

# Natural Experiments in Revealed State Capacity

## State History and State Capacity in Post-Soviet Russia

Roberto Foa<sup>1</sup>

**The breakup of the Soviet Union has provided a remarkable experiment in testing local state capacity. With the end of centralized rule from Moscow, regional governments were suddenly faced with responsibility for wide-ranging duties of fiscal administration, policing, and revenue mobilization. This paper shows that the strongest correlate of success in handling this transition was a region's historical legacy of state formation, prior to the independence era. Using a new dataset of state history for 83 provinces of the Russian Federation for ten centuries until 1991, cumulative state formation is shown to be the decisive factor explaining success or failure at provision of public goods and the management of public administration. By examining case studies from within the Russian Federation, it is argued that a combination of the legitimacy of local elites, subnationalist mobilization, and regional bargaining strategies can explain the outperformance of areas with longer state history vis-à-vis those which did not build on existing traditions of governance.**

Why are certain states and regions able to deliver a wide range of public goods, while in others areas funds are either not raised, embezzled, or are misallocated? Contemporary political science offers two answers to this question. First, a widespread literature now argues that the explanation lies in ethnic fractionalization: where there are a wide range of ethnic groups, consensus over fiscal commitment is difficult to obtain, private goods are allocated to maintain political coalitions, and collective identities in support of group outcomes are weaker (Alesina et al. 2003, Keefer and Khemani 2004). Second, another literature has argued that the difference may lie in social institutions, and in particular the ability and willingness of

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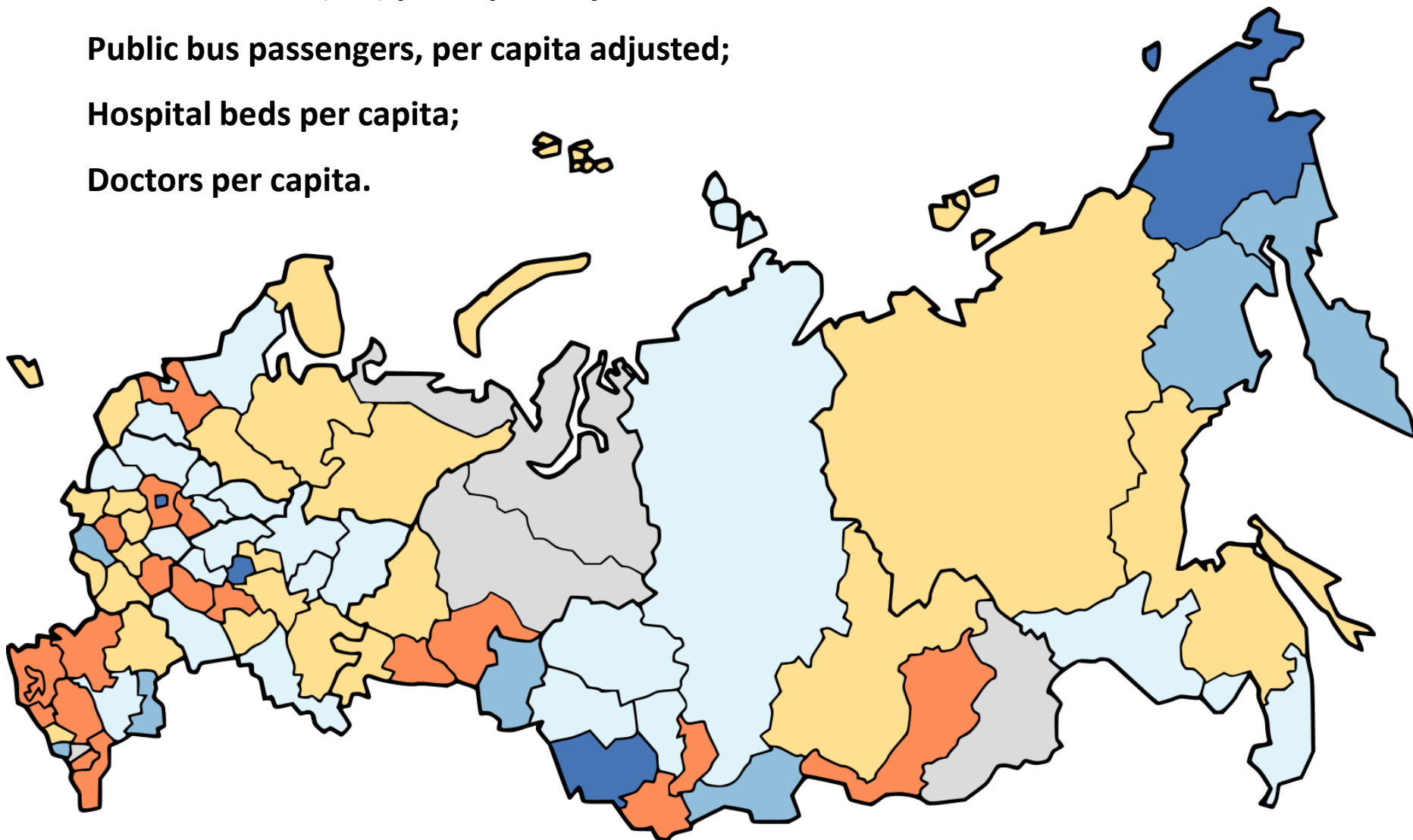
# Index of public goods, 1994-5

Surfaced roads (km) per capita adjusted;

Public bus passengers, per capita adjusted;

Hospital beds per capita;

Doctors per capita.



# State Formation and State Capacity in India

Roberto Foa<sup>1</sup>

## INTRODUCTION

In recent years there has been a growing body of literature on the relationship between precolonial state formation and postcolonial quality of government (Bockstette, Chanda and Putterman 2002, Acemoglu, Johnson and Robinson 2002, Fukuyama 2011). In Africa, Gennaoli and Rainer (2007) find a strong association between precolonial state centralization and contemporary public goods delivery, rule of law, and control of corruption: with states such as Rwanda, Ethiopia, or Botswana, that have a precolonial political heritage, performing relatively better on such measures than countries such as Congo, Chad, or the Central African Republic, that do not. However in South Asia, while there is a substantial literature on *colonial* institutions and their effects, the literature on *precolonial* institutions and their consequences remains comparatively neglected (Bannerjee and Iyer 2004, Gerring et al. 2011).

This paper corrects this deficit, by examining the process of state formation in South Asia since 1500, and its relation to the contemporary governance of Indian states. Using a new dataset of state history for 35 provinces of the Republic of India over the ten centuries until 1956, cumulative state formation is shown to be significantly related to indicators of corruption and the rule of law. A typology of Indian state formation is outlined, and it is suggested that where rulers preserved or allowed the consolidation of pre-existing state institutions, this created the conditions for significantly improved quality of governance in the post-colonial era.

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Afghanistan

Pakistan

India

Nepal

Bhutan

Bangladesh

Burma

Thailand

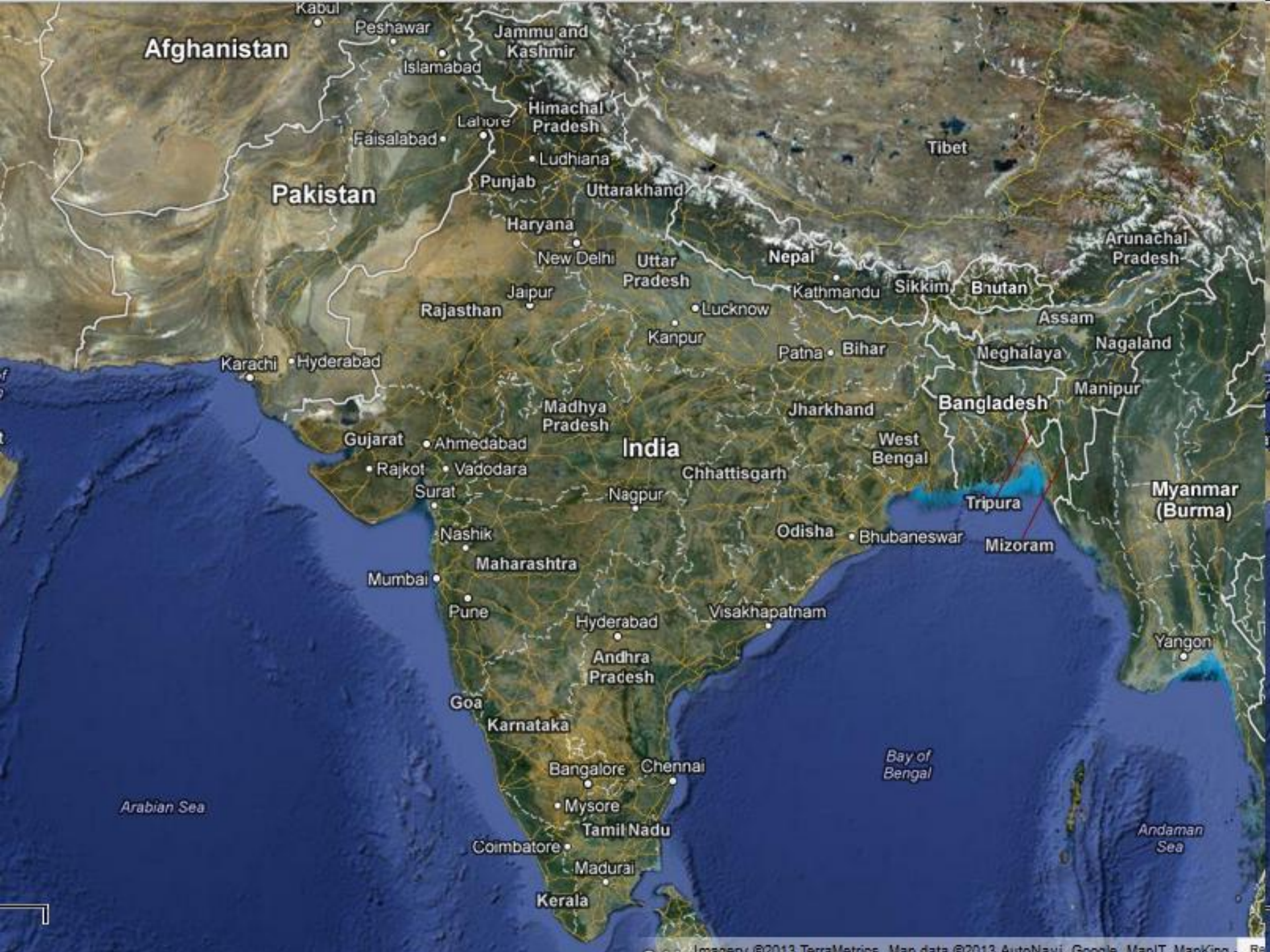
Sri Lanka



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**Afghanistan**

**Pakistan**

**India**

**Bangladesh**

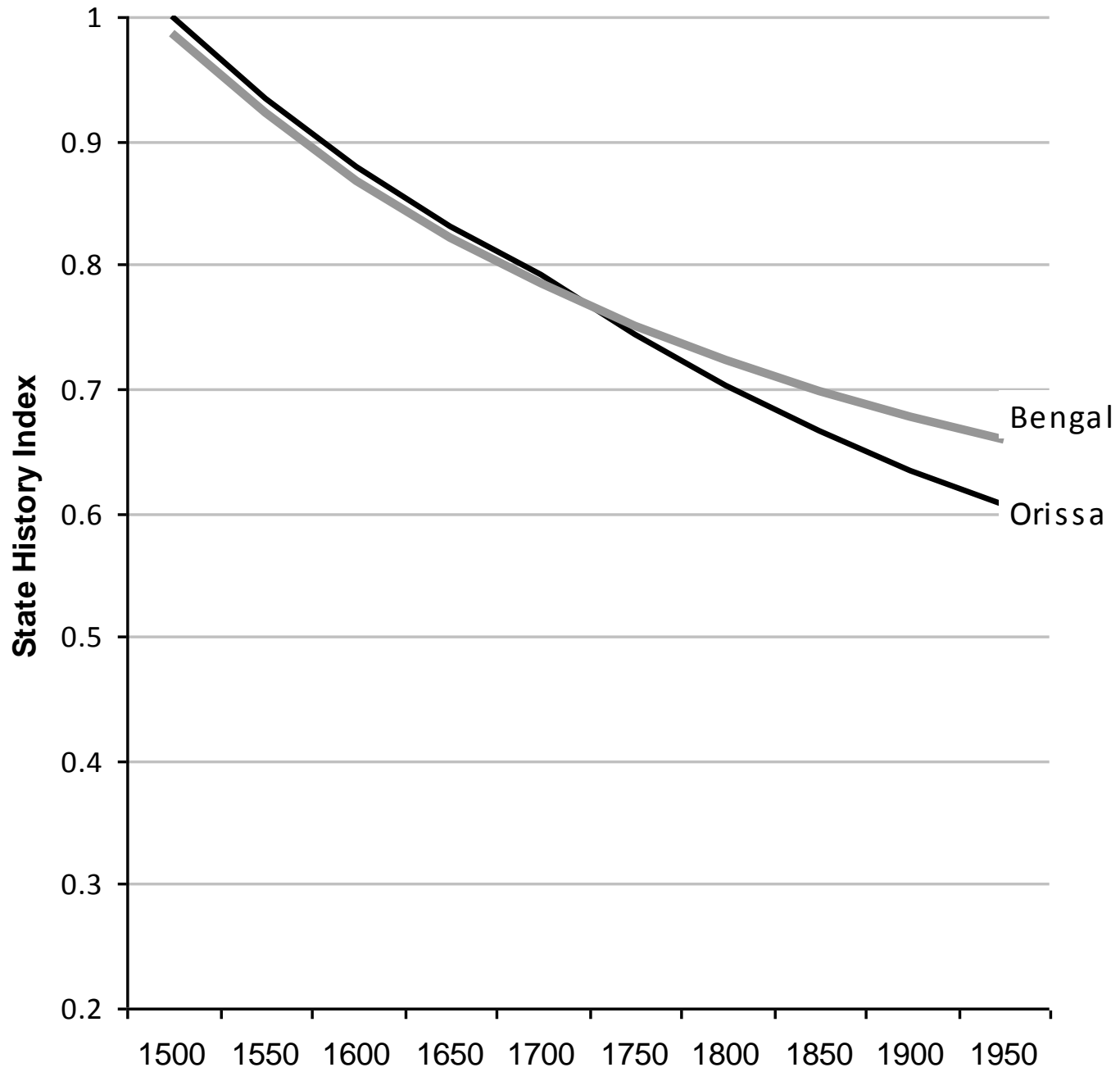
**Myanmar (Burma)**

Arabian Sea

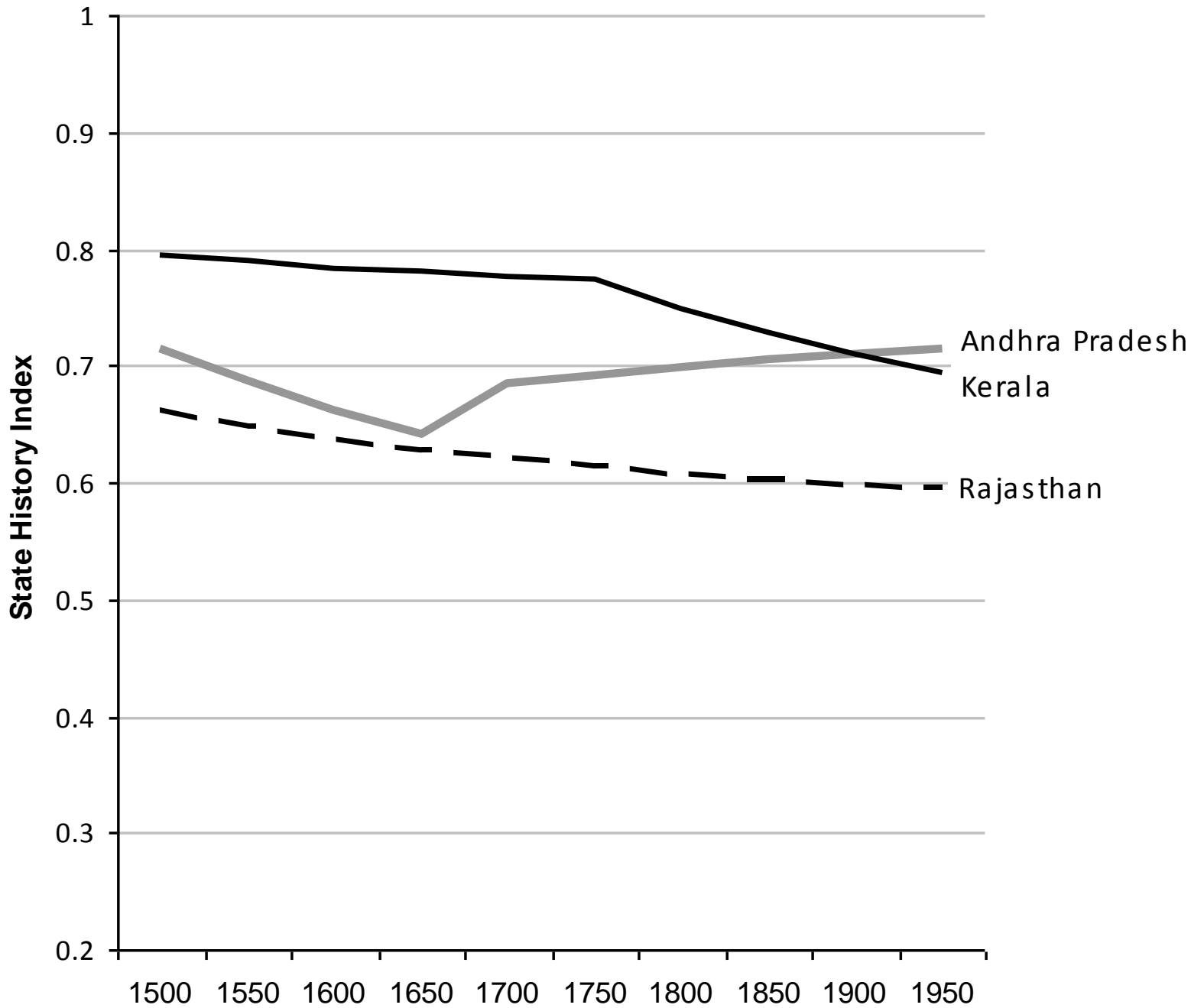
Bay of Bengal

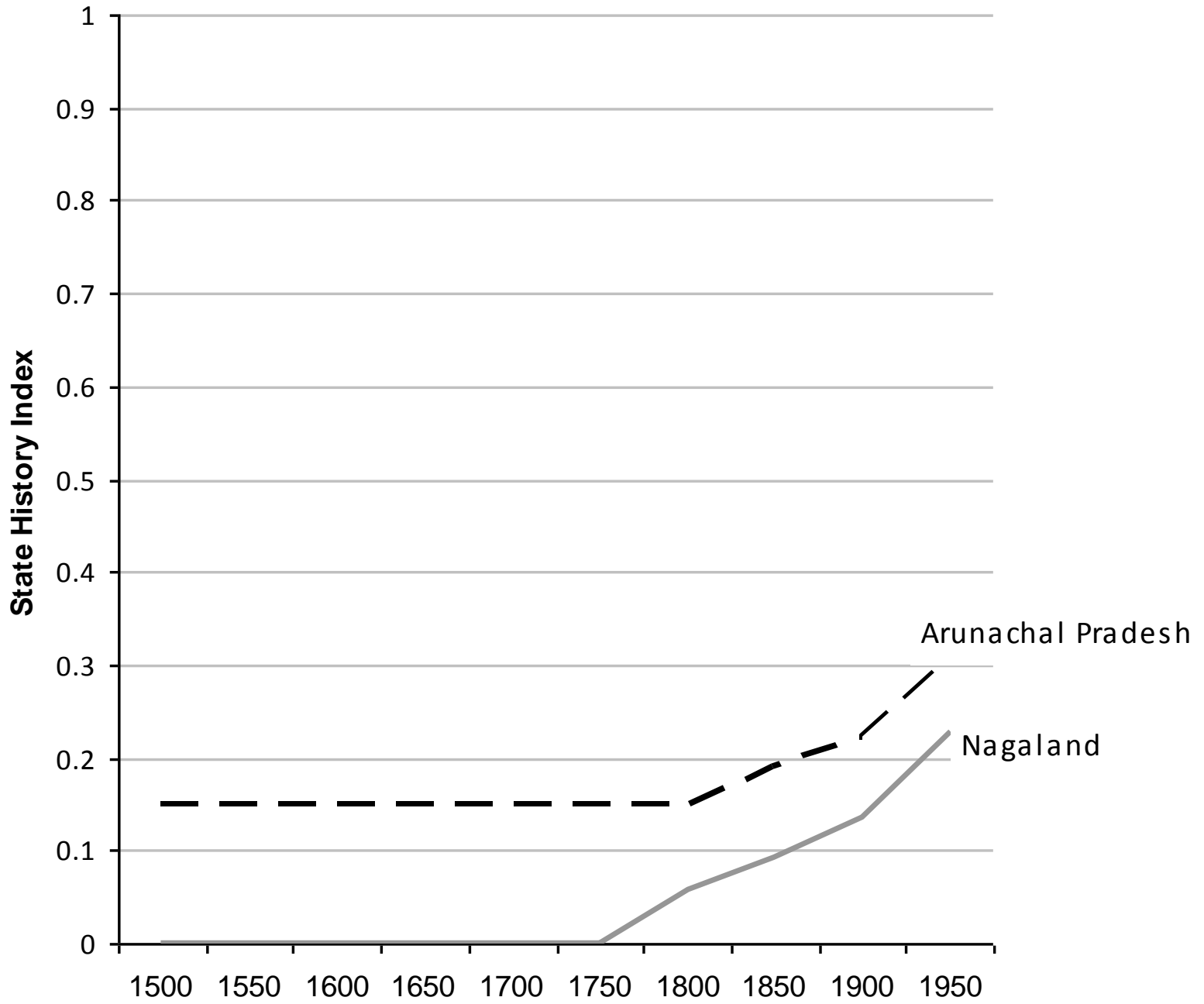
Andaman Sea

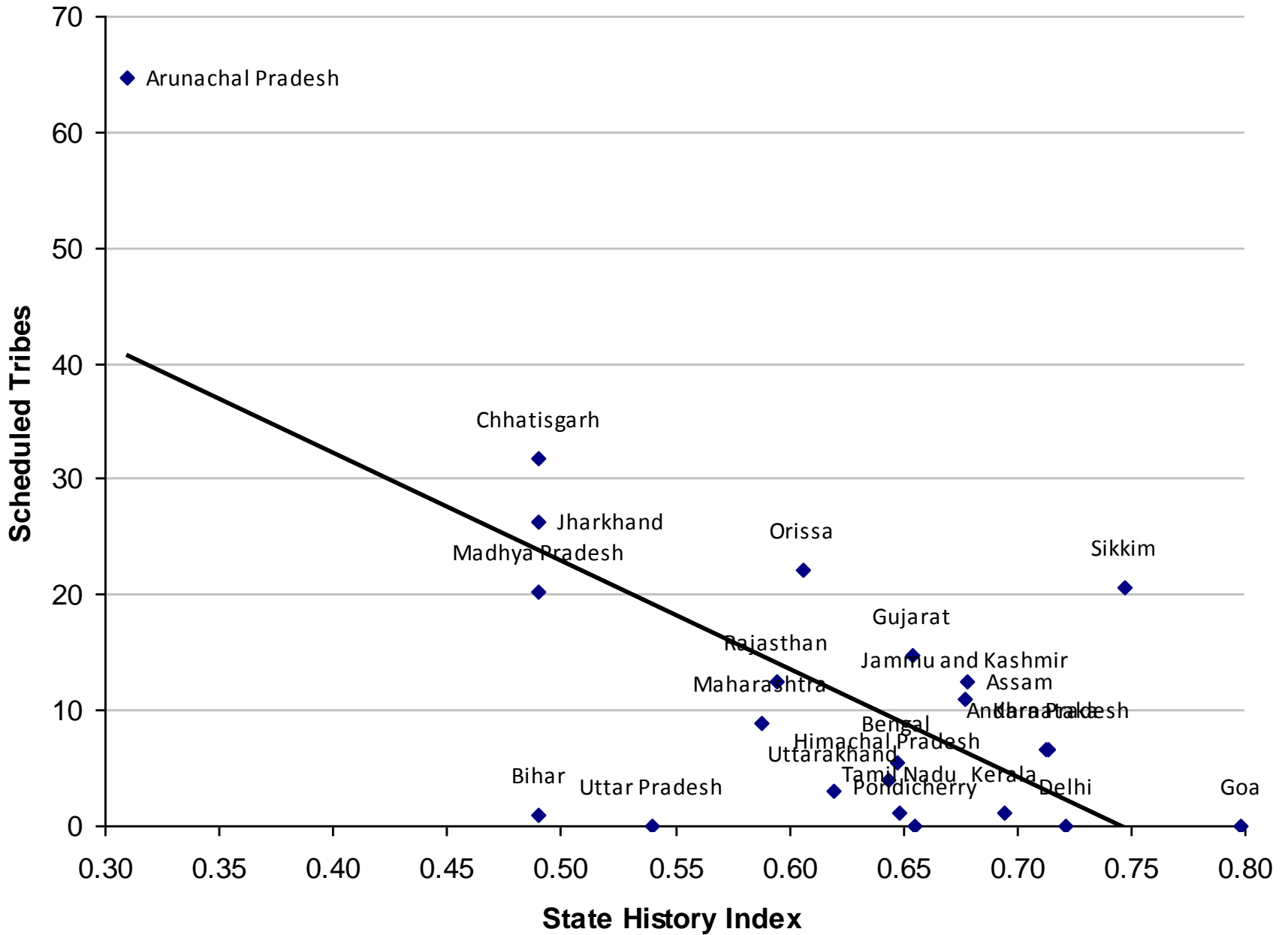




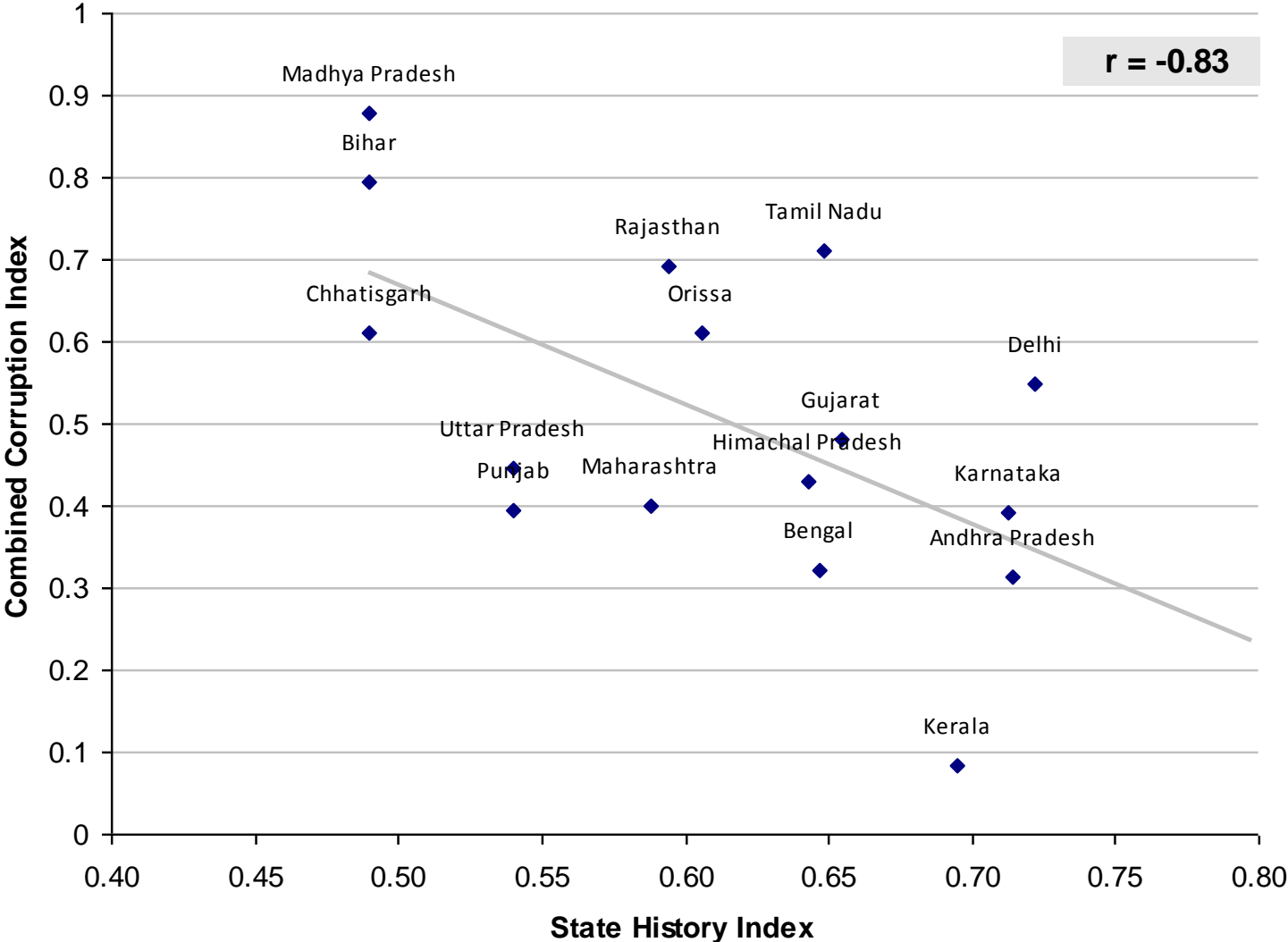








# State History and Surveyed Corruption





“A provincial governor needs to make three fortunes: one to recoup his election expenses, another to bribe the jury at his expected trial for misgovernment, and a third to live off thereafter” – widespread phrase in 1<sup>st</sup> century B.C. Rome (quoted in Mann, *A History of Power*)

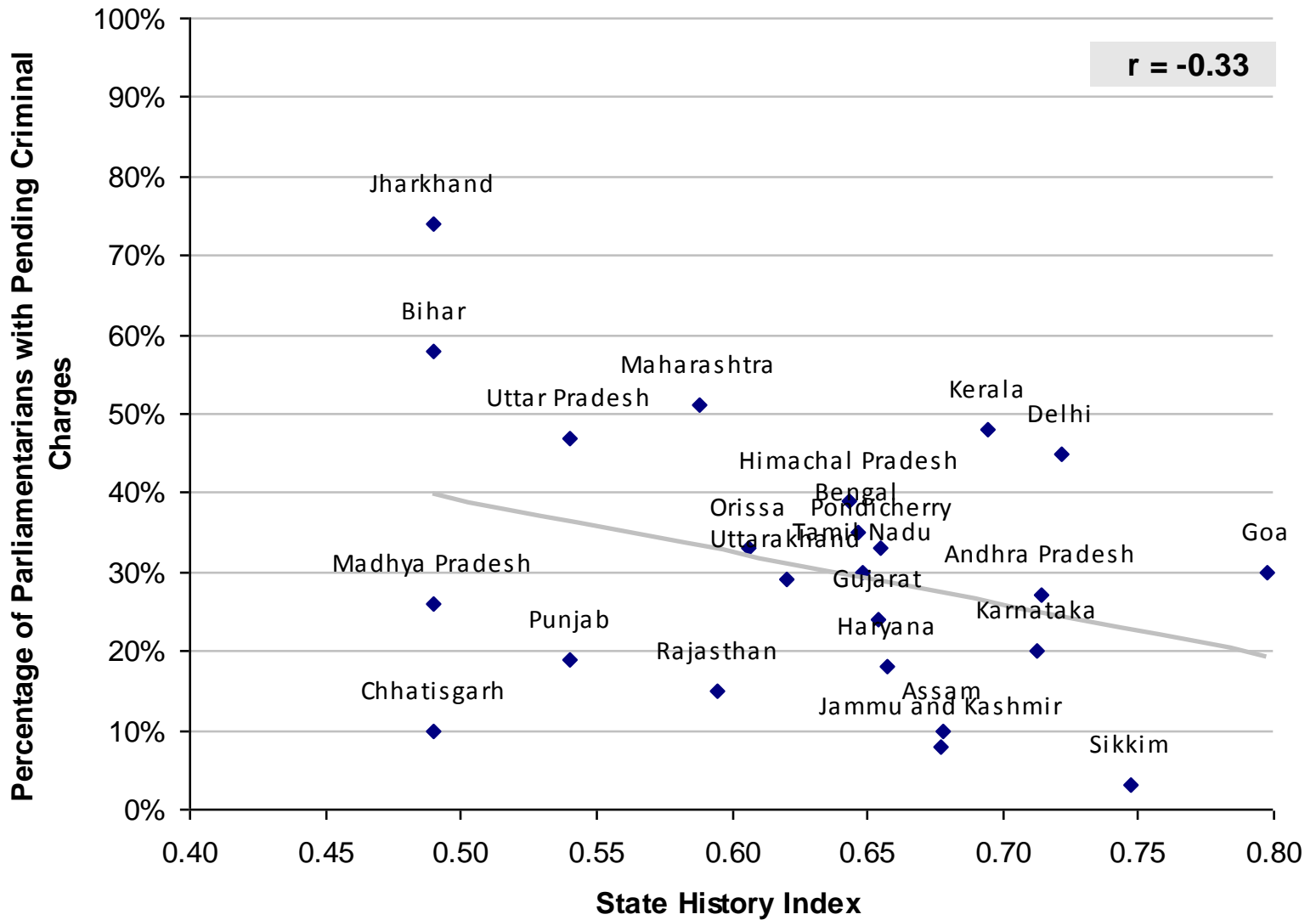
# Would you vote for this guy?

- 17 charges related to Attempted murder (IPC Section 307)
- 11 charges related to Murder (IPC Section 302)
- 4 charges related to Voluntarily causing hurt by dangerous weapons or means (IPC Section-324)
- 3 charges related to theft (IPC Section 379)
- 3 charges related to Voluntarily causing grievous hurt by dangerous weapons or means (IPC Section 326)
- 3 charges related to voluntarily causing grievous hurt (IPC Section 325)
- 2 charges related to extortion (IPC Section 384)
- 2 charges related to Theft in dwelling house, etc. (IPC Section 380)
- 1 charges related to dacoity (IPC Section 395)
- 1 charges related to culpable homicide not amounting to murder (I PC Section 304)
- 1 charges related to Kidnapping or abducting in order to murder (IPC Section 364)
- 1 charges related to Assaulting President, Governor, etc., with intent to compel or restrain the exercise of any lawful power (IPC Section 124)

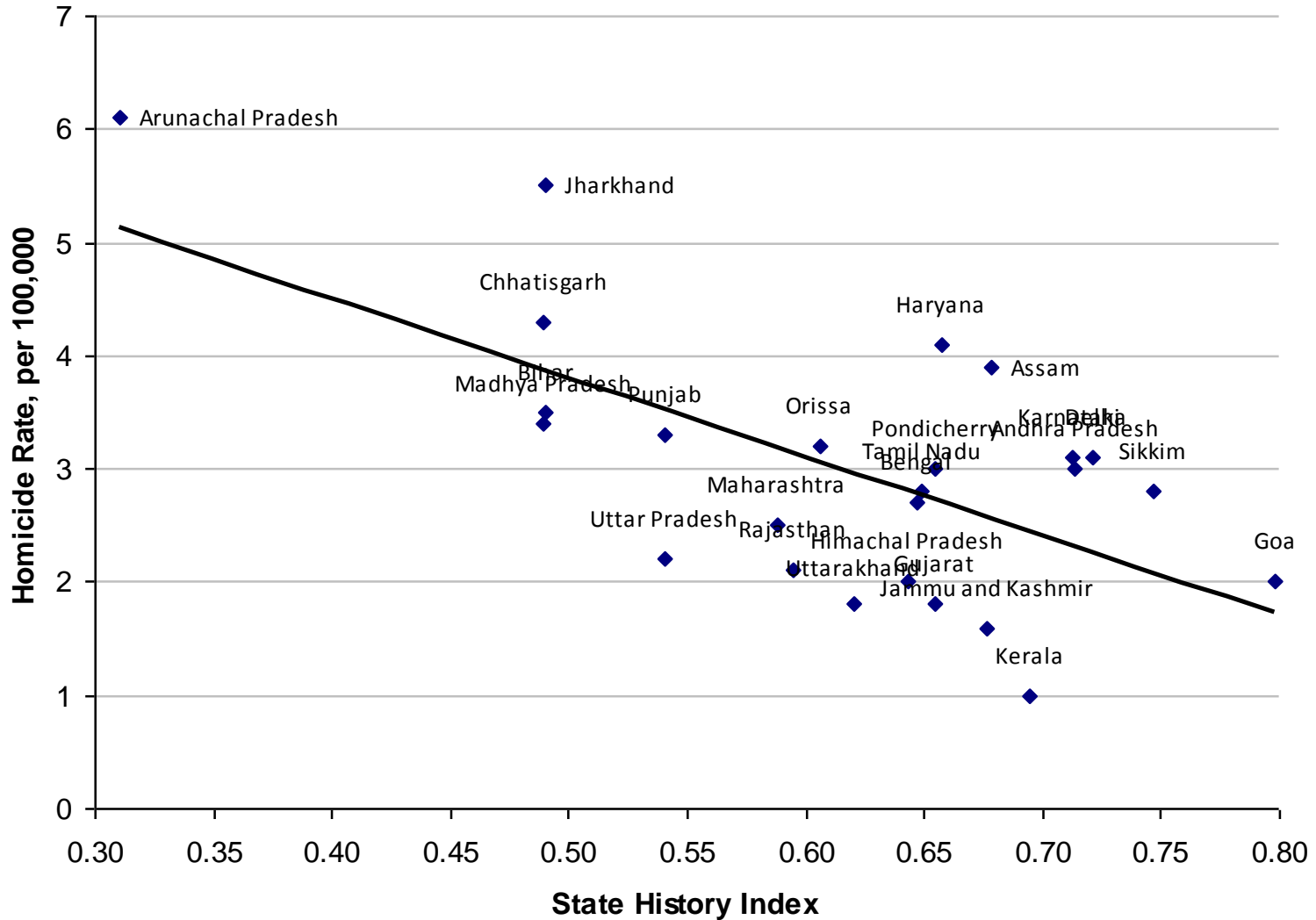


**Kameshwar Baitwa**

**Member of  
parliament for  
Palamau  
(Jharkhand)**



# State History and Homicide Rates





# Bureaucratic Responsiveness Tests

SO WHAT IF THE NEW LAW TELLS YOU CAN'T SHOW ME THE FILE NOTINGS, I AM GOING TO WRING THAT OUT OF YOU!!!



# Public Order Observational Data



Afghanistan

Pakistan

Nepal

Bhutan

Bangladesh

Burma

India

Thailand

Sri Lanka



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# State History and Slum Housing, 2010 (%)

