

Political development & policy



Lecture 5: Strong and weak states

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Where we have come from: The reasons for war

- Certain innate tendencies push human societies towards disorder and violence
 - Greed and narrow self interest
 - Preferences and other values for group domination or justice
 - A tendency to systematic mistakes (limited attention)
- Even absent these innate tendencies, there are strategic reasons societies may find violence their optimal choice
 - Uncertainty
 - Commitment problems
- But conflict is destructive and inefficient, giving societies an incentive (and an advantage) if they can solve the problem

I. Where we are headed

- 2 ½ classes: **States**
 - What is a strong state?
 - Historically, how did they arise?
- Next 2 ½ classes: **Institutions**
 - Historically, why are some states and rulers more constrained than others?
 - Bound by rules and institutions, accountable to elites
 - What are the implications of “institutions” for economic development?
- 2 ½ classes after that: **Society**
 - Why have some states become accountable to wider and wider groups of citizens (democracy)?
 - Why do strong states and societies often go hand in hand?

What do these terms mean? How do they link to our conflict discussion?

Social scientists think of the state and society as “organizations”,
not “institutions”



“ *Institutions are the rules of
the game and organizations
are the players.*

— Douglass North (1994)

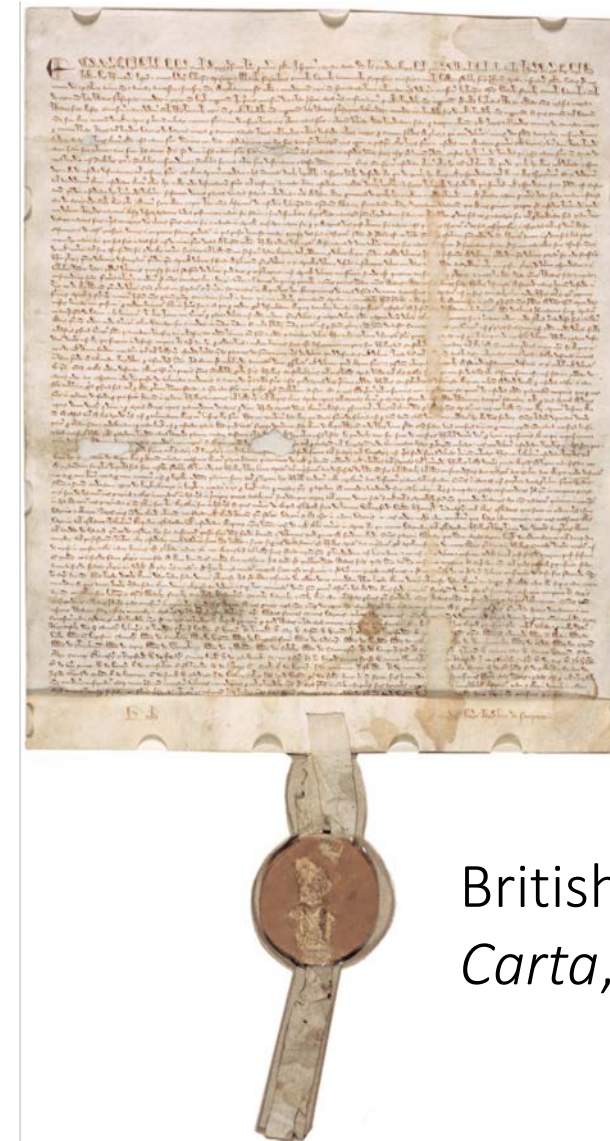
What kind of rules? In talking about political institutions, social scientists tend to emphasize the rules that constrain power

“ *A set of rules, compliance procedures, and moral and ethnical behavioral norms designed to **constrain** the behavior of individuals in the interests of maximizing the wealth or utility of principals.*

—D. North (1981), *Structure and Change in Economic History*

Some examples of constraining institutions

- Those that hold political power accountable
 - Rule of law, constitutions, electoral rules, divisions of power
 - Could be formal (written) or informal (reputation, norms)
- Those that restrict the ability to expropriate
 - Property rights
 - Systems of contract enforcement, rule of law
 - Could be formal (written laws) or informal (kin networks, customs)



British *Magna Carta*, 1215

The state is a political organization that...

Strong states...

- Project power and implement their decisions to shape society
 - Provide order
 - Try to monopolize the legitimate use of force
 - Exercise control over people and territory
 - Deliver public goods: infrastructure, exchange, justice
 - Raise money!
 - Achieve their policy objectives
- Are durable and professionally organized
 - Hierarchical, professional structures that survive any government or regime
 - Capable of administering technically and logistically complex tasks
 - Rule-governed, bureaucratic, depersonalized systems

Terms not to be confused with states

- **Institutions** – the rules that govern actors (including the state)
- **Government/Regime** – the group that has the authority to direct the state
- **Society** – Organized groups, social movements, interest groups, and individuals autonomous from the influence and authority of the state

Recall our definition of political development: We emphasize states and institutions because they can deliver certain “functioning” and freedoms

Functions

- Order and stability
- Equality
- Participation and autonomy in social and political life
- Ability to act collectively to shape and coordinate society

Forms

- States
 - Centralized, rule-governed, depersonalized authorities
 - With effective bureaucratic organizations and public administration
 - Hold a monopoly of legitimate violence
- Rule of law
 - Not rule by laws but rule of law → everyone subject to the same rules
- Democratic accountability
 - Complex, adaptable, coherent, shared rules (formal & informal)

II. This is a nice turning point from conflicts to states & institutions:
Amos Sawyer's analysis of Liberia's collapse (and how to avoid it)

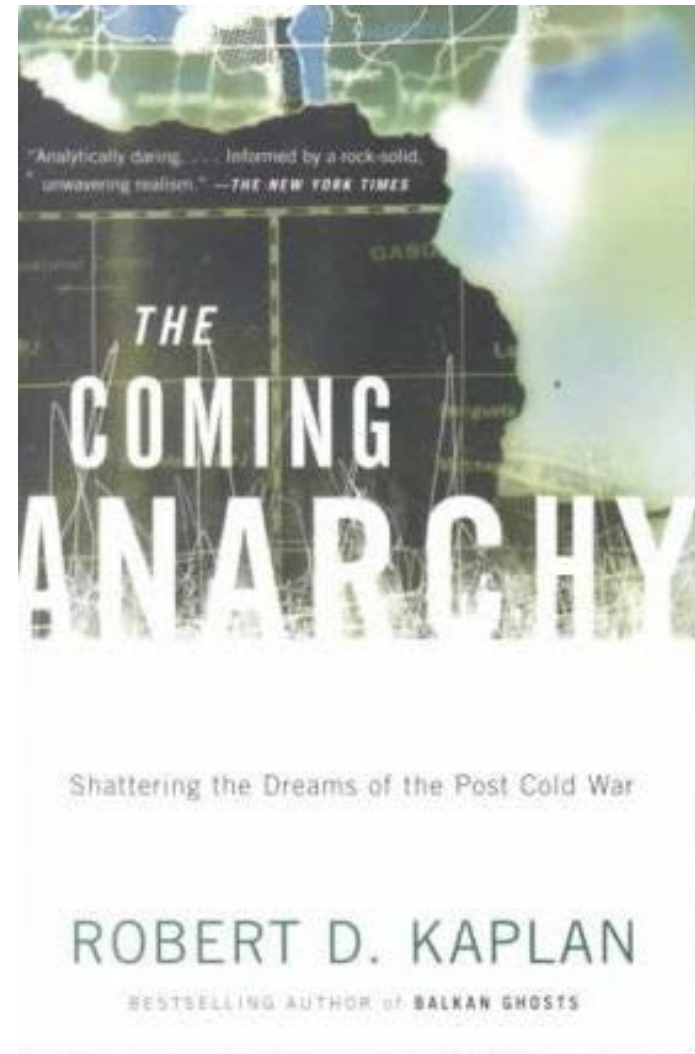


Sawyer is pushing back against a narrative that sees the war as one that is simply “greed” or resource driven



He is also pushing back against the idea that the war is rooted in irrationality, barbarism, emotions, or “loose molecules”

- A common journalistic response to the wars in the Mano River region:
Irrational barbarism
 - Crime and lawlessness spreading
 - State control and communal norms weakening
 - An underlying barbaric nature unleashed
 - Compounded by younger, more urban, rootless populations
 - Compounded by environmental degradation and disease



Sawyer wants us to focus on the distribution of state political power

His root cause of political instability in Africa is the over-centralization of power

- Like many African countries at the time, Presidential power was relatively unconstrained
 - No local fiscal or decision-making governments
 - Weak parliamentary bodies with little power
 - All revenues, aid travel through the President's cronies in national ministries
- This rule was also “personalized”
 - Impossible to separate the state from the person of the dictator and his cabal
 - Highly “patrimonial” system, where all power flows outward from the leader
 - Almost no formal checks on Presidential power



In the context of our conflict model:

How might high centralization of state power, and absence of constraining rules, aggravate some of the kinds of bargaining breakdown (conflict) within and between societies?

e.g. Lootable resources as creating private benefits to war
At least when their illegal extraction and buse is unchecked



e.g. We also have several ingredients for a commitment problem

- Large rapid shifts in power
 - Late 1980s/early 1990s sees sudden decrease in power of the Doe regime
 - Like most African governments, under great fiscal strain (Week 6)
 - With end of Cold War, US decreases military and foreign aid for its more thuggish client states
 - A growing push to democratization in Africa reduces legitimacy of thuggish coup leaders
- Commitments are not credible (limits on transfers)
 - Power in a centralized Presidency is harder to divide
 - A peace deal requires committing to give a share of future spoils to competitors like Taylor
 - The lack of constraints on the Presidency means these commitments may not be credible
- What would it take to make power more divisible, shared? How long would this take?

What about Sawyer's proposed solutions? How do they relate to the notion of the "state" and "institutions" we have just discussed?



Sawyer is arguing for a change in the rules (institutions) and how the state is organized

- Polycentric governance
 - The power to shape society should be spread across multiple levels of the state
 - Empower local government jurisdictions (elections, budgetary power)
 - Independent, task-specific bureaucracies crossing space
 - Regional security and economic apparatus
 - Forward-looking regimes should create a new, more decentralized system of rules and organization
- Echoes elements of European and American constitutional principles:
 - E pluribus unum, Checks and balances



Why does Sawyer think more constraining rules and decentralized state organization will be stabilizing?

Why more constraining rules and decentralized state organization could be stabilizing (to be revisited in Weeks 7-9)

More constraining institutions (decentralizing control of the state) serves several purposes:

1. Compel regimes to internalize costs of war
 - By decentralizing executive power, create a government that must incorporate the interests of a wider population
 - Restrict the ability to privatize benefits from war, e.g. lootable resources
2. Facilitate credible commitment to peace
 - Make power more divisible
 - Constraints on power may help elites credibly commit to the political terms of a peace settlement, making bargains more likely
3. Reduce the transaction cost of bargaining
 - Create multiple nonviolent avenues to influence government policy
 - Make renewed violence less essential for change

The next 7 weeks are about where string states come from, when power becomes more widely distributed, and when the rules in a society become more inclusive

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III. What is a weak state, and how do they tend to work?

Recall the characteristics of the state as organization

Stronger states...

- Project power and implement their decisions to shape society
 - Provide order
 - Try to monopolize the legitimate use of force
 - Exercise control over people and territory
 - Deliver public goods: infrastructure, exchange, justice
 - Raise money!
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If we step back, many weak states tend to have a few common characteristics

- They are highly personalized systems
 - (i) Ruled by elite coalitions with privileged access
 - (ii) Held together with patrimonial ties
 - (iii) Results in a highly personalized system
- They struggle to shape society
 - (iv) Struggle to project state power over periphery and people
 - (v) Weak fiscal capacity
 - (vi) Coercive

Let's start with a historical example (early modern Europe) and progress to a more current day one (Afghanistan)

(Next class we will also talk a little about historic state development China)

(i) Ruled by elite coalitions with privileged access

- Elites include military specialists, landlords, clergy, traders, producers, nobility, unions, etc.
 - BdM called these the “selectorate”
- Elite power comes from the ability to threaten social disorder or withhold material wealth
 - Although threat is usually sufficient, since fighting is costly
- A ruling group is a coalition of these elites
 - North, Wallis & Weingast call these “limited access orders”
 - Akin to what BdM calls the “minimum winning coalition”
- These elites split the pie amongst themselves
 - Peaceful bargaining in action!
- Non-elites have few rights or protections



Courtiers at Versailles

(ii) Held together with patrimonial ties

- The state is “patrimonial” in that it is an elaborate web of personal relationship sustained by mutual obligations and exchange
- Part of an elite’s power to threaten the social order comes from their patrimonial relationships
 - Their ability to peacefully or militarily mobilize
 - These vertical relationships are often organized by kin, clan, ethnicity, and geography
 - Sharing of these benefits within the kin, clan, ethnic or other network is often perceived as a moral obligation
- Elites who don’t receive a share of the pie that is proportional to their power have incentives for violence and other disorder
 - This is the very basis of order in patrimonial societies

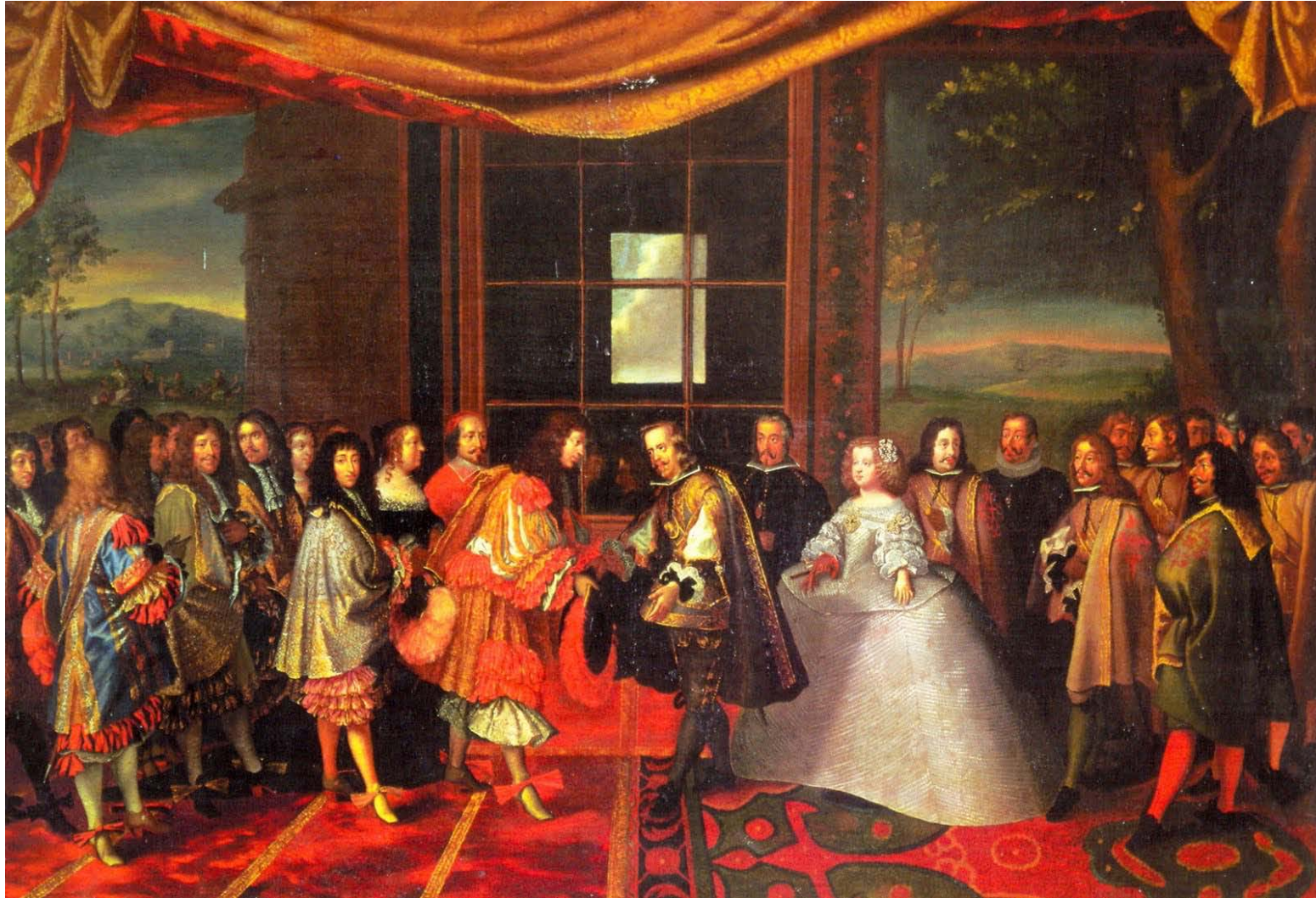
(ii) Personalized: Central rule is based on personal ties of loyalty

- Elites are loyal to the king as a person, not as an office (Spruyt 2002)
 - Loyalty depended on the king's ability to distribute booty and largesse
 - Control of a warlord over vassals based on social networks and bundle of rights and obligations rather than legal control of a territory
- Not necessarily a professional, separate state
 - In many historical kingdoms, the king's household, staff, and personal budget were the state's staff and budget
 - Formal administrations (salaried officials, legal frameworks, taxes) hardly existed



Louis XIV - the Sun King 1643-1715

Is this a “corrupt” system in the modern sense of the term?
What would an anti-corruption reform accomplish?



Warlords at a party

(iv) Weak states struggle to project power
e.g. even late 18th century rural France

“

They had locally appointed officials – an agent to collect taxes and a guard to police the community. But laws, especially those relating to inheritance, were widely ignored and direct contact with the central power was extremely limited.

The state was perceived as a dangerous nuisance: its emissaries were soldiers who had to be fed and housed, bailiffs who seized property and lawyers who settled property disputes and took most of the proceeds.

Being French was not a source of personal pride, let alone the basis of a common identity. Before the mid-nineteenth century, few people had seen a map of France and few had heard of Charlemagne and Joan of Arc.

France was effectively a land of foreigners.

—Graham Robb (2008) “The discovery of France”

In fact, in the earliest states, rule is over people not territories

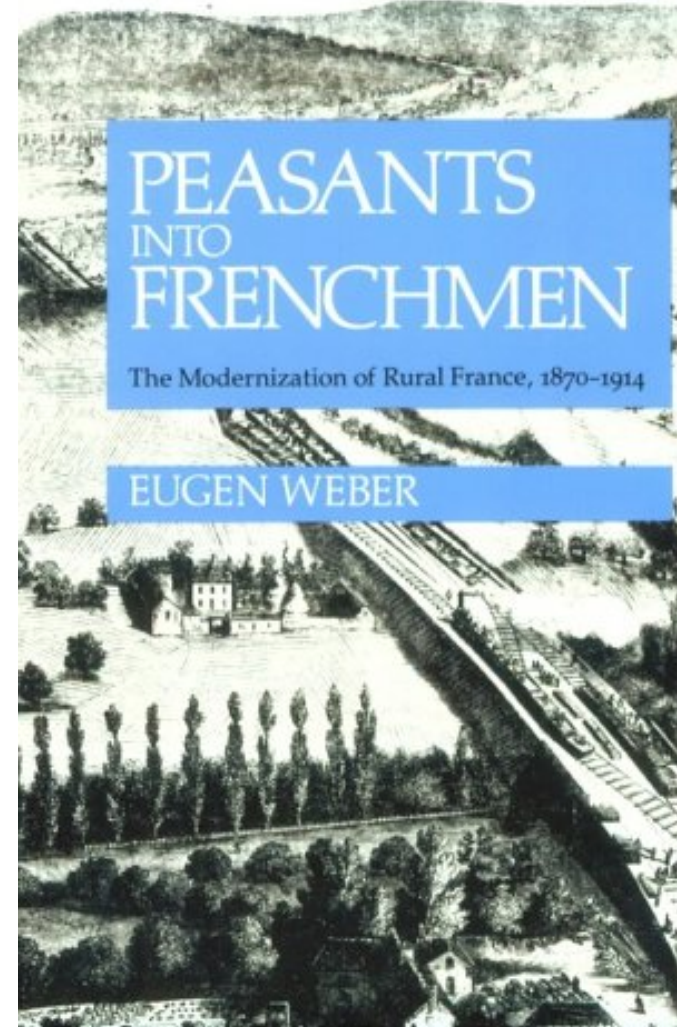
- People were the focus of taxes and labor extraction
- Borders were often poorly defined
- e.g. Clovis the Merovingian
 - late 5th century AD
 - Ruled as “King of the Franks” but less than a 1000 years later the Capetians were “Kings of France” (Spruyt 2002)
 - In the Early Middle Ages, there was Rex Anglorum (King of the English), but by Late Middle Ages, he had become Rex Anglie (King of England)



Hence state and nation building is a gradual process of projecting power into the periphery, and over people, and shaping and organizing that society

e.g. The last mile of French state building

- Well into the 19th century few French citizens regularly spoke French
- Provincial loyalties often transcended national bonds of the nation
- 1870-1914, new forces penetrated the isolated countryside
 - Judicial and school systems
 - Army
 - Catholic Church
 - Rail & roads
 - Market economy



Power tends to be projected by a more formal bureaucracy and public administration

- “Bureaucracy”: Specialized and hierarchical administrative structures that govern
- Max Weber’s “ideal types”:
 - Traditional/patrimonial
 - Rules and power are technically arbitrary because they come from the ruler
 - Hiring, firing and promotion based on personal connections
 - Rational and legal
 - Staffed by professionals
 - Meritocratic hiring, firing, and internal promotion
 - Governed by legal rules



(v) Weak fiscal capacity



- “Fiscal capacity” = A broad tax base and an ability to collect those taxes
- This is one of the most elementary bureaucratic functions
- Before states can protect citizens, provide justice, or administer a bureaucracy, they must raise money
- But mobilizing resources is not just a technical exercise
 - Involves overcoming domestic opposition
 - Involves reducing exit and other evasion

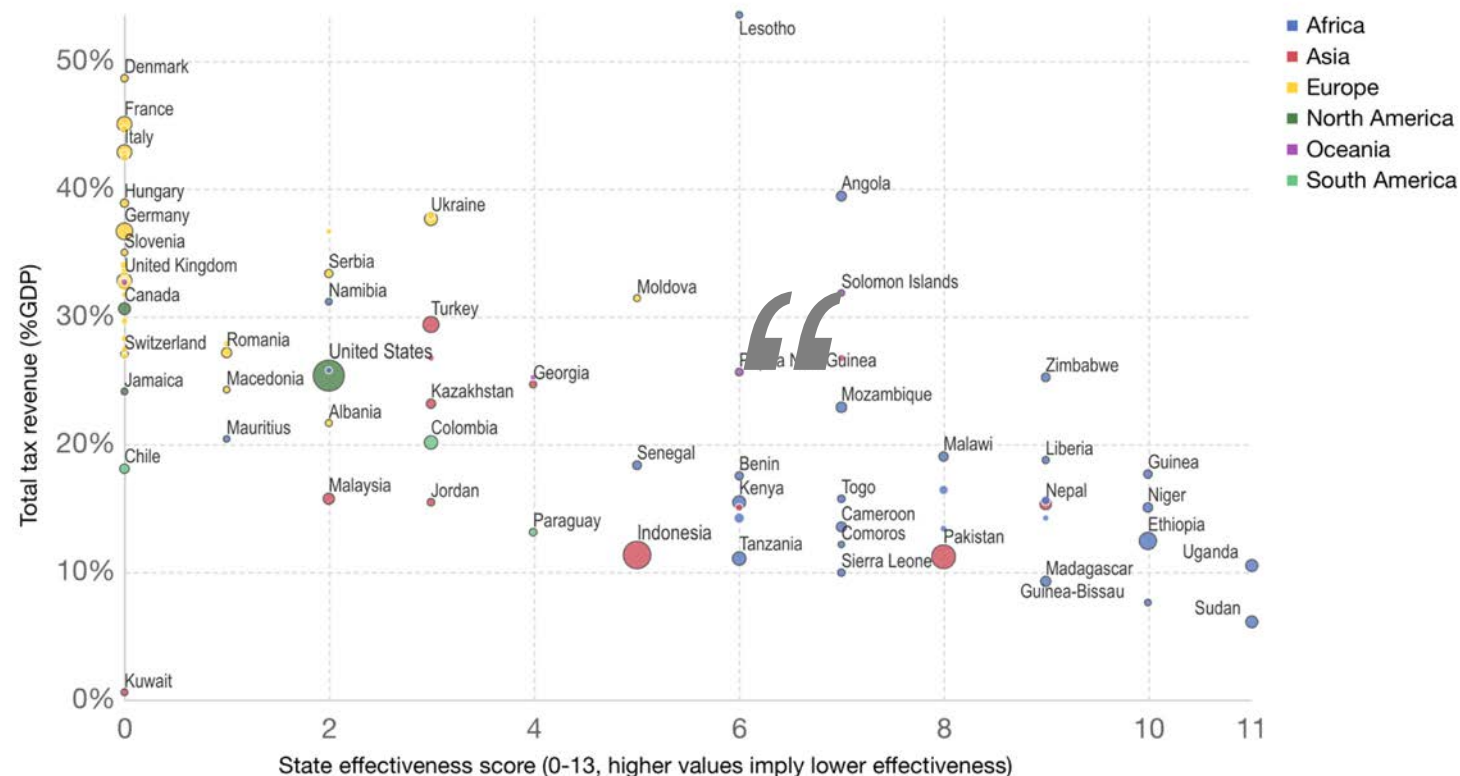
“The power to tax lies at the heart of state development... The central question in public finance and development is: “how does a government go from raising around 10% of GDP in taxes to raising around 40%”?

– Besley & Persson (2012) “Public Finance and Development”

Total tax revenue (%GDP) vs State effectiveness, 2013



Total tax revenue includes social contributions, direct and indirect taxes. State effectiveness is measured through scores across four dimensions: Security Effectiveness, Political Effectiveness, Economic Effectiveness, and Social Effectiveness. Scores are obtained via a process involving content analysis, quantitative data, and qualitative review. Higher scores correspond to lower state effectiveness.



(vi) Typically coercive

Most states for most of history have been coercive and extractive



“ Much, if not most, of the population of the early states was unfree; they were subjects under duress.

...Living with the state meant, virtually by definition, taxes, conscription, corvee labor, and, for most, a condition of servitude.

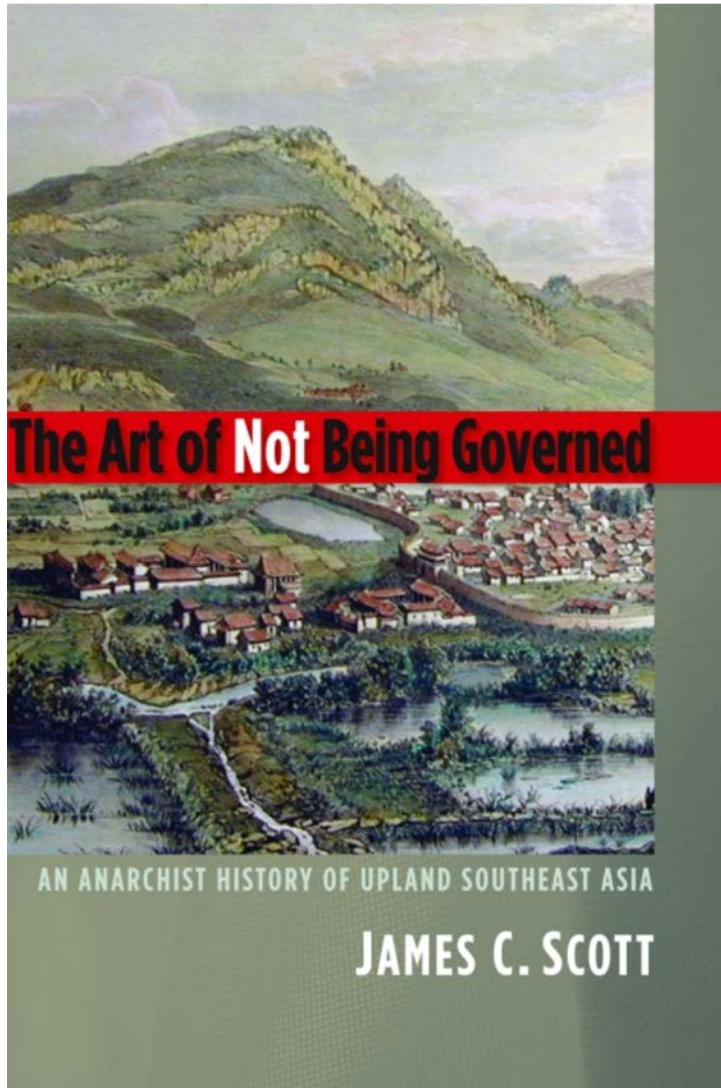
— James Scott

The Art of Not Being Governed

“Zomia” highland region, with historically weak state control

Evasion is perhaps the most common response to a state

We will return to this “exit” in two weeks



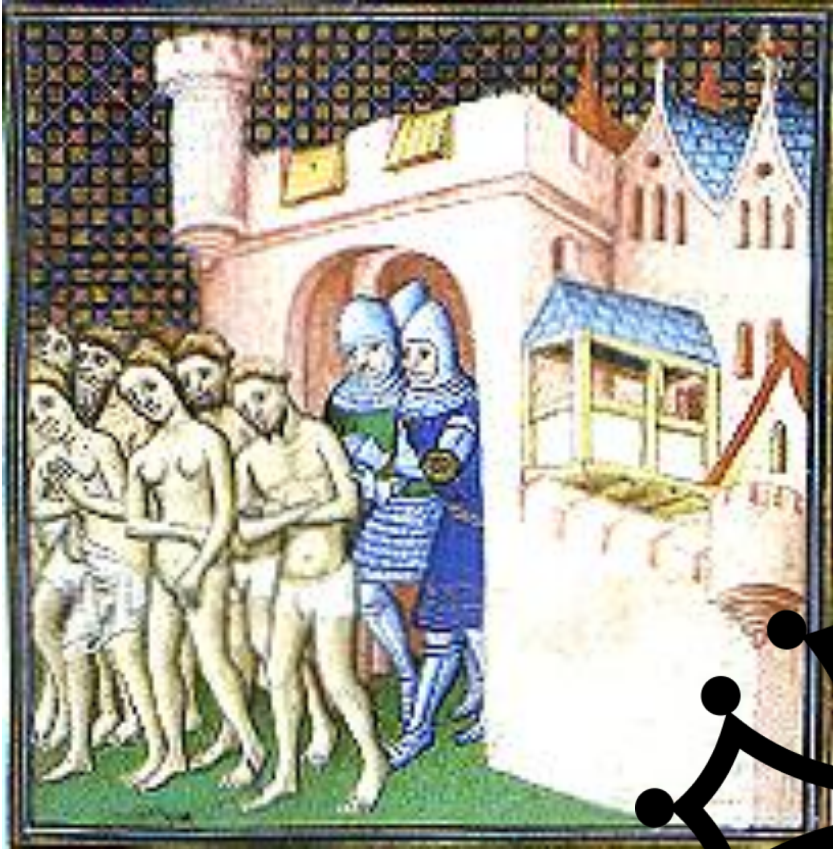
“ *At a time when the state seems pervasive and inescapable, it is easy to forget that for much of history, living within or outside the state... was a choice...*

...it was very common for state subjects to run away. Living with the state meant, virtually by definition, taxes, conscription, corvee labor, and, for most, a condition of servitude.

...When these burdens became overwhelming, subjects moved with alacrity to the periphery or to another state.

— James Scott
The Art of Not Being Governed

State and nation building have typically been a process of “internal colonization”



Subjugation of Cathars in Languedoc region of France, 1200s



- States have tended to use force and violence when necessary to project power into the periphery and to control people
- The core functions of strong states – ordering and assimilating society and collecting taxes – are inherently coercive
- In what is modern-day France, regional languages, religions, and systems of social organization were threats to central power
 - e.g. Languedoc, or the Cathar religion

III. Now let's consider how well these characteristics fit a current-day state, Afghanistan



To what extent is this an accurate description (or not)?

- They are highly personalized systems
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Mukhopadhyay: A weak central state maintains order via a fragile and personalized coalition of local power brokers, or warlords

“ *The political center in Kabul was not (and has never been) a collection of formal, bureaucratic institutions working in concert to penetrate the unwieldy periphery of wayward warlords, defiant mullahs, and rebellious tribal chieftains.*

It was, instead, a political center operating largely in the neopatrimonial image, and, much like many of its predecessors, forging links to the countryside through partnerships with power holders who could sometimes expand the scope of the state by engaging it.



Jamaluddin Badar, Nuristan governor (prosecuted for corruption)

Lutfullah Mashal, Langham governor (writer & poet)

Gul Agha Sherzai, Nangarhar governor (major anti-Taliban warlord and US ally, suspected of opium trafficking)

De jure vs. de facto rule

On the surface, Afghanistan is an sovereign nation state with a formal bureaucracy and democratic system. But how is power actually wielded?

“ *...the mere articulation of a democratic, centralized state would prove inadequate to shift the center of gravity in this state formation project from the provinces to Kabul.*

— Mukhopadhyay (2014), *Warlords, Strongman Governors and State Building in Afghanistan*



Hamid Karzai, President of Afghanistan 2001—14

Arguably we see several of the characteristics of weak states here

- i. Stability is rooted in elite coalitions that serve their private interests
- ii. Power is personalized and patrimonial
 - Society is organized in hierarchies that distribute patrimonial benefits
 - Many people identify more as a member of a group (a people) than a territorial state
- iii. “Corrupt” capture of rents is the current glue holding the state back from violence
 - Capture of the state, aid, spoils, drug production, ...
 - You could see this as the implicit aim of US policy, if not the explicit one
- iv. The Afghan state does not fully control its periphery, or have a monopoly on legitimate use of violence, and its bureaucracy does not penetrate society
- v. Tax collection is limited, and the state is reliant on outside aid
- vi. What control it has is often coercive
 - Actively fighting an insurgency that is resistant to state rule

IV. When, where, and why do states first emerge?

A simplified way to think we will talk about the spectrum of state development

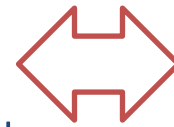
“Stateless”

Informal systems of rule (chiefdoms, bands, and other small political units), typically linked by personal and kinship ties, with limited ability to shape society



“Weak states”

Larger, more hierarchical, coercive, personalized political authority that provides some order and loosely controls society



“Strong states”

More stable, centralized, rule-governed, bureaucratic, depersonalized political organizations with sovereign territorial control, a monopoly on legitimate force, and able to shape society

Where some of our authors and theories will fit

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“Strong states”

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Olson

Herbst

Mukhopadhyay

Tilly

Weber

Fukuyama

Let's focus on the first transition

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