I believe this paper on electoral competition and corruption is sufficiently insightful and will generate interesting follow-ups. Let me start with a summary of the model.

Summary of the model: First the two parties decide their embezzlement versus campaign spending fractions of any contribution that comes (perhaps this decision could involve choosing party leaders and factions leaders of one type or the other);
then the lobby group decides contribution levels;
then parties choose policy positions and receive contributions, then elections, with ego rents going only to winner but policy being weighted sum of both policy positions, with weights given by the percentage of seats.

For given embezzlement strategies, the policy positions are chosen to max the utility of the lobby group subject to the constraints that the contribution levels must fully compensate the parties for the change in policy position from the one that maximizes their chance of winning.

They find that corruption and contributions by lobbies are positively correlated in total, and that if one party becomes more corrupt the lobby spends more on the rival. They then find that the corruption strategies of the two parties are substitutes, so that if the likely winner increases corruption the likely loser must reduce it in equilibrium, and vice versa.

Testable predictions:
When electoral competition is higher (closer race)

(A) the policy positions of the parties are less influenced by the lobby;

(B) The Lobby group spends more and the parties embezzle more;

Moreover, it is always true that the lobby group has more influence on the policy position of the likely winner while the likely loser embezzles more.

These predictions are interesting, and I hope someone will take the initiative to verify them empirically.

Maybe the authors should spend some time discussing the interpretation of alpha, and should perhaps discuss whether the initial choices of theta by the parties could be real commitments, for example by appropriate choices of candidates. But in general the paper is simple and rich of interesting points.