

ABSTRACT

Political parties compete during an election by offering programs that closely match with voters' preference. Assuming that voters are rational, parties offer policies that improve voter's utility such by providing higher public goods. This study attempts to empirically show whether higher electoral competition leads to higher public provisions, particularly for health and education. This study employs a cross-section data covering 417 districts in Indonesia during the 2014 district legislative elections and measures political competition using Herfindahl Hirschman Index. The result show that political competition leads to lower government spending in education and health.

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