

Variable:	Corruption Outcomes			Mismanagement Outcomes		
	Indicator I	Indicator II	Indicator III	Indicator I	Indicator II	Indicator III
	(Binary)	(Share)	(Amount)	(Binary)	(Share)	(Amount)
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Purchases Estimates</i>						
Proc. Category 1	0.117 (0.095) [n = 2098]	0.037 (0.055) [n = 2087]	234 (442) [n = 1934]	0.049 (0.078) [n = 2129]	-0.006 (0.081) [n = 2097]	64 (648) [n = 1924]
Proc. Category 2	-0.034 (0.067) [n = 2686]	0.032 (0.048) [n = 2106]	2,827 (3,838) [n = 2058]	-0.100* (0.059) [n = 2553]	-0.055 (0.059) [n = 2328]	-4,524 (4,748) [n = 2261]
<i>Works Estimates</i>						
Proc. Category 1	-0.210 (0.143) [n = 330]	-0.039 (0.078) [n = 362]	61 (1,482) [n = 314]	-0.416** (0.190) [n = 485]	-0.291* (0.178) [n = 485]	-4,611* (2,802) [n = 423]
Proc. Category 2	0.043 (0.102) [n = 1185]	0.009 (0.058) [n = 1014]	537 (8,614) [n = 1050]	0.016 (0.079) [n = 944]	-0.006 (0.076) [n = 858]	-726 (11,265) [n = 892]
Proc. Category 3	0.043 (0.307) [n = 313]	0.158 (0.183) [n = 228]	221478 (281,249) [n = 205]	0.171 (0.212) [n = 51]	-0.077 (0.251) [n = 157]	-88,510 (340,566) [n = 276]
<i>Pooled Estimates</i>						
Proc. Category 1	-0.025 (0.058) [n = 2256]	-0.054* (0.033) [n = 2263]	-425 (291) [n = 1964]	0.098* (0.054) [n = 1977]	0.091* (0.050) [n = 2019]	-114 (451) [n = 1905]
Proc. Category 2	-0.018 (0.043) [n = 3767]	0.009 (0.030) [n = 2896]	1,344 (3,078) [n = 2846]	-0.064 (0.044) [n = 2460]	-0.040 (0.041) [n = 2436]	-572 (3,486) [n = 4584]
Proc. Category 3	0.099 (0.128) [n = 517]	0.085 (0.069) [n = 568]	76,083 (59,995) [n = 626]	-0.006 (0.081) [n = 732]	-0.050 (0.079) [n = 751]	-1,869 (79,197) [n = 423]

Note: This table reports the lower-bounded LATE of discretion on government performance in Brazilian municipalities. Each cell represents one non-parametric, local polynomial regression of order two between the discretion parameter (rows on first column) and performance outcome (columns 1-6). For each cell, we first report parameter estimates, then cluster-robust standard errors (at the municipal level), and lastly sample sizes around each cutoff for each regression. Corruption Indicator I (column 1) and Management Indicator I (columns 4) are binary variables turning on when the procurement call has at least one corruption or program management infraction; Corruption and Mismanagement Indicators II (columns 2 and 5) report the share of corruption and mismanagement infractions over the total number of infractions; Indicators III (columns 3 and 6) report the amount potentially lost to either problem, i.e. the transfer amount times the share of corruption or mismanagement issues over total infractions. The regressions in table do not include municipal covariates nor fixed-effects. Robust standard errors are clustered at the municipal level and are reported in parentheses. *p<.1; **p<.05; ***p<.01