ a difference-in-differences design exploiting the dissolution of the opposition party and the subsequent reallocation of opposition commune council seats to the CPP, which occurred less than six months into the fourth commune council mandate (2017-2022). The dissolution and 5-year political ban on the CNRP effectively removed political competition from all communes. However, some communes experienced very little competition to begin with – as manifested by the fact that the CPP or CPP allies held all council seats during the third council mandate (2012-2017). Communes in which the SRP and HRP held zero seats between 2012-2017 thus serve as the “pure control” within the difference-in-difference framework, while the share of seats held by the opposition parties combined will serve as multiple treatment levels. While all communes receive the same treatment — the removal of competition vis-a-vis the dissolution of the opposition party — the *dosage* of the treatment is assumed to be greater as the share of opposition-held seats in the previous mandate increases. To account for heterogeneity in the total number of seats across communes, the “dosage” variable is identical to the opposition seat score (OSS) employed above, with larger opposition seat scores corresponding to larger doses. The OSS factor variable is interacted with the treatment variable to estimate the effect of opposition dissolution on governance at each level of previous opposition representation. I estimate the following model:

$$\begin{aligned}
 Y_{ip} = & \beta_1 PostDissolution * (OSS_i == 0) + \beta_2 PostDissolution * (OSS_i == 1) + \\
 & \beta_3 PostDissolution * (OSS_i == 2) + \beta_4 PostDissolution * (OSS_i == 3) + \\
 & \beta_5 PostDissolution * (OSS_i == 4) + \beta_6 PostDissolution * (OSS_i == 5) + \\
 & \beta_7 PostDissolution * (OSS_i == 6) + \delta_i + \theta_i + \epsilon_{ip} \quad (3)
 \end{aligned}$$

Where Y is the outcome of interest for project (or contract) p in commune i , $PostDissolution$ is an indicator that takes the value 1 if the project or contract began in the period after the dissolution

of the opposition, and 0 otherwise, $OSS_i = n$ are dummy variables that indicate the opposition seat score in commune i in the term prior to dissolution, δ_i are commune fixed effects, and θ_i are year fixed effects. As with the previous designs, the unit of analysis is either the contract or project, depending on the outcome variable, and robust standard errors are clustered by commune.

Table 9: The Effect of Opposition Dissolution on Financial Management

	<i>Dependent variable:</i>		
	Number of Bids	Winning Discount	Std. Unit Costs
	(1)	(2)	(3)
Post-Dissolution*OSS 0	−0.295 (0.260)	14.553*** (3.528)	0.056 (0.076)
Post-Dissolution*OSS 1	−0.191 (0.256)	13.904*** (3.566)	−0.030 (0.062)
Post-Dissolution*OSS 2	−0.454* (0.268)	15.053*** (3.479)	−0.002 (0.074)
Post-Dissolution*OSS 3	−0.007 (0.286)	9.959*** (3.702)	0.051 (0.073)
Post-Dissolution*OSS 4	−0.164 (0.308)	11.434*** (4.028)	0.103 (0.074)
Post-Dissolution*OSS 5	0.149 (0.414)	15.567*** (4.240)	0.074 (0.086)
Post-Dissolution*OSS 6	−0.923 (0.618)	−13.437 (25.144)	0.418*** (0.074)
Commune FEs	Yes	Yes	Yes
Year FEs	Yes	Yes	Yes
Observations	8,454	8,454	22,962
R ²	0.343	0.395	0.349
Adjusted R ²	0.191	0.256	0.301
<i>Note:</i> *p<0.1; **p<0.05; ***p<0.01			

Table 9 reports the effect of the dissolution of the opposition at different levels of previous opposition participation. Communes in which the opposition’s seat share was zero in the term prior to opposition dissolution serve as the “pure” control group, while the remaining communes serve as treated groups, having received various “dosages” based on the share of the seats held by the opposition in the previous term. Model 1 reports the change in the average number of bids solicited per contract in communes based on the previous opposition seat share. Across the board, we find

little change in the number of bids collected, though most all coefficients are negative, suggesting, if anything, worse outcomes in procurement. Interestingly, we see that at almost all levels of previous opposition representation, the winning discount increases drastically, indicative that communes are securing contracts at higher relative prices than in the previous mandate. The magnitude of the increase is quite large across all levels of opposition participation, with the exception of the sixth.³⁶ This suggests that the positive effects of greater opposition representation on the costs at which contracts are secured do not persist in the absence of that representation. Finally, we see no change in standardized unit costs, except for in the communes with the most opposition representation prior to dissolution; in these communes, the councils pay more for project inputs in the absence of opposition representation, again suggesting that the effect of the opposition's previous participation in the council waned quickly for the most opposition-saturated councils following the Supreme Court decision.

7 Discussion and Conclusion

I argue that despite autocratic controls circumscribing political contestation, given a modicum of meaningful opposition participation, authoritarian regimes can realize similar benefits of pluralism for governance as democratic regimes. The democratic literature offers two mechanisms through which the multipartyism inherent in democratic institutions curbs corruption: by increasing political competition, thus incentivizing political incumbents to moderate their use of public office for private gain or else risk punishment at the polls, and by imbuing opposition or minority parties with the institutional authority to serve as a “check” on the party in power. Extending the logic to the authoritarian context, I theorize that as the degree of opposition participation in a locality increases, increased political competition may induce *ruling party politicians* to rid themselves of corrupt practices, while increased opposition representation within political institutions may grant *opposition politicians* the institutional authority necessary to constrain the political corruption of the ruling party. Institutional authority can come in several forms; I focus specifically on how both powers of oversight, as attained in the Cambodian context through securing the first deputy

³⁶Although I note that only eight communes have an OSS equal to six, thus the estimates for this category of communes are quite noisy.

position, as well as increased institutional representation, as attained through securing additional seats on the council, shapes the opposition's ability to effect positive changes in local governance.

Interestingly, I find that political competition alone has no effect on corruption in the procurement of local development projects. Among communes with similar degrees of opposition representation, the extent to which the opposition's electoral performance threatens regime hegemony in the commune does not appear to shape ruling party politicians' behavior. In other words, I find no evidence that ruling party councilors in Cambodia's communes responded to increases in the opposition's competitiveness as Prime Minister Hun Sen implored them to: by "scrub[bing] your body" and "heal[ing] your disease" (Hutt, 2016). This seeming lack of regard among CPP councilors for potential consequences of continued corruption echos extant research contending that party cadres' performance in office and electoral popularity are *not* the primary means by which local politicians ingratiate themselves with party elites (Malesky and Schuler, 2013; Shih et al., 2012).

Instead, I find that it is only through the attainment of additional commune council seats that the opposition's participation in local politics produces a decrease in corruption. Crucially, I find that attaining the first deputy position and its institutionally-imbued powers of financial oversight is not nearly as effective a strategy for reducing ruling party corruption as attaining a single additional seat. Securing special positions within political institutions, in this case oversight positions, therefore is not necessarily a "shortcut" to increasing opposition influence over political outcomes. Rather, it is through straightforward, brute force representation that the opposition can manage to whittle away at the otherwise unconstrained rule of the regime party.

Pluralism thus has the potential to produce similar improvements to governance in authoritarian regimes as in democratic regimes. However, simply inducing political competition by allowing the opposition to contest elections is not sufficient to realize the benefits to pluralism. Rather, it is the accession of the opposition to political institutions, where, as in democracies, politicians can bargain, monitor, and constrain one another, that allows authoritarian regimes to reap the fruit of pluralism.

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Appendix

A Summary Statistics

Table 10: Summary Statistics of Commune, Contract, and Project Variables

Variable	Observations	Mean	Median	Min	Max
CSF Contracts (2012-17)	1,607	4.19	4	1	9
CSF Funds Spent (Riel, 2012-17)	1,607	290,745,953.00	286,881,251	6,968,918	738,557,736
Council Seats (2012-2017)	1,607	7.01	7	5	11
Votes in 2012 Election	1,607	3,566.46	3,346	158	16,953
CPP Seatshare	1,607	0.74	0.73	0.29	1
SRP+HRP Seatshare	1,607	0.25	0.22	0	0.71
Total Population (2008)	1,595	8,090.18	7,112	298	61,595
Area (ha., 2008)	1,595	110.37	43.75	0.05	2,337.16
Number of Businesses (2011)	1,595	301.60	181	9	4,504
% of HH in Poverty (2011)	1,210	0.27	0.26	0.02	0.81
Literacy Rate (2008)	1,595	73.81	76.83	7.83	98.51
Urban (2008)	1,595	0.10	0	0	1
% of Population Muslim (2008)	1,595	0.02	0	0	0.90
Student-Teacher Ratio (2012)	1,570	43.41	38.02	10.02	196
Number of Health Facilities (2010)	1,607	0.69	1	0	3
Number of Bids Solicited	6,733	4.68	4	1	20
Winning Discount	6,733	-25.44	-20	-84	9
Contract Value (Riels)	6,733	70,345,990	68,458,824	7,463,500	169,399,989
Payment Recorded (%)	6,733	0.28	0	0	1
First Time Contractor Used in Commune (%)	6,733	0.72	1	0	1
First Time Contractor Used in District (%)	6,733	0.38	0	0	1
Project Unit Cost (Riels)	18,387	61,174,347	36,144,042	361,347	1,243,079,099

B Opposition Oversight Regression Discontinuity Design

B.1 Constructing the Running Variable

In the d'Hondt system, parties are rewarded seats according to the highest average. A quotient is calculated for each party p and seat i according to the equation below. In a commune with seven seats ($n = 7$) as in Table 11a, the first seat goes to the party with the largest quotient, the second seat goes to the party with the second largest quotient, and so on, until the seventh seat is allocated to the party with the seventh largest quotient.

$$Quotient_{ip} = \frac{(\text{Total Votes}_p)}{(s_i + 1)} \quad \forall s \in [1, n], p \in [1, m]$$

I am interested in calculating the margin by which the third-most-popular party in each commune wins or loses their first seat. In order to isolate this quantity of interest, I calculate two values, the *Barely-Won Margin*, equivalent to the difference between Party 3's largest quotient ³⁷ and the $n + 1^{th}$ largest quotient, and the *Barely-Lost Margin*, equivalent to the difference between the n^{th} largest quotient and Party 3's largest quotient. If Party 3 won at least one seat, the *Barely-Won Margin* will be positive, and the *Barely-Lost Margin* will be zero or negative. If Party 3 won no seats, then the *Barely-Won Margin* will be zero or negative, and the *Barely-Lost Margin* will be positive.

Table 11: (a) Example of d'Hondt seat allocation in a 7 seat commune

	Q1	Q2	Q3	Q4	Q5	Total Votes	Total Seats
Party 1	4100 ¹	2050 ²	1366.67 ⁴	1025 ⁵	820⁷	4100	5
Party 2	2000 ³	1000 ⁶	666.67	500	400	2000	2
Party 3	<i>800</i>	400	266.67	200	160	800	0
						6900	7

Superscripts indicate the seat won by each quotient. The bolded number indicates the n^{th} largest quotient; the italicized number indicates the $n + 1^{th}$ largest quotient.

Table 2: (b) Quantities of Interest

Barely-Won Margin:	Party 3's Q1 – $n + 1^{th}$ largest quotient $800 - 800 = 0$
Barely-Lost Margin:	n^{th} largest quotient – Party 3's Q1 $820 - 800 = 20$
Margin:	Take whichever margin is greater than 0 $Margin = Barely-Lost Margin$ $Margin = 20$
Running Variable:	$\frac{Margin}{TotalVotes}$ $20/6900 = 0.0029$
Treatment Status:	1 if Party 3 won a seat, 0 otherwise $Treat = 0$

I only care about the margin by which the third party lost or won at least one seat, so I only want to take the margin which accurately describes Party 3's status (either a winner or loser).

³⁷Note that each party's largest quotient is also equivalent to their total vote count.

Therefore, the value *Margin* takes whichever value, *Barely-Won Margin* or *Barely-Lost Margin* is greater than zero. To calculate the *Running Variable*, I divide *Margin* by *Total Votes*; thus the *Running Variable* represents the percent of the total votes by which the third party won or lost one seat. If Party 3 won at least one seat, the *Running Variable* is positive and the commune's treatment status is $Treat = 1$; if Party 3 failed to secure one seat, the *Running Variable* is negative and the commune's treatment status is $Treat = 0$. Table 1b provides an example of how these quantities of interest are calculated for Table 11a's hypothetical 7-seat commune.

Finally, I exclude any communes in which a party other than the CPP won the most seats (less than 3%), as well as any communes in which the party that barely wins or barely loses the First Deputy seat is neither the SRP or the HRP, given that the other parties that participated in the election are considered to be co-opted by the CPP.

B.2 Model Specification

To estimate the causal effect of opposition oversight on governance, I estimate local linear regression models that compare the effect of treatment within a narrow bandwidth but control for the distance from the cut-off. I estimate each model using the Imbens and Kalyanaraman (2012) optimal bandwidth (IK) and the CCT optimal bandwidth (2014) for the dependent variable. The IK bandwidths range from .057 to 0.064, and the CCT bandwidths range from 0.032 to 0.041. I estimate the following model:

$$Y_{ip} = \beta_1 T_i + \beta_2 RV_i + \beta_3 T_i * RV_i + \mathbf{X}_i + \delta_i + \theta_i + \epsilon_{ip} \quad (4)$$

Where Y is the outcome of interest for project p in commune i , T is the treatment status of commune i ($T = 1$ if the First Deputy is an opposition member), RV is the running variable, or the percent of total votes by which an opposition member barely won or barely lost the First Deputy position in commune i , \mathbf{X}_i is a vector of commune-level controls, δ_i are province fixed effects, to control for heterogeneity in contractors and procurement practices across provinces, and θ_i are year fixed effects. Individual observations are either at the contract level (for the outcomes number of bids and winning discount) or project level (for standardized unit cost), while standard errors are clustered at the level of the commune. All models are estimated both with and without commune controls and fixed effects.

B.3 Validating the RD Design

For the regression discontinuity design to be valid, we must first assume that communes are continuously or smoothly distributed across the cut-off point. Possible violations of the continuity assumption in the context might include fraud in vote-tallying or cooperation between two opposition parties to secure the First Deputy positions. While Cambodia's elections are by any account

plagued by voter intimidation, rampant vote-buying, and severe disparities between the CPP's and opposition parties' access to media and campaign resources, *ex post* electoral manipulation presents less of a concern. Cambodia's Committee for Free and Fair Elections found "no severe technical irregularities during polling and counting which could have indicated an obstruction of the electoral process" in the 2012 elections, providing suggestive evidence for the lack of *ex post* sorting related to fraud (COMFREL, 2012, p.10). Furthermore, the discontinuity I am interested in is whether the third most popular party won or lost a single seat in the commune. Manipulating the third party's seat share in a multi-seat PR district is a much more computationally intense exercise than manipulating who wins the election, as whether the third party meets the threshold necessary to win a seat is dependent on the vote counts of all parties that competed in the election and is different for each commune.³⁸

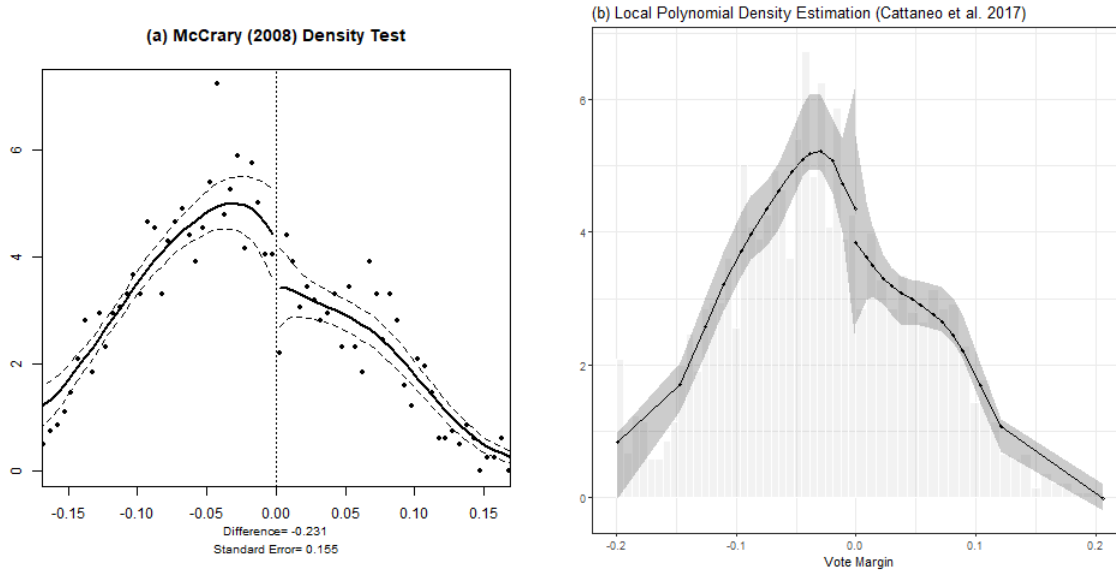
There is also no evidence to suggest that opposition parties conspired to secure the First Deputy position by strategically running separately. It is widely acknowledged that running separately in the 2012 elections rendered the SRP and HRP worse off, as they were only able to win forty communes outright as separate parties, while if they had formed a coalition prior to the election, the parties together would have won 142 communes. The SRP and HRP originally planned to merge in 2009 and contest the 2012 commune elections on a single ticket, but personality conflicts between the leaders of both parties resulted in talks breaking down (Meyn, 2013b; Samean, 2009; Strangio, 2014). Only *after* the relative success of both parties in the commune elections were the SRP and HRP able to come to an agreement to form a single party (Willemyns, 2016). Given the relationship between the SRP and HRP at the time, it is unlikely that the parties coordinated to secure the First Deputy position.

While the continuity assumption can never be directly validated, statistical tests provide additional support for the assumption that sorting around the cut-off point is unlikely. Figure 6a depicts a McCrary (2007) density test, with bin size set to 0.005 (or 0.5% of total votes received). The difference at the threshold is -0.231, and the standard error is 0.155 ($p = 0.1342$), thus we cannot reject the null hypothesis of no sorting. Figure 6b depicts a local polynomial density estimation (Calonico et al., 2017). The difference in estimated densities at the cutoff point is -0.243 and the standard error for the difference is 1.253 ($p = 0.846$), providing additional support for the assumption of no manipulation around the cut-off point.

Finally, to assess balance among treatment and control communes, I estimate the effect of treat-

³⁸Consider that in the Cambodian context, the party with the most votes, by institutional design, wins the most important position in the commune: commune chief. Manipulating vote counts to secure the chief position is straightforward: ensure your party has more votes than any other party. Manipulating vote counts to secure the first deputy position (by ensuring only two parties win seats) requires a far more sophisticated strategy, as there is no single quota that a party must meet to win a seat; rather, seats are allocated according to a highest average formula. In the smallest communes (5-seat commune), manipulating whether a third party won a seat would require calculating at least 11 numbers according to highest average formula, then decreasing the third party's vote count to less than the 5th highest average. In an 11-seat commune, this would involve calculating 23 numbers according to the highest average formula. Thus, systematically manipulating the party of the first deputy would be computationally intense.

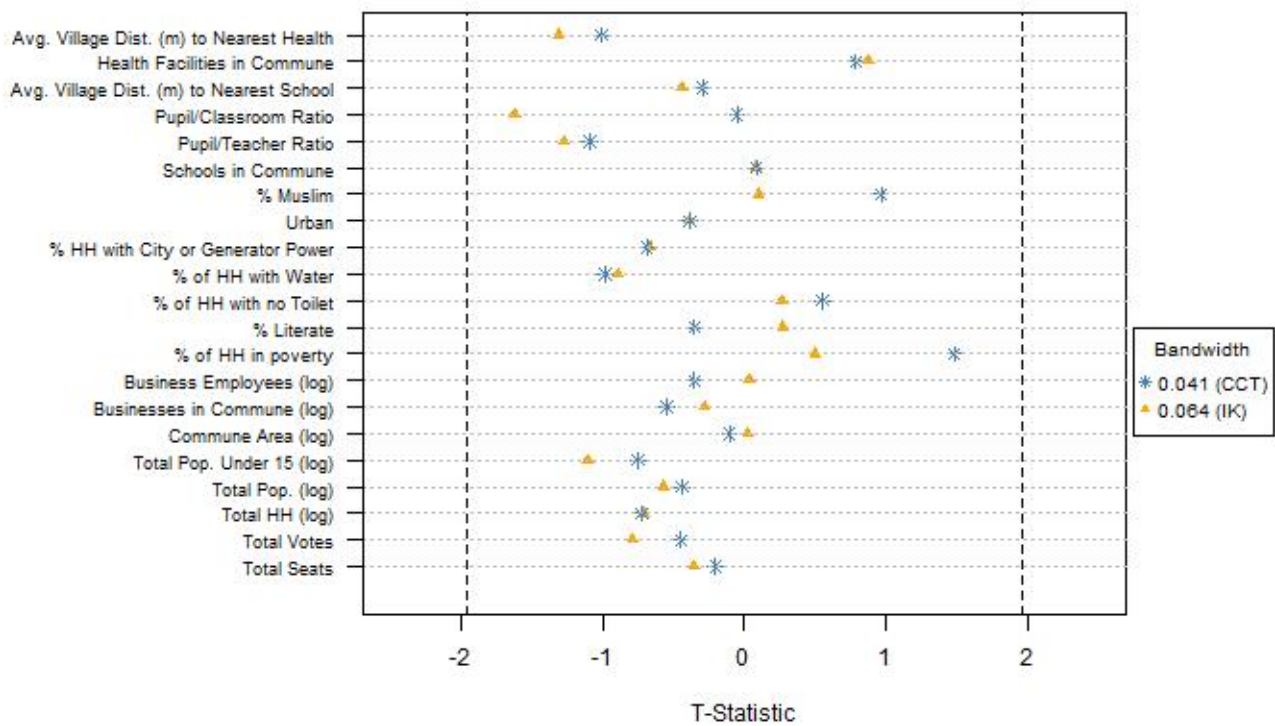
Figure 6: Density Tests



In both graphs, the x-axis is the vote margin, or the percent of the total votes by which a third party either secured or failed to secure the last seat in the commune, and the y-axis is the density. Figure 1a depicts a McCrary (2008) density test, with bin size set to 0.005 (or 0.5% of total votes received). The difference at the threshold is -0.231, and the standard error is 0.155 ($p = 0.1342$), thus we cannot reject the null hypothesis of no sorting. Figure 1b depicts a local polynomial density estimation (Calonico et al. 2017). The difference in estimated densities at the cutoff point is -0.243 and the standard error for the difference is 1.253 ($p = 0.846$).

ment status on a battery of commune-level pre-treatment covariates using local linear regressions, limiting the sample to communes within the maximum CCT optimal bandwidth (0.041) and maximum IK optimal bandwidth (0.064) of the cut-off. The choice of bandwidth and model specification mirror the models and bandwidths used throughout the analysis. Figure 9 reports the t-statistics from two-tailed tests of the hypothesis that the difference between treatment and control communes is zero. A t-statistic above 1.96 or below -1.96 indicates that we can reject the null hypothesis of non-zero difference between commune groups, reflecting a lack of balance between the groups. I find no evidence of imbalance on observables across treatment and control communes within both bandwidths, providing further confidence in the validity of the RD design.

Figure 7: Balance Tests



C Marginal Opposition Seat Regression Discontinuity Design

C.1 Constructing the Running Variable

As discussed above, in the d'Hondt system, parties are rewarded seats according to the highest average. In a n -seat commune with m total parties, a quotient is calculated for each party p and seat i according to the equation below:

$$Quotient_{i,p} = \frac{(\text{Total Votes}_p)}{(Seat_i)} \quad \forall i \in [1, n], p \in [1, m]$$

where the divisor associated with each quotient is equivalent to $Seat_i$.

To understand the effect of an additional opposition-held seat on the outcomes of interest, I want to compare communes in which the opposition *barely won its last seat* to communes in which the opposition *barely lost an additional seat*. I start by calculating two quantities of interest for each of the two opposition parties: **Barely Won Margin**, or the number of votes the CPP would had to have “stolen” from the opposition party in question to prevent the opposition from winning its last seat, divided by the number of total votes in the commune; and the **Barely Lost Margin**, or the number of votes the opposition party in question would had to have “stolen” from the CPP in order to win an additional seat, divided by the total number of votes in the commune. Unlike in the first RD design, I consider the number of votes that one party would have had to have *captured* from the other, holding all other parties’ votes constant, in order to win another seat, rather than the number of *additional* votes the party would need to have won to ensure the plausibility of the margins. The margins are calculated as below:

$$BW_{OP,i} = \frac{BWVotes_{OP,i}}{TotalVotes_i}$$

$$BL_{OP,i} = \frac{BLVotes_{OP,i}}{TotalVotes_i}$$

where $BWVotes_{OP,i}$ and $BLVotes_{OP,i}$ are calculated as follows:

$$\begin{aligned}
BWVotes_{OP,i} &: \frac{TotalVotes_{CPP,i} + x}{LargestLosingDivisor_{CPP,i}} > \frac{TotalVotes_{OP,i} + x}{LargestWinningDivisor_{OP,i}} \\
&= ceiling \left(\frac{LargestLosingDivisor_{CPP,i}(TotalVotes_{OP,i}) - LargestWinningDivisor_{OP,i}(TotalVotes_{CPP,i})}{LargestLosingDivisor_{CPP,i} + LargestWinningDivisor_{OP,i}} + 0.001 \right) \\
BLVotes_{OP,i} &: \frac{TotalVotes_{OP,i} + x}{LargestLosingDivisor_{OP,i}} > \frac{TotalVotes_{CPP,i} + x}{LargestWinningDivisor_{CPP,i}} \\
&= ceiling \left(\frac{LargestLosingDivisor_{OP,i}(TotalVotes_{CPP,i}) - LargestWinningDivisor_{CPP,i}(TotalVotes_{OP,i})}{LargestLosingDivisor_{OP,i} + LargestWinningDivisor_{CPP,i}} + 0.001 \right)
\end{aligned}$$

Once the *BL* and *BW* margins have been calculated for both the SRP and HRP in commune *i*, we retain the smallest *BW* and *BL* margin between the two parties, such that: $BW_i = \min(BW_{SRP,i}, BW_{HRP,i})$ and $BL_i = \min(BL_{SRP,i}, BL_{HRP,i})$. Treatment status T_i for commune *i* is assigned by comparing BW_i and BL_i as follows:

$$T_i = \begin{cases} 1 & \text{if } BW_i < BL_i \\ 0 & \text{if } BW_i > BL_i \end{cases}$$

The running variable, RV_i , is thus equivalent to BW_i if the commune is considered “treated” and $-BL_i$ otherwise:

$$RV_i = \begin{cases} BW_i & \text{if } T_i = 1 \\ -BL_i & \text{if } T_i = 0 \end{cases}$$

Note that in the case that an opposition party does not obtain a seat in the election, the barely won margin cannot be calculated, and thus treatment status is automatically assigned as zero and the smallest *BL* margin becomes the running variable (after multiplying by -1). In order to ensure we are only comparing communes with one additional opposition party seat to communes with one additional ruling party seat, I remove from the sample any treated communes in which the barely-winning opposition party ultimately beat out a party other than the CPP for a seat, and any control communes in which the barely-losing opposition party lost the competition for the final seat to a party other than the CPP.³⁹

To demonstrate how the running variable and treatment status are obtained, I calculate the

³⁹Effectively, this involves removing communes both where (a) the barely won margin is smallest but a party other than the CPP has the $n + 1$ th largest quotient, where n is the total number of seats in the commune, and (b) the barely lost margin is smallest but a party other than the CPP has the n th largest quotient. Functionally, I remove these communes by simulating the d’Hondt seat allocation method in each commune after “redistributing” votes according to the *BWVotes* and *BLVotes* quantities, then removing the communes where a party other than the CPP picks up the seat in question (in the case of *BW*) or a party other than the opposition picks up the seat in question (in the case of *BL*).

quantities of interest for a 7-seat commune in Kampong Cham below. The top ten largest quotients are presented in Table 12, with calculations for the running variable and treatment status derived in Table 13.

Table 12: Largest Quotients in 7-seat Commune

Party	Divisor	Quotient	Seat
CPP	1	1905.00	1
SRP	1	1089.00	2
CPP	2	952.50	3
CPP	3	635.00	4
SRP	2	544.50	5
CPP	4	476.25	6
CPP	5	381.00	7
SRP	3	363.00	-
CPP	6	317.50	-
HRP	1	313.00	-
Total Votes			3914
Total Seats			7

Table 13: Calculating the Running Variable

BW_{SRP}	$TotalVotes_{SRP} = 1089$ $TotalVotes_{CPP} = 1905$ $LargestWinningDivisor_{SRP} = 2$ $LargestLosingDivisor_{CPP} = 6$ $BWVotes_{SRP} = \text{ceiling}\left(\frac{6(1089)-2(1905)}{6+2} + .001\right)$ $BWVotes_{SRP} = 341$ $BW_{SRP} = 341/3914 = 0.087$
BL_{SRP}	$TotalVotes_{SRP} = 1089$ $TotalVotes_{CPP} = 1905$ $LargestLosingDivisor_{SRP} = 3$ $LargestWinningDivisor_{CPP} = 5$ $BLVotes_{SRP} = \text{ceiling}\left(\frac{3(1905)-5(1089)}{5+3} + .001\right)$ $BLVotes_{SRP} = 34$ $BL_{SRP} = 34/3914 = 0.009$
BW_{HRP}	NA (HRP did not win any seats)
BL_{HRP}	$TotalVotes_{HRP} = 313$ $TotalVotes_{CPP} = 1905$ $LargestLosingDivisor_{HRP} = 1$ $LargestWinningDivisor_{CPP} = 5$ $BLVotes_{HRP} = \text{ceiling}\left(\frac{1(1905)-5(313)}{6} + .001\right)$ $BLVotes_{HRP} = 57$ $BL_{HRP} = 57/3914 = 0.015$
BW	$\min(0.087, NA) = 0.087$
BL	$\min(0.009, 0.015) = 0.009$
T	$BW > BL$ so Treatment = 0
RV	$T = 0$ so Running Variable = $-BL = -0.009$

C.2 Model Specification

To estimate the causal effect of an additional opposition councilor on the outcomes of interest, I estimate local linear regression models that compare the effect of treatment within a narrow bandwidth but control for the distance from the cut-off. I estimate each model using the Imbens and Kalyanaraman (2012) optimal bandwidth (IK) and the CCT optimal bandwidth (2014) for the dependent variable. The IK bandwidths range from .016 to 0.033, and the CCT bandwidths range from 0.016 to 0.027. I estimate the following model:

$$Y_{ip} = \beta_1 T_i + \beta_2 RV_i + \beta_3 T_i * RV_i + \mathbf{X}_i + \delta_i + \theta_i + \epsilon_{ip} \quad (5)$$

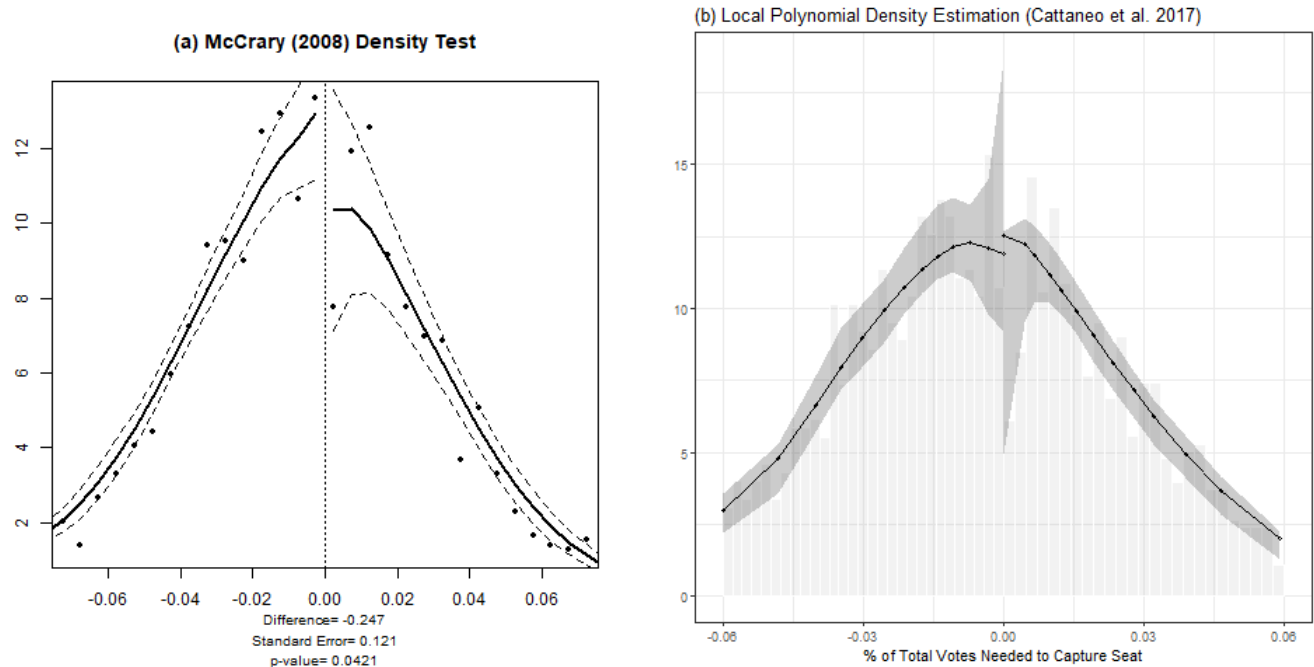
Where Y is the outcome of interest for project p in commune i , T is the treatment status of commune i ($T = 1$ if the opposition barely won an additional seat), RV is the running variable, or the percent of total votes which the opposition would have needed to captured or lost to the CPP in order to have lost its barely-won seat or won its barely-lost seat in commune i , \mathbf{X}_i is a vector of commune-level controls, δ_i are province fixed effects, to control for heterogeneity in contractors and procurement practices across provinces, and θ_i are year fixed effects. Individual observations are either at the contract level (for the outcomes number of bids and winning discount) or project level (for standardized unit cost), while standard errors are clustered at the level of the commune. All models are estimated both with and without commune controls and fixed effects.

C.3 Validating the RD Design

Again, for the RD design to be valid, we must first assume that communes are continuously or smoothly distributed across the cut-off point. While it is not possible to directly validate the continuity assumption, density tests allow for the testing of observable implications of violations of the continuity assumption. Figure 8a depicts a McCrary (2007) density test, with bin size set to 0.005 (or 0.5% of total votes received). The difference at the threshold is -0.247, and the standard error is 0.121 ($p = 0.0421$), suggesting that there is indeed evidence of sorting at the threshold. Figure 6b depicts a local polynomial density estimation (Cattaneo et al., 2017). The difference in estimated densities at the cutoff point is -5.09 and the standard error for the difference is 3.178 ($p = 0.109$), providing, at best, weak evidence for a lack of sorting across the threshold.

Density tests are implemented in RD designs in order to test for evidence of *precise* manipulation of treatment assignment that suggests there is something systematically different between units just above the threshold, and those just below, therefore invalidating the assumption that treatment assignment at the threshold is “as-if random.” It is thus worth carefully considering whether it would be plausible that actors could *precisely* manipulate the treatment status of communes in this particular context. Perhaps the most likely reason we might expect the continuity assumption to be violated is if there is deliberate fraud in vote-tallying. Despite the use of common tactics

Figure 8: Density Tests



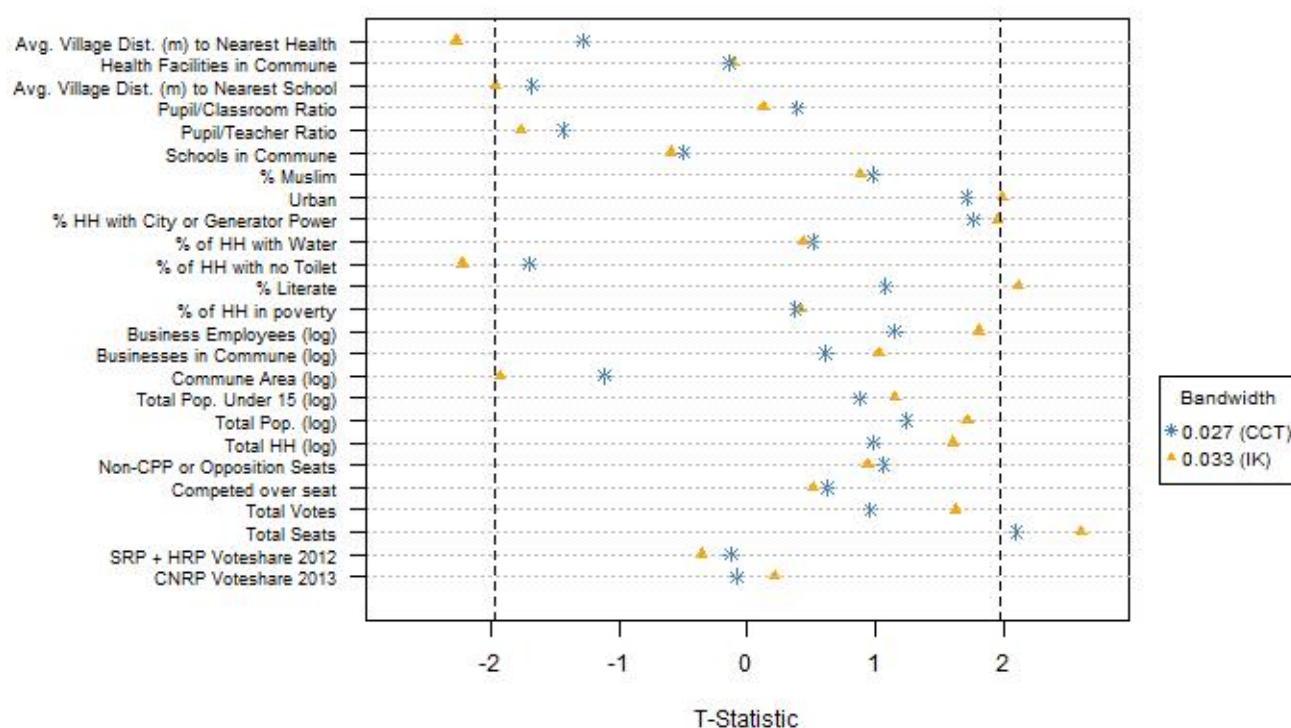
In both graphs, the x-axis is the vote margin, or the percent of the total votes which the opposition would have had to lose to or steal from the CPP in order to lose their last seat or win an additional seat, and the y-axis is the density. Panel (a) depicts a McCrary (2008) density test, with bin size set to 0.005 (or 0.5% of total votes received). Panel (b) depicts a local polynomial density estimation (Cattaneo et al. 2017).

to tilt the electoral playing field in the CPP's favor on election day, including irregularities or purges in voter rolls, intimidation by local authorities, and improper use of state funds for party purposes, there is no evidence or documentation of *ex post* electoral manipulation in the 2012 commune elections; Cambodia's Committee for Free and Fair Elections reporting finding "no severe technical irregularities during polling and counting which could have indicated an obstruction of the electoral process" (COMFREL, 2012, p.10). Nonetheless, as the ruling CPP maintains tight control of the bureaucracy and voting institutions, including the National Election Committee, it is reasonable to consider whether agents of the CPP could have, without the detection of civil society, systematically and precisely manipulated the vote tallies to prevent the opposition parties from attaining an additional seat. To cause the *precise* sorting that would invalidate the design, rather than simply inflating the CPP's vote counts beyond a given threshold, an agent of the party would have to calculate many of the same quantities I calculate above for each individual commune. To achieve a total vote count that puts the CPP in the "just barely winning" position, when its true vote count rendered it a "barely loser," would require either the use of a systematic algorithm, like the one used above, or a lot of trial and error for each commune. In other words, it would be quite difficult to orchestrate the precise fraud that would *barely* rob the opposition of an additional seat.

Given the implausibility of such precise fraud being both carried out and undetected, I consider next whether we observe other implications of violations of the continuity assumption. To assess

balance among treatment and control communes, I estimate the effect of treatment status on a battery of 23 commune-level pre-treatment covariates using local linear regressions, in each case limiting the sample to communes within the max of the Imbens and Kalyanaraman (2012) (IK) optimal bandwidth and the Calonico et al. (2014) (CCT) optimal bandwidths on either side of the cut-off point. The choice of bandwidth and model specification mirrors the models and bandwidths used in the main analysis. Figure 9 reports the t-statistics from two-tailed tests of the hypothesis that the difference between treatment and control communes is zero. A t-statistic above 1.96 or below -1.96 indicates that I can reject the null hypothesis of non-zero difference between commune groups, reflecting a lack of balance between the groups.

Figure 9: Balance Tests

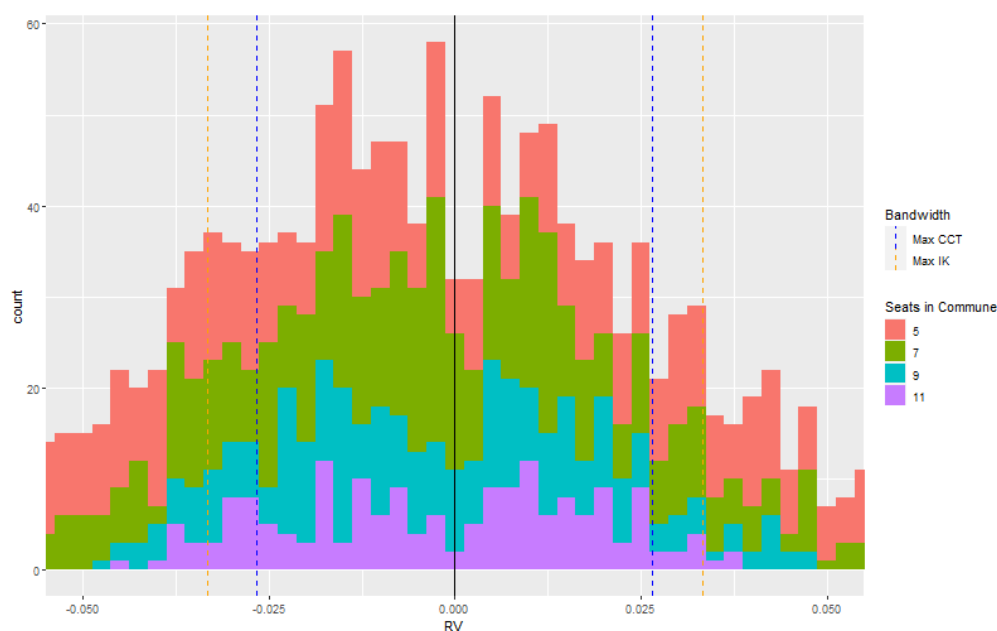


I find no evidence of imbalance in demographic or economic characteristics across treatment and control communes. For only two covariates do I fail to reject the null hypothesis of a non-zero difference between treatment and control communes: the average distance from villages in the commune to the nearest school, and the total number of seats in the commune. It is unclear what might be driving imbalance on this former covariate, as there is no evidence of imbalance across treatment and control communes in any other measures of service provision and access (for example, pupil to teacher ratio, pupil to classroom ratio, the number of schools in the commune, and the average distance from villages in the commune to the nearest health facility) or in measures of commune size (for example: commune area in hectares, or total population).

The imbalance in total seats is a bit easier to explain, as it is intuitive that the threshold

for winning an additional seat decreases at the number of seats on the council increases, such that we would expect communes with 5 seats to more often end up in the control group than communes with 11 seats.⁴⁰ Figure 10 illustrates this by plotting the density of communes against the running variable for each size council separately (with bin size 0.0025). We tend to see more treated communes (to the left of the threshold) than control communes across 9 and 11-seat councils, and more control communes than treated communes in 5-seat councils. Reassuringly, we see that communes are distributed smoothly in the two bins adjacent to the threshold in all four different commune sizes. Nonetheless, this mechanical relationship between the total number of seats in the commune and treatment status threatens to confound the effects of an additional opposition councilor with the effects of a larger council on governance. To ameliorate this problem, I re-estimate the core models with seat fixed effects, to explicitly constrain the comparison between communes that have the same number of councilors.

Figure 10: Distribution of Seats at Different Council Sizes



⁴⁰It is reassuring, however, that this imbalance is not present in demographic features that are correlated with the number of seats on the council, including the total population, total number of households, and total number of votes.

D Supplementary Results

D.1 Political Competition Hypothesis

Table 14: Effect of Political Competition on Outcomes: Communes with 0 Opposition Seats

	<i>Dependent variable:</i>					
	Number of Bids		Winning Discount		Std. Unit Costs	
	(1)	(2)	(3)	(4)	(5)	(6)
CNRP_share13	0.371 (0.545)	−1.956** (0.896)	3.613 (6.608)	9.979 (10.948)	0.205 (0.250)	0.869** (0.357)
Bandwidth	NA	NA	NA	NA	NA	NA
Controls		Yes		Yes		Yes
Year and Province FEs		Yes		Yes		Yes
Observations	960	788	960	788	2,187	1,842
R ²	0.001	0.246	0.0004	0.211	0.001	0.162
Adjusted R ²	−0.0004	0.212	−0.001	0.175	0.0004	0.146
<i>Note:</i>				*p<0.1; **p<0.05; ***p<0.01		

Table 15: Effect of Political Competition on Outcomes: Control for Number of Opposition Seats

	<i>Dependent variable:</i>					
	Number of Bids		Winning Discount		Std. Unit Costs	
	(1)	(2)	(3)	(4)	(5)	(6)
Opposition Voteshare (2013)	−0.263 (0.252)	0.045 (0.413)	8.146*** (2.768)	1.790 (4.355)	−0.310*** (0.111)	−0.003 (0.149)
Number of Opposition Seats (2012-17)	0.149*** (0.031)	0.081* (0.042)	−0.649** (0.328)	−0.235 (0.421)	0.005 (0.011)	0.013 (0.013)
Bandwidth	NA	NA	NA	NA	NA	NA
Controls		Yes		Yes		Yes
Opposition Seat FEs		Yes		Yes		Yes
Year and Province FEs		Yes		Yes		Yes
Observations	6,691	5,090	6,691	5,090	18,252	14,344
R ²	0.006	0.187	0.002	0.229	0.003	0.137
Adjusted R ²	0.006	0.181	0.001	0.224	0.003	0.135
<i>Note:</i>				*p<0.1; **p<0.05; ***p<0.01		

D.2 Opposition Oversight Hypothesis

Table 16: Effect of Political Competition on Outcomes: With Seat Score FEs (category 6 omitted)

	<i>Dependent variable:</i>					
	Number of Bids		Winning Discount		Std. Unit Costs	
	(1)	(2)	(3)	(4)	(5)	(6)
Opposition Voteshare (2013)	-0.214 (0.255)	0.196 (0.425)	10.128*** (2.870)	2.572 (4.530)	-0.257** (0.119)	0.048 (0.154)
Bandwidth	NA	NA	NA	NA	NA	NA
Controls		Yes		Yes		Yes
Opposition Seat FE	Yes	Yes	Yes	Yes	Yes	Yes
Year and Province FE		Yes		Yes		Yes
Observations	6,657	5,075	6,657	5,075	18,141	14,287
R ²	0.009	0.187	0.006	0.230	0.006	0.138
Adjusted R ²	0.008	0.180	0.005	0.224	0.006	0.136

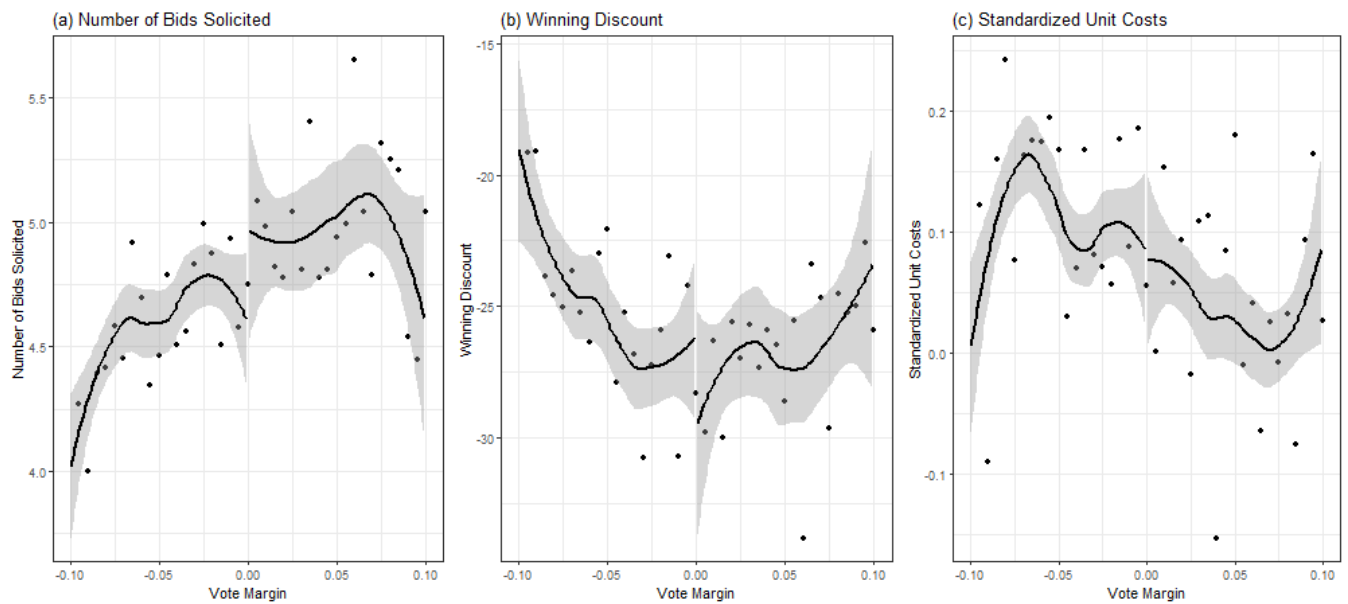
Note: *p<0.1; **p<0.05; ***p<0.01

Table 17: Opposition Oversight: IK Bandwidth

	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Opposition Oversight	0.382*** (0.077)	0.054 (0.214)	0.180 (0.179)	-0.771 (0.801)	0.318 (2.235)	-0.053 (1.888)	-0.046* (0.025)	0.025 (0.066)	0.022 (0.054)
Margin		3.500 (3.440)	0.788 (3.130)		-39.074 (40.303)	-6.676 (33.988)		-0.753 (1.232)	0.405 (0.953)
Oversight*Margin		2.711 (6.348)	3.782 (5.521)		38.825 (64.617)	-20.800 (53.071)		-1.651 (1.778)	-2.037 (1.518)
Bandwidth	0.206	0.064	0.064	0.206	0.057	0.057	0.206	0.06	0.06
Controls			Yes			Yes			Yes
Year and Province FEs			Yes			Yes			Yes
Observations	5,472	2,985	2,360	5,472	2,985	2,360	15,295	8,640	6,920
R ²	0.007	0.007	0.200	0.0002	0.001	0.260	0.001	0.004	0.156
Adjusted R ²	0.007	0.006	0.187	0.0001	-0.0002	0.248	0.001	0.004	0.152

*p<0.1; **p<0.05; ***p<0.01. Models 1, 4, and 7 are simple regressions of the outcome of interest on the treatment variable. The remaining models are local linear regressions estimated within the IK optimal bandwidth for each dependent variable. Coefficients in models 3, 6, and 9 are estimated using a covariate-adjusted RD estimator (Calonico et al. 2019) including a vector of the following pre-treatment controls specific to the commune: number of health facilities, student-teacher ratio, % population that is Muslim, dummy variable for urban, % of adults over 15 who are literate, % of households in the commune that are poor, area in hectares (logged), number of businesses in the commune (logged) and total population (logged), as well as province and year fixed effects. Robust standard errors clustered by commune appear in parentheses.

Figure 11: Visualization of Discontinuities (LOESS): Opposition Oversight



D.3 Marginal Opposition Seat Hypothesis

Figure 12: Visualization of Discontinuities (LOESS): Marginal Opposition Seat

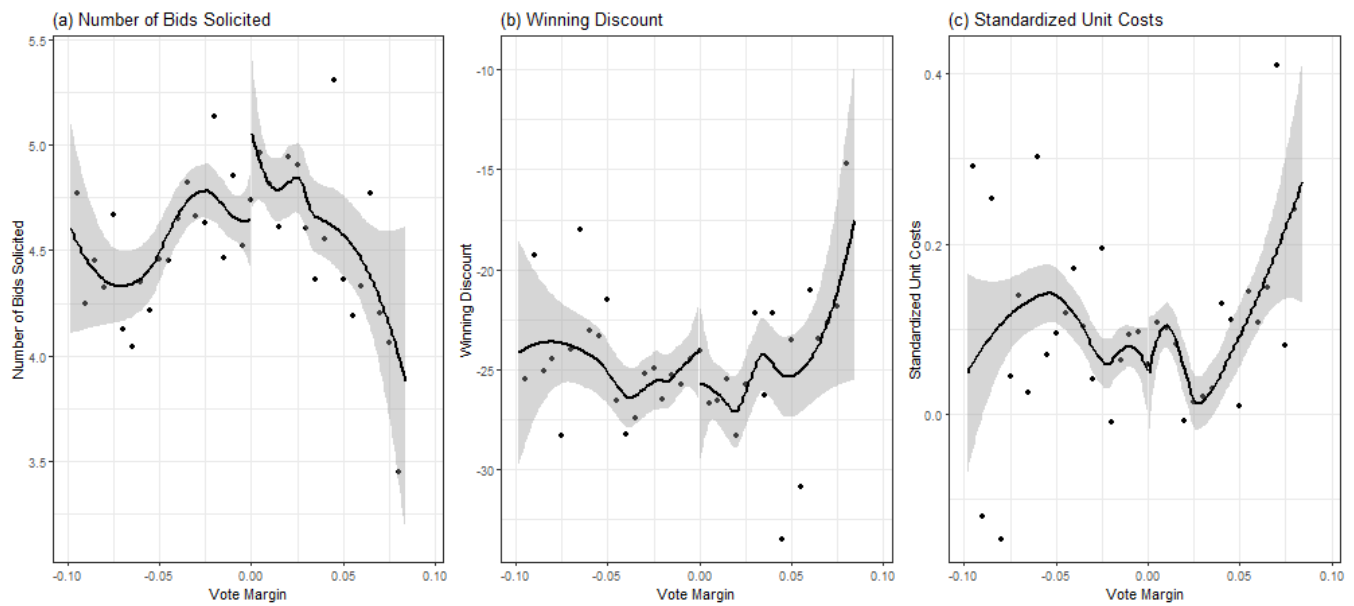


Table 18: The Effect of an Additional Opposition councilor: IK Optimal Bandwidth

	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Add'l Opposition Seat	0.119* (0.068)	0.357* (0.206)	0.530*** (0.198)	-0.653 (0.723)	-1.131 (2.165)	-2.939 (1.976)	-0.013 (0.023)	-0.009 (0.061)	0.007 (0.054)
Margin		-3.892 (9.663)	-16.979* (9.691)		49.207 (107.907)	103.377 (99.225)		2.352 (2.998)	-1.154 (2.811)
Seat*Margin		-8.917 (15.941)	3.335 (15.970)		-133.861 (172.361)	-100.261 (157.886)		-1.539 (4.923)	1.961 (4.403)
Bandwidth	0.125	0.023	0.023	0.125	0.033	0.033	0.125	0.016	0.016
Controls			Yes			Yes			Yes
Year and Province FEs			Yes			Yes			Yes
Observations	6,516	3,301	2,456	6,516	3,301	2,456	17,858	9,258	7,065
R ²	0.001	0.002	0.192	0.0002	0.001	0.247	0.0001	0.001	0.136
Adjusted R ²	0.001	0.001	0.179	0.00003	0.0004	0.235	0.00002	0.0002	0.131

Note:

*p<0.1; **p<0.05; ***p<0.01

Table 19: Effect of the Marginal Opposition Seat, with Seat FEs (CCT Bandwidth)

	<i>Dependent variable:</i>								
	Number of Bids			Winning Discount			Std. Unit Costs		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Add'l Opposition Seat	0.156** (0.064)	0.304 (0.190)	0.574*** (0.179)	-1.037 (0.649)	-1.443 (1.953)	-3.699** (1.753)	-0.010 (0.022)	0.062 (0.056)	0.044 (0.051)
Margin		-12.956* (7.829)	-26.025*** (7.572)		98.953 (80.886)	124.832* (71.753)		0.138 (2.615)	-1.371 (2.480)
Seat*Margin		12.284 (13.097)	14.288 (12.674)		-190.118 (130.616)	-55.226 (118.857)		-5.607 (3.827)	-1.653 (3.419)
Bandwidth	0.125	0.027	0.027	0.125	0.018	0.018	0.125	0.016	0.016
Controls	Yes		Yes	Yes		Yes	Yes		Yes
Year and Province FEs	Yes		Yes	Yes		Yes	Yes		Yes
Seat FEs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	4,917	3,779	2,852	4,917	3,779	2,852	13,908	10,658	8,202
R ²	0.188	0.010	0.193	0.232	0.005	0.249	0.135	0.002	0.136
Adjusted R ²	0.182	0.008	0.181	0.226	0.004	0.238	0.133	0.002	0.131

Note:

*p<0.1; **p<0.05; ***p<0.01