



# Constrained Concessions: Beneficent Dictatorial Responses to the Domestic Political Opposition<sup>1</sup>

COURTENAY R. CONRAD

*University of North Carolina at Charlotte*

Do domestic institutions affect how dictators respond to their political opposition? In this paper, I argue that institutionalization is key to understanding whether dictators respond to domestic opposition groups with concessions. I present a nominal typology of dictatorial opposition movements, arguing that the manner in which the opposition is incorporated into the regime reveals important information about the types of concessions dictators will likely provide. Using a system of endogenous equations, I show that dictators buy off some types of domestic opposition with material concessions and liberalize when they face other types of opposition. Because dictators often make decisions facing environmental constraints, however, I also argue that financial conditions can limit a dictator's ability to respond beneficently to the opposition.

Do domestic institutions affect how dictators respond to their political opposition? Recent developments in international relations suggest that domestic institutions have an appreciable effect on repression in dictatorships (Vreeland 2008; Powell and Staton 2009; Simmons 2009; Conrad and Moore 2010).<sup>2</sup> Legalized political parties, for example, increase the incidence of state torture in dictatorships (Vreeland 2008), whereas effective domestic judiciaries are associated with decreased violations of human rights (Powell and Staton 2009). Although they are indeed more likely than democratic leaders to engage in repression (Poe and Tate 1994; Poe, Neal Tate, and Camp Keith 1999; Hathaway 2002; Davenport 2007b; Vreeland 2008), dictators do not always respond to their domestic opposition by violating their human rights. Instead, they sometimes respond beneficently to opposition demands. When Jordan's King Hussein faced an increasingly threatening Muslim Brotherhood, for example, he allowed them access to the legislature, where they received concessions from the government (Schwedler, unpublished dissertation). That dictators sometimes respond to their

<sup>1</sup> *Author's note.* Previous versions of this paper were presented at the 2008 Annual Meeting of the Southern Political Science Association and the 2008 Journeys in World Politics Workshop. I am grateful to Charity Butcher, Justin Conrad, Jacqueline H.R. DeMeritt, Greg Goelzhauser, Sona N. Golder, Amanda Licht, Rose McDermott, Will H. Moore, Irfan Nooruddin, Christopher Reenock, Joseph K. Young, the members of FSU's Political Institutions Working Group, and two anonymous reviewers for thoughtful comments on earlier drafts, and to Jennifer Gandhi for sharing her data. An online appendix, data, and replication files are available on the author's Web site.

<sup>2</sup> For a review of the literature on state repression, see Davenport (2007a).

opposition beneficently raises an important question: Under what conditions do domestic institutions affect the provision of *concessions* in dictatorships?

Knowing when dictators respond to their opposition beneficently has profound consequences not only for life under authoritarianism but also for the prospects of democratic emergence and economic development. Enhanced rights and financial investments under dictatorships have been shown to affect economic growth (Alesina and Perotti 1994; Knack and Keefer 1995; Barro 1997; Nazmi and Ramirez 1997) and the likelihood of full democratization (Mainwaring, O'Donnell, and Valenzuela 1992; Linz and Stepan 1996; Boix 2003; Schneider 2004; Reenock, Bernhard, and Sobek 2007). Furthermore, understanding the conditions under which dictators respond to their opposition with concessions is of interest to foreign aid donors and advocates of international human rights, who must make decisions about where to direct limited resources.

In this paper, I argue that dictatorial concessions are a function of domestic political institutions and financial constraints. I focus specifically on the manner of institutionalization of the domestic political opposition. Although existing literature (e.g., Gandhi and Przeworski 2007; Gandhi 2008b) argues that dictators co-opt threatening opposition into the legislature, I maintain that threatening domestic opposition groups can also exist *outside* the legislature. This insight is important to determining the conditions under which dictators respond to their opposition with concessions. Using an original, nominal typology to assess opposition institutionalization under dictatorship, I argue that dictators respond differently depending on the manner in which the opposition has been incorporated into the regime. More specifically, dictators are likely to respond to opposition meeting in domestic legislatures with material concessions. Only in the face of sufficient economic resources, however, will dictators be able to respond in this manner. Conversely, when dictators provide political opposition parties operating outside the legislature with increased rights concessions, these responses are less dependent upon domestic economic resources.

In the following two sections, I discuss dictatorial trade-offs between repression and concessions, as well as opposition preferences regarding concessions. Next, I introduce an original, nominal typology to assess the type of institutionalization of the domestic political opposition, arguing that the manner in which the opposition is institutionalized into the regime provides information about how likely dictators are to respond to its demands with concessions. I also argue that financial constraints may limit the ability of dictators to respond beneficently to their opposition. My hypotheses are tested using a system of endogenous equations with time-series cross-sectional (TSCS) data on 116 dictatorships from 1980 to 1996. I find that dictators facing financial constraints provide fewer material concessions to some types of opposition, but provide increased rights concessions in the face of other types of opposition groups.

### Dictatorial Concessions and Repression

Although a dictator's main goal is to stay in power (e.g., Bueno de Mesquita, Smith, Siverson, and Morrow 2003),<sup>3</sup> challenges to dictatorial rule are frequent. These challenges can come from within the ruling elite or from opposition movements within broader society (Gandhi and Przeworski 2007; Gandhi 2008a,b; Smith 2008).<sup>4</sup> If a threat comes from within the dictator's inner circle, he can generally solidify the support of the ruling elite by providing them with

<sup>3</sup> I define a dictatorship as a regime in which the leader cannot be removed from power through a popular vote (Przeworski, Alvarez, Cheibub, and Limongi 2000; Gandhi and Przeworski 2006).

<sup>4</sup> Dictators vary in the threat they face from the domestic political opposition (Gandhi 2008a).

high levels of private goods (Bueno de Mesquita et al. 2003). Deciding how to deal with threats from opposition outside the ruling elite is more difficult because dictators rarely decide how to respond to such threats unilaterally; instead, these decisions are made within a dictator's support coalition (Baloyra 1987; Malloy and Seligson 1987; Di Palma 1990).<sup>5</sup> Unfortunately for the dictator, the two types of supporters within dictatorial coalitions—hardliners and softliners—often have different preferences about how to respond to their opposition.<sup>6</sup> Hardliners simply want to repress their opposition; softliners are in favor of providing them with minimal concessions, which they believe can discourage domestic dissent (O'Donnell, Schmitter, and Whitehead 1986).<sup>7</sup> Because the opinions of hardliners and softliners differ, dictators typically respond to their opposition with a mixture of repression and concessions.

Although their provision of concessions is generally lower than that of their democratic counterparts (McGuire and Olson 1996; Brown and Hunter 1999; Lake and Baum 2001),<sup>8</sup> dictators do provide some basic level of goods to their populations to solidify dictatorial rule, discourage political dissent, and encourage economic productivity (Olson 1993; Deacon and Saha 2006). “To ensure political acquiescence among citizens, dictators may have to offer groups within society some concessions... A state with full monopoly over the means of coercion requires citizens who are willing to serve as loyal soldiers and police. Similarly, a functioning economy requires the regime to provide incentives for people to reveal their private information, to work, and to save” (Gandhi 2008b: 75–76).

In cases where the opposition does not pose an immediate threat to the regime or the opposition wants only to overthrow the government, dictators can expect little gain from responding to opposition demands with concessions. If the opposition poses a threat but is amenable to concessions, the dictator must determine the type of concession most likely to satisfy opposition demands at the lowest cost. Although dictators may still engage in some repression toward their opposition, repression and concessions are not mutually exclusive. Furthermore, repression is costly (Wintrobe 1998) and not always effective (Gandhi 2008b). Given some level of repression,<sup>9</sup> dictators can respond beneficently to consolidate power over their domestic political opposition using two techniques: (i) providing material concessions or (ii) providing rights concessions.

Material concessions include spending on public goods like healthcare, primary education, national defense, and public transportation, or spending on private consumption goods that can be directed at individual members of an

---

<sup>5</sup> By political opposition, I mean any domestic movement that seeks to garner concessions from the incumbent regime or seeks complete regime change.

<sup>6</sup> This can be challenging because coalition hardliners and softliners do not always agree. In Hungary in the 1950s and China in the 1980s, concessions granted to the opposition by one sect of the ruling alliance led to increased citizen mobilization, which was repressed by other sects of the alliance (Crescenzi 1999).

<sup>7</sup> Bueno de Mesquita et al. (2003) argue that leaders of countries with small winning coalitions stay in power by providing private goods to the members of their winning coalitions. This argument does not explain why some dictatorships respond to their opposition beneficently. Bueno de Mesquita and Smith (2009) do indeed discuss concessions to the opposition in their research on revolutionary threats. They argue that leaders who are dependent on labor-driven income increase their provision of coordination goods when faced with revolutionary threats. Importantly, my typology is able to predict not only the conditions under which dictators respond to their opposition with coordination goods, but also when they are most likely to respond to their opposition with material concessions. Moreover, my empirical results are robust to the inclusion of measures for the size of the winning coalition and selectorate in the empirical model, as well as mineral resources and foreign aid.

<sup>8</sup> However, Nooruddin and Simmons (2006) find that differences in public spending between democracies and dictatorships disappear under IMF programs.

<sup>9</sup> To simplify the development of my theory, I discuss the dictator's mix of material and rights concessions while holding repression constant. In the empirical analyses, however, I include repression as an endogenous response available to the dictator.

opposition movement. The provision of material goods, whether public or private, generally costs money and consequently may be difficult under conditions of economic downturn or crisis. Rights concessions, on the other hand, constitute an opening of the political space that gives the opposition an opportunity to operate in areas outside the control of the regime.<sup>10</sup> Bueno de Mesquita and Downs (2005:75) refer to the subset of public goods that constitutes rights concessions as “coordination goods” because they “critically affect the ability of political opponents to coordinate....” Autocrats often restrict the provision of goods that increase the political opposition’s ability to coordinate in order to avoid the political liberalization that so often accompanies economic growth. Coordination goods or rights concessions include increased press and media freedom, increased freedom of association, religion, and expression, as well as other political freedoms that occur separately from institutionalization.<sup>11</sup>

The provision of rights concessions is distinct from the creation of legislatures and other seemingly democratic institutions—what I refer to as institutionalization—intended only to co-opt the domestic political opposition and to encourage economic development (Bueno de Mesquita and Downs 2005; Geddes 2005; Gandhi and Przeworski 2006, 2007; Gandhi 2008b; Wright 2008). Institutionalization is not a concession to the opposition; instead, dictators use the creation of institutions to co-opt opposition activities. Consider dictatorial legislatures. A legislature is not a concession unto itself; rather, “(legislatures) are designed as instruments of cooptation (to) insure the cooperation between the regime and outside groups that is necessary for development” (Gandhi 2008a:4). Although dictators are interested in the economic development that can be encouraged through inclusion of the opposition in domestic institutions, the extension of rights concessions (that is, coordination goods) occurs less frequently in dictatorships than in democracies. In dictatorships, legislatures simply serve as an “institutional forum that lowers the transaction costs of exchanging (concessions) for political support” (Gandhi 2008b:78). Not only do legislatures lower the costs of negotiations with the political opposition, they also discourage dissent by minimizing the information about these negotiations that becomes available to the larger population. Wright (2008) also argues that dictators create legislatures for instrumental reasons: they do so either as credible commitment to refrain from the confiscation of nonstate assets, or to split the opposition in an effort to deter future challenges to dictatorial rule.

Dictators must consider which type of concession—is most likely to successfully buy off a given opposition group. Some types of opposition movements prefer material concessions over rights concessions, while others prefer rights concessions over material concessions. I argue below that the manner of the opposition’s institutionalization provides dictators with important information regarding their preferences over concessions. In addition to the preferences of the opposition, dictators must also consider costs associated with both the provision of material concessions and rights concessions. The main cost dictators face with rights concessions is that they provide the opposition with increased power to mobilize and potentially garner support against the incumbent regime. Although rights concessions are less financially costly for dictators than material concessions, dictators are often hesitant to provide them because they may encourage the opposition to further mobilize (Przeworski 1991). The costs of both material concessions and repression are economic in nature; these concessions are financially expensive to provide (Bueno de Mesquita et al. 2003). Under financial constraints, then, dictators may be unable to respond to their opposition with material concessions.

<sup>10</sup> The term “rights concessions” follows Gandhi (2008b).

<sup>11</sup> I discuss the distinction between institutionalization and the provision of concessions in detail below.

### Opposition Preferences and Environmental Context

When making decisions about the type of concessions most likely to mollify a given opposition movement, dictators must take into consideration the preferences of the domestic political opposition. Although all opposition groups value material and rights concessions, they differ in their preferences regarding the relative value of these concessions. How do dictators determine whether a given opposition movement more strongly prefers to receive material concessions or rights concessions? I argue that the manner of institutionalization of the domestic political opposition provides dictators with important information about its preferences regarding concessions.<sup>12</sup>

Organized opposition movements come in two forms: those that participate in state-sponsored institutions like the legislature and those that do not participate in these institutions.<sup>13</sup> Whether or not a given opposition group enters into a legislature is a result of two decisions: one by the dictator about whether to invite the opposition to participate in the institution, and one by the opposition about whether to accept such an invitation. Sometimes, dictators do not invite their opposition to participate in state-sponsored institutions like the legislature. Other times, dictators invite their opposition to participate in state-sponsored institutions, and the opposition refuses to participate because participation does not further their goals. For example, Zimbabwean opposition candidate Morgan Tsvangirai cited corruption as the reason for his initial refusal to run against Robert Mugabe in the country's 2008 presidential election (Dugger 2008).

After the dictator and the opposition jointly determine the manner of opposition institutionalization at time  $t-1$ , the dictator must decide whether to offer the opposition either material concessions or rights concessions at time  $t$ . Dictators are unlikely to respond to unorganized political opposition with concessions; diffuse opposition activity is relatively easy to control inexpensively with low levels of repression. Organized opposition groups, on the other hand, may necessitate concessions from the dictator to mollify their demands. Although dictators cannot be certain of opposition preferences regarding concessions, I argue that dictators use the manner of institutionalization of the opposition to decrease uncertainty about the opposition's preferred bundle of concessions.

Even though they are not afforded equal control over the government, organized opposition groups that participate in dictatorial legislatures do so to attain material and policy concessions from the dictatorial government (Lust-Okar 2005; Gandhi and Przeworski 2006). Dictators facing opposition in the legislature can thus surmise that the opposition prefers material concessions to rights concessions and respond with relatively greater increases in goods and services. Although Gandhi (2008b) assumes that dictatorial legislatures are necessary for the provision of concessions, some types of concessions can be provided to opposition operating outside the legislature. Whether non-institutionalized opposition are excluded from the legislature by the dictator or whether they choose not to participate, they are not invested in dictatorial institutions. As a result, dictators expect them to prefer rights concessions to material concessions.<sup>14</sup>

Importantly, however, opposition groups are aware of domestic political and economic conditions and may change their demands as a result. Oppositions

---

<sup>12</sup> The preferences of the domestic political opposition are not induced by institutionalization; institutionalization instead provides dictators with information about the types of concessions a given political opposition group is most likely to prefer.

<sup>13</sup> I consider unorganized, diffuse opposition movements in detail below.

<sup>14</sup> Opposition groups may refuse to participate in dictator-sponsored institutions if they prefer these concessions to those that are typically disseminated via the dictatorial legislature.

operating outside the legislature are likely to increase their demands for concessions when they know the regime is undergoing financial crisis (Linz 1978; Dix 1982; Valenzuela 1989; Przeworski 1991; Acemoglu and Robinson 2000; Lust-Okar 2005). This is the case for two reasons. First, economic crises weaken the regime and increase the likelihood that opposition demands will be successful (Lust-Okar 2005). Second, these groups know that repression is financially costly for the state. As a result, state repression is likely to decrease under economic crisis; because rights concessions are not financially costly, however, the regime can increase them in the face of economic crisis and the consequent more stringent opposition demands.<sup>15</sup> Opposition that has been co-opted into the regime is less likely than its counterparts operating outside state-sponsored institutions to increase mobilization in the face of economic crisis (Lust-Okar 2005).<sup>16</sup> Its preferred concessions—material concessions—are financially costly. As a result, opposition that is invited and agrees to participate in state-sponsored institutions like legislatures is unlikely to make increased demands in the face of economic constraints. The dictator is less likely to respond to demands, and the opposition is institutionally invested in the regime (Lust-Okar 2005).

To summarize, I expect dictatorial concessions to the opposition to be based upon two things: the manner of institutionalization of the opposition and domestic financial constraints. In the following sections, I discuss in more detail how opposition institutionalization provides important information about whether dictators are likely to respond beneficently to the opposition with rights concessions or material concessions. I then elaborate on how environmental conditions—specifically financial constraints—sometimes limit the dictator’s ability to respond to the opposition with concessions.

### Dictatorial Concessions to the Domestic Opposition

As outlined above, I argue that the manner in which the domestic political opposition is institutionalized into the regime, what I refer to as type of institutionalization, provides informative signals about the methods by which dictators are likely to buy off their political opposition. In the following subsections, I make nominal distinctions among three ideal types of domestic political opposition groups, which are described in detail below: (i) *Potential Opposition*, which the regime has yet to formally recognize as a political party; (ii) *Party Opposition*, which the regime has recognized as a political party; and (iii) *Legislative Opposition*, which the regime has recognized as a political party and allowed to participate in the domestic legislature. I argue that this typology is useful in predicting whether and how dictators will provide concessions to buy off their opposition.

#### *Potential Opposition*

All dictators face some level of hostility to their rule. If a dictator is unable to maintain the support of his inner coalition, another potential leader will build his own support coalition and take power from the deposed dictator (Bueno de Mesquita et al. 2003). When dictators have not formally recognized their opposition as a political party (or parties), they face *Potential Opposition*. This can mean one of two things: either there is seemingly no opposition to the dictator’s

---

<sup>15</sup> Although it is clear why the opposition would demand increases in rights concessions during economic crises, it is perhaps less obvious why dictators provide rights concessions to their opposition under crisis. I discuss in detail why the dictator provides increases in rights concessions under economic crisis below.

<sup>16</sup> Lust-Okar (2005) specifically discusses this relationship in her case studies of Morocco, Jordan, and Egypt.

rule or the opposition is non-threatening and repression has been working well to silence opposition demands. Perhaps most intuitively, dictators face potential opposition if they seemingly face no opposition at all. Because there are always alternative groups trying to gain power (Bueno de Mesquita et al. 2003), however, dictators constantly have to be aware of potential opposition that can undermine the legitimacy of the regime. Since 1980, one example of a nondemocratic regime facing potential opposition is the United Arab Emirates (UAE). Although there has been contention within the ruling family about who should become the shaykh, or ruler, this dissent has not diffused into the greater populace (Peck 2002:162).

Potential opposition is also present when there is dissent among the populace, but the dictator has not recognized the dissenting factions as a coherent political party. In countries with this form of potential opposition, there is anti-government sentiment, but it is so diffuse that it is unlikely to greatly affect the government in power. Although there is anti-regime sentiment in Cuba, for example, it is relatively underdeveloped and has not been officially recognized by the Cuban government. The state prevents anti-government leaders from spreading their message throughout the island, in part by prohibiting organizations that are not associated with the state apparatus (Aguirre 1998). Instead, the opposition is “embodied by subcommunities whose ideological voice has not been sufficiently articulated and broadcast inside Cuba” (Aguirre 1998:3).

In cases where dissent is more widespread among potential opposition, dictators see repression as a low-cost alternative to silencing opposition demands. As a result, although they may engage in repression against potential opposition, dictators are unlikely to respond beneficently because: (i) no concessions are needed because there is effectively no opposition making demands or (ii) limited repression is a fairly cheap tactic to employ. In sum, the benefits to the dictator of providing concessions to potential opposition groups are limited, which leads to my first hypothesis:

**Hypothesis 1:** *Dictators are less likely to respond beneficently to potential (as compared to party and legislative) opposition.*

#### *Party Opposition*

Dictators face *Party Opposition* if they legally recognize opposition groups as official political parties. Geddes (2005) argues that dictators allow their political opposition to form into official political parties so as to better monitor their domestic activities. These parties are typically well organized, but they do not participate in the legislative process. There are two types of party opposition movements: those that the dictator recognizes but does not allow to participate in state-sponsored legislatures and those that the dictator has invited to participate in the domestic legislature, but have refrained because they do not think participation benefits their goals.

Oftentimes, dictators forbid rival political opposition movements from participating in the legislature and other political institutions when they believe the opposition is becoming too powerful. In the late 1970s after many years of single-party rule, Egypt’s Anwar Sadat began the creation of a multiparty political system. Parties were formally created in 1977 after increased commodities prices led to violent clashes between Sadat’s Egyptian Arab Socialist Organization and other groups. As the New Wafd Party and the National Progressive Unionist Party became more powerful, however, Sadat forbade the formation of additional parties: “Sadat, like Nasser before him, wanted to create a political organization

but was unable to tolerate the loss of political control that would occur if these 'parties' were to become genuine vehicles for mass participation" (Cantori and Baynard 2002:352). The domestic political opposition in Algeria experienced a similar situation. In the late 1980s, formalized constitutional changes allowed for the formation of political parties other than the powerful National Liberation Front (FLN). Local and regional elections were terminated when the FLN became concerned that it would lose a portion of its hegemonic power to opposition parties. Similarly, the 1991 Algerian national legislative elections were canceled after the first round because of the electoral success of the Islamic Salvation Front (FIS) (Layachi and Entelis 2002).

Even when a dictator invites the opposition to participate in state-sponsored institutions like legislatures and elections, some political parties refuse to participate. In these situations, opposition leaders may decide that participation in state-created institutions could actually hurt their ability to meet their organizational goals. In June 2008, for example, the Azerbaijani opposition Azadlig bloc made motions to boycott participation in upcoming presidential elections (TrendNews 2008). Thus, political opposition groups may avoid participating in elections and other government-sponsored institutions if they do not believe them to be legitimate and able to further opposition goals. Why engage in a corrupt process if operating outside the constraints of the regime is potentially more beneficial? Most importantly, these opposition groups recognize that institutionalization is not intended to open the regime (Geddes 2005), but rather to co-opt their activities. Regardless of why party opposition movements do not participate in domestic legislative institutions, dictators are forced to pay more attention to the goals and demands of party opposition than to potential opposition. Why? First, if dictators do not allow the opposition to participate in the political process, the opposition is likely to respond with increases in resistance and mobilization (Dahl 1971; Franklin 2002). Second, if the opposition chooses not to participate in the political process, it is likely because participation does not meet their goals.

Dictators must decide whether to respond to party opposition with material concessions or rights concessions. Because party opposition operates outside the legislature either by exclusion or by choice, dictators know that they are unlikely to be satisfied by increased provision of material concessions, which are distributed via the legislature. Regardless of whether they are excluded from the legislative process by the regime or whether they choose not to participate in the institution, party opposition groups prefer the provision of rights concessions over material concessions. If the political opposition is excluded from the legislature, rights concessions are the only beneficent concessions that allow party opposition a say in government. If the opposition chooses not to participate in the legislature, it is likely because it does not see institutionalization as a true opening of the political process; party opposition which refuses to enter the legislature may believe that its goals of rights concessions are more likely to be met if it avoids participation in a corrupt legislative process. As a result, dictators who wish to mollify such opposition are more likely to respond to the demands of party opposition with rights concessions than they are to other types of opposition.

Unfortunately for the dictator, however, domestic political and economic constraints may limit his ability to respond to the opposition in his most preferred way. The costs of appeasing softliners and co-opting opposition groups, for example, are different for dictators facing financial hardship than for those not facing economic decline. In this case, the preferred concessions for party opposition—rights concessions—are not economically costly. But repression, the dictator's alternative to concessions, *is* economically costly; the opposition knows that dictators are limited in their ability to engage in repression when they are

faced with financial constraints. Because they know that dictators are less able to engage in repression when faced with financial constraints, the opposition often increases the magnitude of its demands for rights concessions when dictators face economic or fiscal crises (Linz 1978; Dix 1982; Valenzuela 1989; Przeworski 1991; Acemoglu and Robinson 2000; Lust-Okar 2005).

Although rights concessions can be politically costly (Przeworski 1991), it can become more costly for dictators to avoid the extension of rights concessions as financial constraints worsen, opposition demands heighten, and repression becomes relatively more costly. This is because dictators facing an economic crisis have a shortened time horizon. These dictators are more concerned with maintaining power today than they are worried about the consequences of extending concessions tomorrow.<sup>17</sup> Consequently, I expect dictators to increase their provision of rights concessions as financial constraints (and the resulting opposition demands) increase, making repression an even more costly alternative.

The Hashemite Kingdom of Jordan, for example, increased rights concessions in part because of popular dissent coupled with a decline in oil-related revenues in the late 1980s (Brynen 1992). Similarly, President Kerekou of Benin provided his opposition with rights concessions because the dire economic situation prevented making him from other allowances in the face of their demands (Bratton and van de Walle 1992). This reasoning leads to two additional hypotheses about dictatorial responses to party opposition, depending on financial constraints:

**Hypothesis 2a:** *Absent financial constraints, dictators respond to party (as compared to potential and legislative) opposition with more rights concessions.*

**Hypothesis 2b:** *As financial constraints increase, dictators provide party opposition with increased rights concessions.*

#### *Legislative Opposition*

If a dictator invites party opposition to participate in the domestic legislature and the opposition accepts the offer, the dictator then faces *Legislative Opposition*. Dictators often allow their political opposition legislative access in order to appease them outside of public scrutiny (Gandhi and Przeworski 2006, 2007; Gandhi 2008b). In short, dictators only allow legislative political opposition to form so they can better monitor and control their behavior (Gandhi and Przeworski 2006; Magaloni 2006; Gandhi and Przeworski 2007; Gandhi 2008b). By allowing the opposition some say in the political process and providing them with a venue by which to receive rewards, dictators can better control opposition activities.

As outlined above, this type of institutionalization is not true liberalization. Although the formation of seemingly democratic institutions may appear to be a step toward democratization, it actually serves as an attempt to co-opt the opposition (Geddes 2005; Gandhi and Przeworski 2006, 2007; Gandhi 2008b).<sup>18</sup> As Gandhi and Przeworski (2006:21) argue, “Dictatorships maintain institutions

---

<sup>17</sup> This situation can be considered one with a “systems effect” (Jervis 1997) in which the dictatorial decision to provide short-term concessions may have long-term unintended consequences.

<sup>18</sup> Accordingly, the measure of rights concessions I used in the empirical analysis focuses on other aspects of liberalization aside from institutionalization.

for systematic reasons: to mobilize cooperation and, if the opposition is threatening, also to thwart the danger of rebellion.” Thus, allowing the opposition to participate in the legislature is not the same as allowing them equal say in the government: “For dictators, legislatures are a good instrument because they are not the inner sanctum of the dictatorship. Most important decisions are made by the dictator or by a narrow clique around him: a royal family council, a military junta, or a party committee” (Gandhi and Przeworski 2006:14). For example, Syria prevented its opposition from organizing for decades. In 1990, however, the Ba’thist government enlarged the People’s Assembly and allowed individuals representing other political parties to be elected. The powers of the People’s Assembly, however, are limited: “It is, at best, a watchdog that monitors the actions of the prime minister and his government. In theory, the assembly can withdraw its confidence from a minister or the entire cabinet. In practice, however, this is not done” (Ryan 2002:236).

Why would the political opposition allow itself to be “co-opted” by the incumbent government under these conditions? Because participation in the legislature allows the opposition to receive material concessions that it would be unlikely to receive if it were to remain outside the legislative process (Gandhi and Przeworski 2006). Even though they are not afforded equal control over the government, many opposition movements will participate in the legislature if their goals involve the attainment of material and policy concessions. In Jordan, the Muslim Brotherhood stopped criticizing the regime in public and rallying people to its cause when it was given some say over policy in the legislature. King Hussein’s decision to bring the group into the political process resulted in their demands being announced within the confines of the existing institutional regime (Schwedler, unpublished dissertation).<sup>19</sup>

Formal legislatures thus provide a means by which opposition which desire to receive material concessions can get them (Gandhi and Przeworski 2006). Domestic opposition which avoids “co-optation” are thus more likely to hold out for rights concessions than their legislative counterparts. As a result, dictators facing legislative opposition believe they prefer material concessions to rights concessions and respond to their demands with relatively greater increases in goods and services. Because the legislative opposition has agreed to operate within the existing regime, the expected benefits of providing it with increased goods and services are greater than those associated with increased rights concessions.

As noted above, however, the political and economic context of these decisions matter.<sup>20</sup> Although financial constraints do not limit the dictator’s ability to respond to party opposition with rights concessions, the dictator’s preferred concessions to legislative opposition—material concessions—are *financially* costly. As a result, dictators faced with financial constraints are limited in their ability to provide material concessions to legislative opposition. Furthermore, the cohesion of a dictatorial coalition becomes more tenuous during times of economic downturn; even when softliners would prefer to increase the government provision of material concessions to legislative opposition, financial constraints can prevent this course of action (Haggard and Kaufman 1995). As financial constraints worsen, dictators are less able to afford to increase their provision of economically costly goods and services to legislative opposition. This discussion leads to my final two hypotheses about dictatorial concessions to legislative opposition, depending on the level of domestic financial constraints:

<sup>19</sup> Other examples of dictatorships in my data facing legislative domestic political opposition include Mexico, Nicaragua, Panama, Kenya, Senegal, and Thailand.

<sup>20</sup> See, for example, Nooruddin and Simmons (2006).

**Hypothesis 3a:** *Absent financial constraints, dictators respond to legislative (as compared to potential and party) opposition with more material concessions.*

**Hypothesis 3b:** *As financial constraints increase, dictators provide legislative opposition with decreased material concessions.*

### Data and Empirics

My empirical analysis is based on TSCS data on 116 dictatorships from 1980 to 1996. Past research (e.g., Bueno de Mesquita et al. 2003; Gandhi 2008b) estimates increases in the provision of material concessions, rights concessions, and repression using separate models. But a dictator's decision to respond beneficently to the opposition is related to the decision of whether or not to increase the use of repression. It is likely that dictators trade-off between these policies, considering the provision of one when deciding how much to change the other. Because of the endogenous relationships between material concessions, rights concessions, and state repression, I use a simultaneous equation three-stage least squares (3SLS) model in which the dependent variables are explained as functions of exogenous variables and instrumental variables that proxy for endogenous variables.<sup>21</sup>

My dependent variables are measured in three ways. To measure *Material Concessions*, I need an indicator that meets two criteria. First, the measure needs to tap into a good or service that is manipulable by the government. Second, it has to be a good or service that would improve the lot of domestic opposition groups. Three measures come to mind: education, healthcare, and primary commodity provision. Unfortunately, measures of government education, healthcare, and social service expenditures are awash with missing data. Although missing data can be imputed if it is missing at random (King, Honaker, Joseph, and Scheve 2001; Honaker and King 2010), data on health and education expenditures are missing for entire country-series in my sample.<sup>22</sup> Primary commodity provision, on the other hand, can be measured using a country's average per capita food supply in calories in a given year.<sup>23</sup>

Importantly, the spatial and temporal coverage of food supply is far superior to that of education or healthcare expenditures, and it has been previously used as a measure of government provision (e.g., Reenock et al. 2007; Sobek and Boehmer 2008). Food supply is especially appropriate as a measure here for several additional reasons. It allows me to better get at short-term concessions than more typical material concessions. Changes in expenditures on education and healthcare are unlikely to appease an opposition in the short term because progress may only occur in the long run. Food can also be directed to the individual members of an opposition group rather than the general population, providing a better account of dictatorial response than typical material concessions, which

<sup>21</sup> Three-stage least squares (3SLS) uses instrumental variables to correct for the fact that endogenous variables are correlated with disturbance terms, violating Gauss–Markov assumptions. It assumes that the error terms of my three equations are not contemporaneously correlated (that is, that there are no unobserved variables that simultaneously affect the level of provision of material concessions, liberalization, and state repression). 3SLS typically assumes the use of continuous dependent variables. Because I use a categorical indicator of empowerment rights and physical integrity rights with 10 and eight categories, respectively, the inefficiency is less severe than in the case of true binary dependent variables.

<sup>22</sup> More problematically, listwise deletion using data on healthcare, social service, and education expenditures as the dependent variables significantly changes the mean of several of my independent variables. Please refer to Online Appendix for additional information.

<sup>23</sup> See Reenock et al. (2007) for a detailed description of this variable.

benefit the population as a whole.<sup>24</sup> Finally, one only need look at Zimbabwe—where the government is hoarding food, and people have predicated their electoral decisions on whether they can gain a lasting food supply—to see the political importance of food (CNN 2008).<sup>25</sup>

*Rights Concessions* is measured as the level of a dictatorship's empowerment rights from the Cingranelli–Richards (CIRI) Human Rights Dataset (Cingranelli and Richards 2010). It is an additive index constructed from CIRI's Freedom of Movement, Freedom of Speech, Workers' Rights, Political Participation, and Freedom of Religion indicators<sup>26</sup> and ranges from 0 (no government respect for rights) to 10 (full government respect for rights). Although I do not posit hypotheses about repression, I include a measure of *Repression* as a dependent variable in the system of equations. The indicator also comes from CIRI and is measured as a dictatorial country's respect for its citizens' physical integrity rights and ranges from 0 (no government respect for these rights) to 8 (full government respect for these rights). I reverse the scale such that 0 indicates no government repression and 8 indicates highest government repression. It is constructed from CIRI's Torture, Extrajudicial Killing, Political Imprisonment, and Disappearance indicators.<sup>27</sup>

There are three explanatory variables of interest in my model: *Financial Constraints*, *Legislative Opposition*, and *Party Opposition*. I measure *Financial Constraints* in two ways. Dictators experiencing high levels of inflation are at risk of being overthrown and are unlikely to be able to “buy” their way out of a crisis through the provision of economically costly material concessions. As a result, I first measure *Financial Constraints* using data on inflation from the World Bank's World Development Indicators (World Bank 2005). *Inflation* is measured as annual percent change in the consumer price index (CPI) and comes from the International Monetary Fund (IMF).<sup>28</sup> My second measure of *Financial Constraints* comes from Abdouharb and Cingranelli (2006). *Structural Adjustment Implementation* is a dichotomous measure coded “1” in years in which a country receives a structural adjustment package from the IMF.<sup>29</sup> It is also coded “1” for the following four consecutive country-years after receipt of the package, assuming that the country must implement the terms of the agreement during that time. The measure is coded “0” in years when a country is not implementing an IMF structural adjustment package.

I measure *Legislative Opposition* and *Party Opposition* using a disaggregated version of Gandhi and Przeworski's (2006) LPARTY data. *Legislative Opposition* is coded “1” if a country has a formal legislature with at least one participating opposition party and “0” otherwise. *Party Opposition* is coded “1” if a country has no formal legislature, but at least one opposition party and “0” otherwise.<sup>30</sup>

<sup>24</sup> Although food provision is likely to be correlated with growth, robustness checks conducted on models including gross domestic product (GDP) growth as a covariate do not change my main results. Furthermore, an anonymous referee pointed out that, on average, younger populations are likely to require more calories than older populations. My results are also robust to the inclusion of covariates to account for demographic concerns. These robustness checks are described in the Online Appendix associated with this article.

<sup>25</sup> Corruption is more prevalent under dictatorship than democracy (Bueno de Mesquita et al. 2003), and corrupt governments may misrepresent their provision of material concessions (Deacon and Saha 2006) and engage in more political patronage. Corruption is typically measured using the Corruption Perception Index from Transparency International or various indicators from the World Bank. Unfortunately, I am unable to include a control in my analyses because neither operationalization includes data that spans the majority of my temporal domain.

<sup>26</sup> This measure does not account for institutional changes like opposition inclusion in a legislature.

<sup>27</sup> I model empowerment and physical integrity rights using typical OLS regression techniques because there is little difference between OLS estimates and ordered logit (or probit) estimates when ordinal variables have a sufficiently high number of categories.

<sup>28</sup> Percent change in inflation ranges from a minimum of -31 to a maximum of 26,762.

<sup>29</sup> Thanks to an anonymous reviewer for the suggestion of this measure.

<sup>30</sup> Although Lust-Okar (2005) distinguishes conceptually between divided and unified opposition, the data are not precise enough to parse this distinction. Accordingly, if one opposition group within the country has legislative access, dictators are coded as facing legislative opposition during that country-year (even if there are also party opposition within the country).

*Potential Opposition* is the omitted category and is coded “1” if a country does not have at least one opposition party. From 1976 to 1996, dictators faced potential opposition in more than sixty percent of country-years. They faced party and legislative opposition in approximately 10 and thirty percent of country-years, respectively. I interact both *Inflation* and *Structural Adjustment Implementation* with *Legislative Opposition* and *Party Opposition* in my models to see whether the effect of financial constraints on the government provision of material concessions, rights concessions, and repression varies with the type of domestic opposition.

Each model contains the same control variables to ensure that the estimated effects of financial constraints and type of government opposition on the government provision of concessions and repression are not affected by varying model specifications. A dictator’s response to increasing financial constraints and the domestic opposition may differ depending on the dictatorial leadership structure. For example, military rulers and monarchs rely on fewer people to remain in power than do civilian dictators; as a result, they need less cooperation from their general populace than do their civilian counterparts (Gandhi and Przeworski 2007). Consequently, I include *Civilian Leader* and *Military Leader* dummy variables to control for the type of leader present in a given dictatorship in a given year; *Monarch* is the omitted category (Gandhi and Przeworski 2006, 2007).<sup>31</sup>

Dictatorial responses to financial constraints may be dependent on the general level of resources a dictator has at his disposal. For example, wealthier countries are likely better able to provide concessions to their populations. As such, I include a control variable for *Country Wealth*, measured as a country’s GDP per capita (World Bank 2005). Dictators who have unearned revenues at their disposal may be likely to be less responsive to the citizenry and less likely to cooperate with the opposition than leaders who rely strictly upon tax revenues (Cardoso and Faletto 1978). Conversely, leaders of “rentier” states may use unearned revenues to provide additional material concessions to the populace, thereby decreasing pushes for liberalization. Therefore, I include in the model a measure for *Mineral Resources*, a time-invariant control coded “1” if the average ratio of mineral exports to total exports exceeds fifty percent (Gandhi and Przeworski 2006). *Foreign Aid*, another source of unearned revenue, is measured as a country’s total domestic foreign aid receipts as a percentage of its GDP (World Bank 2005). Dictators with larger populations are likely to spend more overall on material concessions (and repression) than those leading less populous countries. I measure *Population* as the number of people living in a given country during a given year (World Bank 2005). Finally, I include in my covariates for repression an additional measure, *Conflict*, coded “1” if a country is engaged in either a civil or interstate war in a given year (Poe et al. 1999).

## Results and Discussion

I hypothesized that, on average, dictators would be less likely to respond to potential opposition beneficently, relative to other opposition types. I also predicted that, on average, dictators would respond to party (as compared to potential and legislative) opposition with higher rights concessions and that dictators would respond to legislative (as compared to potential and party) opposition with higher material concessions. Finally, I expected that dictators facing party

---

<sup>31</sup> Wright (2008) argues that dictatorial regime type affects whether or not a dictatorship invites opposition groups to participate in the legislature (that is, that these covariates are determinants of institutionalization). I follow Gandhi (2008b) and include measures of regime type in my model here, but my results are robust to dropping them entirely from my empirical model.

opposition would increase rights concessions with increases in financial constraints and that dictators facing legislative opposition would decrease their provision of material concessions in the face of financial constraints. Table 1 below provides the results from a three-stage least squares (3SLS) regression model with three endogenous variables: government material goods provision (calories per capita), rights concessions (government respect for citizen empowerment rights), and repression (lack of government respect for citizen physical integrity rights). Because potential opposition is the base category, the results in the table report dictatorial responses to party and legislative opposition as compared to a baseline response to potential opposition.

The positive and significant coefficients on *Legislative Opposition* in the material concessions model of Table 1 indicate that dictators provide significantly more calories per capita to legislative opposition as compared to potential opposition when they are not facing inflation or IMF structural adjustment program implementation. Conversely, the insignificant coefficients on *Party Opposition* indicate that there is no difference in the provision of material concessions for party opposition as compared to potential opposition when inflation (or IMF structural adjustment program implementation) is held at 0. Furthermore, the rights models shown in the third and fourth columns of Table 1 indicate that dictators respond to both legislative and party opposition groups with a significantly higher provision of empowerment rights (as compared to potential opposition) in the absence of financial constraints. Note that the positive and significant coefficients on *Legislative Opposition* indicate that dictators provide rights concessions in the face of legislative opposition as well, but the coefficients on *Party Opposition* are larger in magnitude. The differences between these coefficients are significant. These results are in line with my hypotheses about how dictators respond to their opposition absent financial constraint. They also provide support for the argument that institutions in dictatorships are not typically steps on the road to democratization. The provision of rights concessions is higher to party opposition than to potential opposition or legislative opposition; if institutionalization were a component of rights concessions, this would not be the case.

In my discussion of financial constraints on dictatorial decision making, I made two predictions: (i) dictators facing legislative opposition (and not party or potential opposition) decrease their provision of material concessions when they face financial constraints and (ii) dictators facing party opposition (and not legislative or potential opposition) increase rights concessions when they face increasing financial constraints. But the results in Table 1 provide no information about responses to different types of opposition as domestic inflation increases, or when IMF structural adjustment implementation is a consideration (Brambor, Roberts Clark, and Golder 2006). In order to better evaluate my hypotheses about the mediating effects of financial constraints, I plot the marginal effect of a change from potential to party opposition (Figure 1a) and legislative opposition (Figure 1b) at different levels of inflation.<sup>32</sup>

Figure 1a shows how the marginal effect of a change from potential to party opposition on calories per capita changes across the range of inflation. Although the solid line indicates change in the marginal effect of a shift in opposition, showing that the marginal effect decreases as inflation worsens, a shift from potential opposition to party opposition only has a statistically significant effect on calories per capita when the upper and lower bounds of the 95% confidence interval do not encompass the 0 line. As predicted, there is not a significant difference between the dictatorial provision of material goods to potential opposition and party opposition.

<sup>32</sup> I discuss these results as they relate to IMF structural adjustment below. Please refer to Brambor et al. (2006) for more information about creating plots similar to Figures 1 and 2.

TABLE 1. Effect of Legislative and Party Opposition and Financial Constraints on Material Concessions, Rights Concessions, and Repression

	Material Concessions		Rights Concessions		Repression	
Inflation <sub>t</sub>	0.186 (0.176)	-	0.003 (0.003)	-	0.003 (0.003)	-
IMF Structural Adjustment <sub>t</sub>	-	3.108 (9.344)	-	0.039 (0.153)	-	0.104 (0.149)
Legislative Opposition <sub>t</sub>	30.150 (9.748)***	30.043 (10.069)***	0.856 (0.151)***	0.708 (0.159)***	0.232 (0.157)*	0.220 (0.160)
Inflation, * Legislative Opposition <sub>t</sub>	-0.188 (0.176)	-	-0.004 (0.003)	-	-0.003 (0.003)	-
Structural Adjustment, * Legislative Opposition <sub>t</sub>	-	-12.187 (13.088)	-	-0.004 (0.214)	-	0.065 (0.208)
Party Opposition <sub>t</sub>	-12.923 (19.451)	-23.774 (20.670)	1.131 (0.312)***	0.769 (0.333)**	0.694 (0.306)**	0.088 (0.328)
Inflation, * Party Opposition <sub>t</sub>	-0.108 (0.527)	-	0.009 (0.009)	-	-0.016 (0.009)*	-
Structural Adjustment, * Party Opposition <sub>t</sub>	-	26.318 (27.942)	-	0.655 (0.456)	-	0.581 (0.442)
Dependent Variable <sub>t-1</sub>	0.948 (0.011)***	0.941 (0.010)***	0.730 (0.026)***	0.742 (0.024)***	-0.629 (0.031)***	-0.635 (0.028)***
Country Wealth <sub>t</sub>	1.19e-11 (8.79e-11)	1.45e-10* (8.04e-08)	2.78e-12 (1.46e-12)	2.98e-12** (1.31e-12)	4.09e-12*** (1.39e-12)	3.63e-12*** (1.25e-12)
Population <sub>t</sub>	1.02e-08 (4.43e-08)	1.59e-08 (3.62e-08)	-1.76e-09** (7.21e-10)	-1.79e-09*** (5.77e-10)	-8.82e-10 (7.12e-10)	-7.11e-10 (5.70e-10)
Mineral Resources <sub>t</sub>	20.273 (8.598)**	14.098 (8.181)*	-0.131 (0.143)	-0.184 (0.133)	0.027 (0.141)	-0.046 (0.130)
Foreign Aid <sub>t</sub>	-78.818 (34.779)**	-74.742 (30.781)**	0.824 (0.582)	1.071 (0.503)**	-0.146 (0.570)	-0.354 (0.493)
Military Leader <sub>t</sub>	-27.823 (10.943)***	-24.216 (10.881)***	0.093 (0.183)	0.135 (0.178)	0.207 (0.178)	0.254 (0.173)*
Civilian Leader <sub>t</sub>	-41.918 (11.932)***	-42.908 (11.524)***	0.357 (0.197)*	0.322 (0.188)*	0.196 (0.195)	0.269 (0.183)*
Conflict <sub>t</sub>	-	-	-	-	0.622 (0.175)***	0.538 (0.155)***
Material Concessions <sub>t</sub>	-	-	-0.001 (0.000)***	-0.001 (0.000)***	-0.000 (0.000)*	-0.000 (0.000)**
Rights Concessions <sub>t</sub>	0.795 (2.131)	0.402 (1.963)	-	-	-0.050 (0.034)*	-0.062 (0.030)**
Repression <sub>t</sub>	1.421 (2.707)	-0.074 (2.535)	-0.119 (0.043)***	-0.106 (0.040)***	-	-
Constant	135.404 (34.806)***	160.429 (32.369)***	2.416 (0.574)***	2.051 (0.534)***	6.913 (0.512)***	7.108 (0.468)***
N	710	847	701	847	710	847

(Notes. IMF, International Monetary Fund. \*0.10; \*\*0.05; \*\*\*0.01 (two-tailed). Robust errors from 3SLS are given in parentheses. Sample size: 116 dictatorial countries from 1980 to 1996. Results on opposition are as compared to a base category of potential opposition.)

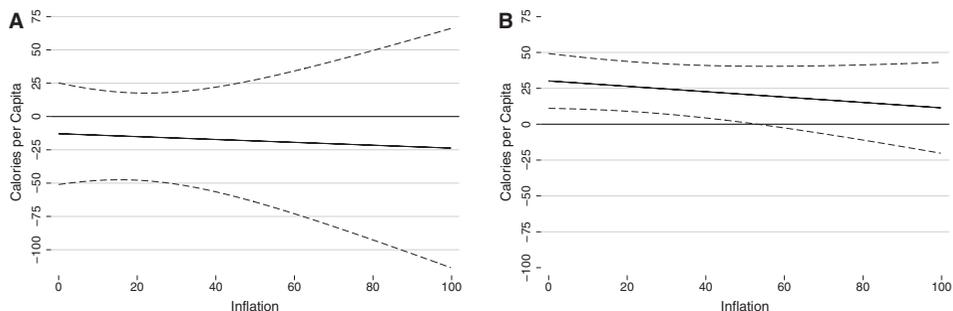


FIG 1. Effect of Moving from Potential Opposition to (A) Party Opposition and (B) Legislative Opposition on Material Concessions at Different Levels of Inflation

Similarly, Figure 1b shows how the marginal effect of a change from potential to legislative opposition on calories per capita changes across the range of inflation. The solid line shows that the marginal effect decreases as inflation worsens. Because a shift from potential opposition to legislative opposition only has a statistically significant effect on calories per capita when the upper and lower bounds of the 95% confidence interval do not encompass the 0 line, I only find a significant marginal effect of moving from potential to legislative opposition at lower values of inflation. At higher values of inflation, dictators are unable to significantly increase their provision of material concessions when they move from a potential opposition to a legislative opposition. These results are consistent with my first hypotheses outlined above.

Figure 2a,b plot the marginal effect of a change from potential opposition to party opposition and from potential opposition to legislative opposition, respectively, on rights concessions across the range of inflation. The figures can be interpreted in the same manner as Figure 1a,b above. The figures are consistent with my hypothesis that dictators respond to party opposition with increasing rights concessions as financial constraints worsen. Although dictators always provide rights concessions when faced with party opposition (as compared to potential opposition), they provide additional rights concessions at higher levels of inflation. As financial constraints worsen, then, dictators respond more beneficently to party opposition (as compared to potential opposition). These results provide support for my second hypotheses outlined above.

Although I present graphical results using inflation and not IMF structural adjustment implementation above, my conditional hypotheses are also supported using *IMF Structural Adjustment Implementation* as the measure of financial constraint. More specifically, the signs on both interaction terms are in the expected direction, and they are significant where expected. Substantively, although dictators respond to legislative opposition (and not party opposition) with significantly higher material concessions than potential opposition, they provide fewer material concessions to legislative opposition during IMF structural adjustment implementation. Similarly, while dictators provide significantly more rights concessions to legislative and party opposition as compared to potential opposition, they decrease rights concessions to legislative opposition under the conditions of IMF structural adjustment implementation and increase rights concessions to party opposition.

I did not posit explicit hypotheses about dictatorial repression, but the results on repression in Table 1 are rather interesting and consistent with past literature on state repression. The positive and significant coefficients on *Legislative Opposition* and *Party Opposition* in the repression column indicate that, absent inflation, dictators respond to party and legislative opposition with more repression than

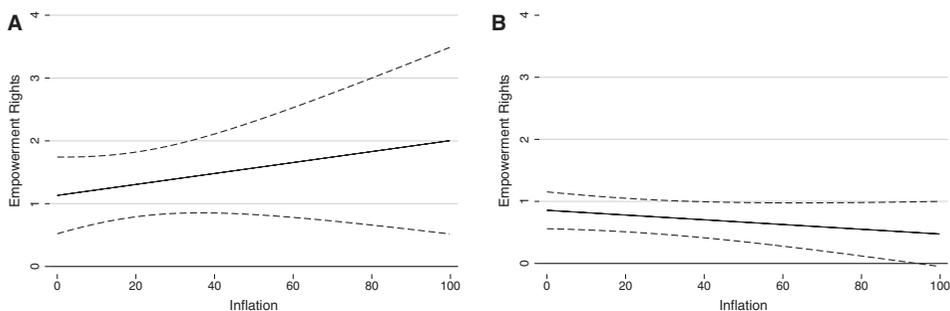


FIG. 2. Effect of Moving from Potential Opposition to (A) Party Opposition and (B) Legislative Opposition on Rights Concessions at Different Levels of Inflation

to potential opposition. The difference in magnitude of these coefficients is also significant; when they are not facing inflation, dictators engage in the highest levels of repression toward party opposition. This result is consistent with Vreeland (2008), who finds that dictators who allow opposition parties to meet in the legislature engage in more torture than dictators who face less organized opposition. Vreeland (2008) does not separately consider party opposition as I conceptualize it here; because this type of opposition is at least as threatening to the stability of a dictatorial regime as legislative opposition, however, it makes sense they would be subject to higher levels of repression. Furthermore, repression is expensive: the negative coefficients on each of the interaction terms in the repression model indicate that repression falls as inflation increases.

In sum, sometimes dictators quiet their opposition (and satisfy softliners in their own support coalitions) by responding to their political opposition beneficially. Dictators provide relatively greater material concessions to legislative opposition and relatively higher rights concessions to party opposition (while still repressing these groups). Importantly, however, dictators do not make decisions about concessions to their political opposition in a vacuum; they are sometimes forced to operate under financial constraints that limit their available options. When faced with financial constraints, dictators are limited in their ability to provide economically costly material concessions to legislative opposition, but increase rights concessions to party opposition.

### Conclusion

Although recent literature in international relations argues that domestic political institutions influence repression in dictatorships, there is debate within comparative politics about whether domestic institutions in dictatorships affect political outcomes (Geddes 2005; Gandhi 2008b) or whether these institutions are mere window-dressing (Gasiorowski 1995). Like Gandhi (2008b), my results suggest that domestic institutions in dictatorships are more than window-dressing. The type of institutionalization of the domestic opposition affects the dictatorial provision of concessions. If these institutions were merely window-dressing, they would have no effect on dictatorial repression or concessions to the domestic political opposition. Unlike Gandhi (2008b), however, my argument implies that domestic opposition groups operating outside dictatorial institutions garner government concessions—albeit different ones—just as opposition groups who choose to operate with the legislature.

The majority of the literature in international relations on dictatorial institutions focuses on explaining state repression. But understanding the conditions under which dictators respond to their opposition with concessions is equally important because the provision of rights concessions and material concessions

has far-reaching societal consequences. Dictatorial investment in material concessions, for example, can lead to increased economic growth (Barro 1990, 1997; Alesina and Perotti 1994; Knack and Keefer 1995; Nazmi and Ramirez 1997). Economic growth is even higher in democracies, however, and liberalization can also increase the likelihood of eventual democratization (O'Donnell et al. 1986; Mainwaring et al. 1992; Haggard and Webb 1994; Linz and Stepan 1996; Boix 2003; Schneider 2004; Reenock et al. 2007). But the implications of this paper reach beyond the literature on dictatorships, material concessions, and rights concessions. The typology of political opposition presented in this paper can be incorporated into the study of other areas of international and comparative politics.

Consider foreign aid. On a basic level, foreign aid increases the funding available to recipient regimes (Bueno de Mesquita et al. 2003). Based on this research, how dictators use increased income may be based in part on the composition of their political opposition. Depending on the composition of the domestic political opposition, financial constraints can encourage dictators to greater rights concessions (or discourage them entirely from material concessions provision). More specifically, what Bueno de Mesquita and Smith (2009) call “free resources” may actually inhibit the provision of rights concessions and increase the duration of a nondemocratic regime. The typology of dictatorial political opposition presented here could be similarly useful in the area of human rights, where dictatorships are the most egregious violators (Hathaway 2002). Vreeland (2008) argues that dictatorships with political parties engage in more torture than their counterparts who forbid opposition party formation. But do dictators engage in heightened human rights abuses against one particular type of opposition? Can political opposition groups avoid torture strategically by choosing to form in a particular way? Additional research using the typology presented in this paper could potentially yield insight for scholars interested in these questions.

To close, it is important to note that dictators rarely provide concessions to the domestic opposition because they are nice or benevolent. They respond beneficently, whether through increases in material concessions or rights concessions, because they want to consolidate their hold on power. Interestingly, however, the provision of concessions to the political opposition may provide only a short-term fix to a long-term problem. It is possible that dictators may undermine the dictatorial regime in the long term by providing the opposition with concessions in the short term. Mikhail Gorbachev's support of Glasnost and Perestroika, for example, arguably contributed to the unraveling of the former Soviet Union. Gorbachev's intention was not to liberalize in a way that would lead to more openness and eventual democratization; his expectation was instead that minimal reforms would further cement the power of the Communist regime (McNair 1991; Clark, Golder, and Nadenichek Golder 2009). Additional research on this topic is necessary to determine the conditions under which the dictatorial extension of concessions is a wise long-term strategy for dictators to pursue in the face of political opposition.

## References

- ABDOUHARB, M. RODWAN, AND DAVID L. CINGRANELLI. (2006) The Human Rights Effects of World Bank Structural Adjustment, 1981–2000. *International Studies Quarterly* 50 (2): 233–262.
- ACEMOGLU, DARON, AND JAMES A. ROBINSON. (2000) Why Did the West Extend the Franchise? Democracy, Inequality, and Growth in Historical Perspective. *Quarterly Journal of Economics* 115 (4): 1167–1199.
- AGUIRRE, BENIGNO E. (1998) *Culture of Opposition in Cuba. Working Paper*. Available at [http://udel.academia.edu/BenignoAguirre/Papers/216435/Culture\\_of\\_Opposition\\_In\\_Cuba](http://udel.academia.edu/BenignoAguirre/Papers/216435/Culture_of_Opposition_In_Cuba).

- ALESINA, ALBERRO, AND ROBERTO PEROTTI. (1994) The Political Economy of Growth: A Critical Survey of the Recent Literature. *The World Bank Economic Review* 8 (3): 351–371.
- BALOYRA, ENRIQUE A. (1987) *Comparing New Democracies: Transition and Consolidation in Mediterranean Europe and the Southern Cone*. New York: Westview Press.
- BARRO, ROBERT J. (1990) Government Spending in a Simple Model of Endogenous Growth. *Journal of Political Economy* 98 (5): S103–S125.
- BARRO, ROBERT J. (1997) *Determinants of Economic Growth: A Cross-Country Empirical Study*. Ann Arbor: MIT Press.
- BECK, NATHANIEL, AND JONATHAN KATZ. (1995) What To Do (and Not To Do) with Time-Series Cross-Section Data. *American Political Science Review* 89 (3): 634–647.
- BOIX, CARLES. (2003) *Democracy and Redistribution*. New York: Cambridge University Press.
- BRAMBOR, THOMAS, WILLIAM ROBERTS CLARK, AND MATT GOLDER. (2006) Understanding Interaction Models: Improving Empirical Analyses. *Political Analysis* 14 (1): 63–82.
- BRATTON, MICHAEL, AND NICOLAS VAN DE WALLE. (1992) Popular Protest and Political Reform in Africa. *Comparative Politics* 24 (4): 419–442.
- BROWN, DAVID S., AND WENDY HUNTER. (1999) Democracy and Social Spending in Latin America, 1980–92. *American Political Science Review* 93 (4): 779–790.
- BRYNEN, REX. (1992) Economic Crisis and Post-Rentier Democratization in the Arab World: The Case of Jordan. *Canadian Journal of Political Science* 25 (1): 69–97.
- BUENO DE MESQUITA, BRUCE, AND GEORGE W. DOWNS. (2005) Development and Democracy. *Foreign Affairs* 84 (5): 77–86.
- BUENO DE MESQUITA, BRUCE, AND ALASTAIR SMITH. (2009) Political Survival and Endogenous Institutional Change. *Comparative Political Studies* 42 (2): 167–197.
- BUENO DE MESQUITA, BRUCE, ALASTAIR SMITH, RANDOLPH M. SIVERSON, AND JAMES M. MORROW. (2003) *The Logic of Political Survival*. Cambridge, MA: MIT Press.
- CANTORI, LOUIS J., AND SALLY ANN BAYNARD. (2002) Arab Republic of Egypt. In *The Government and Politics of the Middle East and North Africa*, edited by David E. Long, and Bernard Reich. New York: Westview Press.
- CARDOSO, FERNANDO HENRIQUE, AND ENZO FALETTI. (1978) *Development and Dependency in Latin America*. Berkeley: Berkeley Press.
- CINGRANELLI, DAVID L., AND DAVID L. RICHARDS. (2010) *The Cingranelli-Richards (CIRI) Human Rights Dataset*. Available at <http://www.humanrightsdata.org>.
- CLARK, WILLIAM ROBERTS, MATT GOLDER, AND SONA NADENICHEK GOLDER. (2009) *Principles of Comparative Politics*. Washington, DC: CQ Press.
- CNN. (2008) *Official: Mugabe Wins Re-election After Opposition Pulls Out*. Available at <http://www.cnn.com/2008/WORLD/africa/06/22/zimbabwe.main/index.html>. (Accessed June 22, 2008.)
- CONRAD, COURTENAY RYALS, AND WILL H. MOORE. (2010) What Stops the Torture? *American Journal of Political Science* 54 (2): 459–476.
- CRESCENZI, MARK J. C. (1999) Violence and Uncertainty in Transitions. *Journal of Conflict Resolution* 43 (2): 192–212.
- DAHL, ROBERT. (1971) *Polyarchy: Participation and Opposition*. New Haven, CT: Yale University Press.
- DAVENPORT, CHRISTIAN. (2007a) State Repression and Political Order. *Annual Review of Political Science* 10: 1–27.
- DAVENPORT, CHRISTIAN. (2007b) *State Repression and the Domestic Democratic Peace*. New York: Cambridge University Press.
- DEACON, ROBERT, AND SARANI SAHA. (2006) Public Good Provision by Dictatorships: A Survey. In *The Elgar Companion to Public Economics: Empirical Public Economics*, edited by Attiat F. Ott, and Richard J. Cebula. Cheltenham, UK: Edward Elgar Publishing Limited.
- DI PALMA, GIUSIPPE. (1990) *To Craft Democracies: An Essay on Democratic Transitions*. Berkeley, CA: University of California Press.
- DIX, ROBERT H. (1982) The Breakdown of Authoritarian Regimes. *The Western Political Quarterly* 35 (4): 554–573.
- DUGGER, CELIA W. (2008) *Zimbabwean Officials Seize US Food Aid*. Available at [http://www.boston.com/news/world/africa/articles/2008/06/12/zimbabwean\\_officials\\_seize\\_us\\_food\\_aid](http://www.boston.com/news/world/africa/articles/2008/06/12/zimbabwean_officials_seize_us_food_aid) (Accessed June 22, 2008.)
- FRANKLIN, JAMES C. (2002) Political Party Opposition to Noncompetitive Regimes: A Cross-National Analysis. *Political Research Quarterly* 55 (3): 521–546.
- GANDHI, JENNIFER. (2008a) Dictatorial Institutions and their Impact on Economic Growth. *European Journal of Sociology* 49 (1): 3–30.

- GANDHI, JENNIFER. (2008b) *Political Institutions Under Dictatorship*. New York: Cambridge University Press.
- GANDHI, JENNIFER, AND ADAM PRZEWORSKI. (2006) Cooperation, Cooptation, and Rebellion Under Dictatorships. *Economics and Politics* 18 (1): 1954–1985.
- GANDHI, JENNIFER, AND ADAM PRZEWORSKI. (2007) Authoritarian Institutions and the Survival of Autocrats. *Comparative Political Studies* 40 (11): 1279–1301.
- GASIOROWSKI, MARK J. (1995) Economic Crisis and Political Regime Change: An Event History Analysis. *American Political Science Review* 89 (4): 882–897.
- GEDDES, BARBARA. (2005) *Why Parties and Elections in Authoritarian Regimes?* Paper presented at the Annual Meeting of the American Political Science Association, Washington, DC, August 31–September 1.
- HAGGARD, STEPHAN, AND STEVEN BENJAMIN WEBB. (1994) *Voting for Reform: Democracy, Political Liberalization, and Economic Adjustment*. Washington, DC: World Bank Publications.
- HAGGARD, STEPHAN, AND ROBERT R. KAUFMAN. (1995) *The Political Economy of Democratic Transitions*. Princeton, NJ: University Press.
- HATHAWAY, OONA A. (2002) Do Human Rights Treaties Make a Difference? *Yale Law Journal* 111: 1935–2042.
- HONAKER, JAMES, AND GARY KING. (2010) What to Do About Missing Values in Time Series Cross-Section Data. *American Journal of Political Science* 54 (2): 561–581.
- JERVIS, ROBERT. (1997) *System Effects: Complexity in Political and Social Life*. Princeton, NJ: Princeton University Press.
- KING, GARY, JAMES HONAKER, ANNE JOSEPH, AND KENNETH SCHEVE. (2001) Analyzing Incomplete Political Science Data: An Alternative Algorithm for Multiple Imputation. *American Political Science Review* 95 (1): 49–69.
- KNACK, STEPHEN, AND PHILIP KEEFER. (1995) Institutions and Economic Performance: Cross-Country Tests Using Alternative Institutional Measures. *Economics and Politics* 7 (3): 207–227.
- LAKE, DAVID A., AND MATTHEW A. BAUM. (2001) The Invisible Hand of Democracy: Political Control and the Provision of Public Services. *Comparative Political Studies* 34 (6): 587–621.
- LAYACHI, A., AND J. P. ENTELIS. (2002) Democratic and Popular Republic of Algeria. In *The Government and Politics of the Middle East and North Africa*, edited by David E. Long, and Bernard Reich. New York: Westview Press.
- LINZ, JUAN J. (1978) *Crisis, Breakdown and Reequilibration*. Baltimore: Johns Hopkins University Press.
- LINZ, JUAN J., AND ALFRED STEPAN. (1996) *Problems of Democratic Transition and Consolidation: Southern Europe, South America, and Post-Communist Europe*. Baltimore: Johns Hopkins University Press.
- LUST-OKAR, ELLEN. (2005) *Structuring Conflict in the Arab World: Incumbents, Opponents, and Institutions*. New York: Cambridge University Press.
- MAGALONI, BEATRIZ. (2006) *Voting for Autocracy: Hegemonic Party Survival and Its Demise in Mexico*. New York: Cambridge University Press.
- MAINWARING, SCOTT, GUILLERMO O'DONNELL, AND J. SAMUEL VALENZUELA. (1992) *Issues in Democratic Consolidation: The New South American Democracies in Comparative Perspective*. South Bend, IN: University of Notre Dame Press.
- MALLOY, JAMES M., AND MITCHELL A. SELIGSON. (1987) *Authoritarians and Democrats: Regime Transition in Latin America*. Pittsburgh: University of Pittsburgh Press.
- MCGUIRE, MARTIN C., AND MANCUR OLSON JR. (1996) The Economics of Autocracy and Majority Rule: The Invisible Hand and the Use of Force. *Journal of Economic Literature* 34 (1): 72–96.
- McNAIR, BRIAN. (1991) *Glasnost, Perestroika, and the Soviet Media*. New York: Routledge Press.
- NAZMI, NADER, AND MIGUEL D. RAMIREZ. (1997) Public and Private Investment and Economic Growth in Mexico. *Contemporary Economic Policy* 15 (1): 65–75.
- NOORUDDIN, IRFAN, AND JOEL W. SIMMONS. (2006) The Politics of Hard Choices: IMF Programs and Government Spending. *International Organization* 60 (4): 1001–1033.
- O'DONNELL, GUILLERMO, PHILIP C. SCHMITTER, AND LAWRENCE WHITEHEAD. (1986) *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*. Baltimore: Johns Hopkins University Press.
- OLSON, MANCUR JR. (1993) Dictatorship, Democracy, and Development. *American Political Science Review* 87 (3): 567–576.
- PECK, MALCOLM C. (2002) Eastern Arabian States: Kuwait, Bahrain, Qatar, United Arab Emirates, and Oman. In *The Government and Politics of the Middle East and North Africa*, edited by David E. Long, and Bernard Reich. New York: Westview Press.

- POE, STEVEN, AND C. NEAL TATE. (1994) Repression of Personal Integrity Rights in the 1980s: A Global Analysis. *American Political Science Review* 88: 853–872.
- POE, STEVEN, C. NEAL TATE, AND LINDA CAMP KEITH. (1999) Repression of the Human Right to Personal Integrity Revisited: A Global, Cross-National Study Covering the Years 1976-1993. *International Studies Quarterly* 43: 291–313.
- POWELL, EMILIA J., AND JEFFREY K. STATON. (2009) Domestic Judicial Institutions and Human Rights Treaty Violation. *International Studies Quarterly* 53 (1): 149–174.
- PRZEWORSKI, ADAM. (1991) *Democracy and the Market*. New York: Cambridge University Press.
- PRZEWORSKI, ADAM, MICHAEL ALVAREZ, JOSE ANTONIO CHEIBUB, AND FERNANDO LIMONGI. (2000) *Democracy and Development: Political Institutions and Well-Being in the World, 1950–1990*. New York: Cambridge University Press.
- REENOCK, CHRISTOPHER, MICHAEL BERNHARD, AND DAVID SOBEK. (2007) Regressive Socioeconomic Distribution and Democratic Survival. *International Studies Quarterly* 51 (3): 677–699.
- RYAN, CURTIS R. (2002) Syrian Arab Republic. In *The Government and Politics of the Middle East and North Africa*, edited by David E. Long, and Bernard Reich. New York: Westview Press.
- SCHNEIDER, DANIELLA. (2004) Human Rights Issues in Guantanamo Bay. *Journal of Criminal Law* 68 (5): 423–439.
- SIMMONS, BETH A. (2009) *Mobilizing for Human Rights: International Law in Domestic Politics*. New York: Cambridge University Press.
- SMITH, ALASTAIR. (2008) The Perils of Unearned Income. *Journal of Politics* 70 (3): 780–793.
- SOBEK, DAVID, AND CHARLES R. BOEHMER. (2008) *If They Only Had Cake: The Effect of Food Supply on Civil War Onset, 1960–1999. Working Paper*. Available at [http://works.bepress.com/charles\\_boehmer/4](http://works.bepress.com/charles_boehmer/4).
- TRENDNEWS. (2008) *Oppositions Participation in Elections Will Not Reduce Boycott Efficiency*. Available at <http://news.trendaz.com/index.shtml?show=news&newsid=1226567&lang=EN>. (Accessed June 22, 2008.)
- VALENZUELA, J. SAMUEL. (1989) Labor Movements in Transitions to Democracy: A Framework for Analysis. *Comparative Politics* 21 (4): 445–472.
- VREELAND, JAMES RAYMOND. (2008) Political Institutions and Human Rights: Why Dictatorships Enter into the United Nations Convention Against Torture. *International Organization* 62 (1): 65–101.
- WHITE, HALBERT. (1980) A Heteroskedasticity-Consistent Covariance Matrix Estimator and a Direct Test for Heteroskedasticity. *Econometrica* 48 (4): 817–838.
- WINTROBE, RONALD. (1998) *The Political Economy of Dictatorship*. New York: Cambridge University Press.
- WORLD BANK. (2005) *World Development Indicators*. Washington, DC: World Bank Publications.
- WRIGHT, JOSEPH. (2008) Do Authoritarian Institutions Constrain? How Legislatures Impact Economic Growth and Foreign Aid Effectiveness. *American Journal of Political Science* 52 (2): 322–343.