The Ignored Transition:
Post-Communist State Development

by
Anna Grzymala-Busse
and **Pauline Jones Luong**

Paper No. 02-02

March 2002

For useful comments on an earlier version of this paper, the authors would like to acknowledge Keith Darden, Grzegorz Ekiert, Venelin Ganev, Elizabeth Perry, Paul Pierson, Regina Smyth, Richard Snyder, Lucan Way, Erika Weinthal, and the participants of the Comparative Politics Seminar at Harvard University.

Contact:
Anna Grzymala-Busse and Pauline Jones Luong are Academy Scholars at the Harvard Academy for International and Area Studies, Weatherhead Center for International Affairs, and assistant professors in the Department of Political Science, Yale University.

anna.busse@yale.edu
pauline.luoung@yale.edu

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ABSTRACT

This study reconceptualizes theories of the state in light of post-communist developments. After the collapse of communist regimes across Eastern Europe and the former Soviet Union, scholars overlooked a central aspect of the transition: the need to reconstruct public authority, or state-building. Likewise, theorists of the state have largely ignored the post-communist challenge to existing theories of state capacity and development. Post-communist state development is characterized by the need to reconstruct public authority, or state-building. Two aspects of this process determine subsequent state trajectories: a) the representativeness of elite competition (that is, whether elites compete by representing constituencies, or in self-contained elite conflicts), and b) the mechanisms of elite competition (that is, whether it is channeled via formal institutions, or informal networks and ties.)

One of the more curious, and persistent, missed opportunities in comparative politics is a productive dialogue between scholars of post-communist transitions and of the state. In their analyses of the rapid transformations that followed the collapse of communist regimes after 1989, scholars of post-communism have focused on the "triple transition" from Soviet rule: the transformation of the polity, economy, and civil society. They emphasized the path-dependent nature of the transitions to democracy, the multiplicity of actors involved, and the complexity of causal processes. Given the contingent and self-reinforcing nature of the transitions, this was an appropriate and useful optic through which to view the collapse of one regime, and rise of its successors.[1] Yet, it has also led us to overlook an important common denominator across Eastern Europe and the former Soviet Union that is central to the transition—the need to reconstruct public authority, or state-building.

As increasingly clear and divergent trajectories began to emerge, analyses of post-communist political, economic, and social change largely left out the question of state structures, the rule of law, policymaking, and public administration.[2] Many scholars assumed that the state framework was similar to that found in many of the developed democracies of the West: a stable and largely unchallenged administrative network. The widespread assumption was rather that these states were *over-endowed* with state structures. A prevailing view of the communist state as a behemoth spurred appeals for reducing its size and scope—that is, for state dismantling rather than state-building.[3]

At the same time, theorists of the state have tended to ignore the dramatic changes in the post-communist state, and the ways in which it challenges the existing accounts of the state. Post-communist states are taking years, rather than centuries, to create the legal order, the centralized and impartial bureaucracy, and the networks of security, redistribution, and market

regulation that characterize the modern state. These processes are still unfolding, and have not reached a stable end-point. In contrast, much of the literature on the state has focused on the gradual and evolutionary development of state structures and functions (often as an unintended consequence of earlier elite and societal actions), and examines consolidated outcomes.

Thus, both scholars of the state and of post-communism have much to gain from a dialogue between these two approaches. The failure to engage one another also has led us to overlook major causal mechanisms and processes that have influenced the "triple transition" from communism, and the increasingly clear and divergent political and economic trajectories that have emerged. Synthesizing the insights from "transitology" with insights from the literature on the state not only raises previously unexplored questions, but also provides a new perspective on existing inquiries. Specifically, an emphasis on the initial contingency and contested nature of public authority, combined with an analysis of the *processes* of state formation, allows us to explain why and how these countries have embarked on these trajectories with varying degrees of success.[4] Our aim, therefore, is two-fold: to reassess and refine the literature on the state in light of the post-communist experience, and to shift the analytical focus of the study of post-communism from "transitology" to state formation.[5]

Above all, if the rich body of state-centered literature has shown us what the state *is* and what it *does*, the post-communist experience has much to tell us about how the state *becomes*—that is, how it comes into being and into action in the modern era. This process is: 1) rapid, taking place over decades rather than centuries, and as yet has not reached a stable outcome, 2) dominated as much by informal structures and practices as by formal institutions, which are used to varying degrees by both actors seeking to establish their authority and those seeking to resist this authority, and 3) influenced by unique international pressures, such as the pull of the

European Union and the demands of globalization. Given these unfolding processes of post-communist state building, an analysis that assumes a consolidated outcome—that is, the existence of a developed state—would be empirically misguided and theoretically misleading.

We propose instead to focus on *state formation as a competitive process of establishing authority over a given territory*. This process consists of individual or institutional actors who face different modes of competition (self-contained or representative) and employ different mechanisms to win this competition (formal or informal structures and practices). The various combinations of these modes and mechanisms produce different degrees of elite constraint and popular compliance, which, in turn, comprise distinct state-building trajectories—hegemonic, personalistic, democratic, and fractured. Focusing on process and trajectories not only enables us to explicitly acknowledge that there are several possible paths to building states and to explain why different states embark down different paths, but also illuminates why some result in consolidated states while others do not.[6]

Reconceptualizing the State in Light of Post-Communism

Since existing theories of the state have developed largely from the study of the West European experience, they share several key assumptions. First and foremost, most of the scholarship on the state begins with the premise that the object of analysis—the modern state—already exists as a relatively fixed and consolidated entity. In keeping with the emphasis on outcomes, many theories of state formation take as their analytical focus the consolidated structures of the state and then infer the processes that gradually led to these outcomes.[7] Similarly, theories concerned with how (and how well) the modern state functions—i.e., class, pluralist, and elitist—are based on a view of the state as an established entity. While they differ

markedly in their depiction of the state as either an instrument of the bourgeoisie (e.g. Karl Marx, Robert Jessop), a mediator between broad interests groups (e.g. S. M. Lipset, Robert Dahl), or a set of centralized, cohesive and autonomous decision-makers (e.g. Emile Durkheim, Franz Oppenheimer, Stephen Krasner, Theda Skocpol), they all share the assumption that there exists an identifiable set of actors and/or institutions that exert legitimate authority over a given territory.[8]

Second, this view of the state as an established actor often led to the assumption that it is also a unitary actor. While several scholars have begun to increasingly move away from this view,[9] the image of the state as a coherent and unitary actor pervaded the literature. For example, the use of "autonomy" and "capacity" to describe and evaluate the state presupposed a unitary, distinct, and intentioned actor. They suggested an anthropomorphic conceptualization of the state as a political agent that could deliberately formulate coherent goals, and would then act to implement its policy preferences subject to the thwarting or resistance of other (usually societal) actors. In the "statist" literature in particular, the state was frequently evaluated on the basis of its ability to make decisions autonomously from various social forces and its capacity to actually implement these decisions across the territory it governs.[10]

A closely related assumption in most analyses of the state is that a clear boundary or distinction between state and society exists—analytically, if not empirically. Theories of state formation, for example, argue that the chief ambition of state builders is to establish and/or maintain a clear boundary between what constitutes the state and what constitutes society, while theories of state function take for granted the existence of such a boundary.[11] In fact, the implicit assumption of a clear boundary between "the state" and "society" underlies functionalist (e.g.

Eric Nordlinger, Krasner, Skocpol) as well as constructivist (e.g. John Nettl) definitions of the state.

Finally, the analytical focus of the early state literature was on a common set of formal institutions that emerged over centuries, including constitutions, parliaments, and especially bureaucracies.[12] Such formal practices and structures consist of the official, written-down rules, contract enforcement, extraction and redistribution, and the designated organizations that serve and enforce these rules. Informal practices and structures, in contrast, occur outside of these channels. They are neither codified nor sanctioned officially, consisting instead of shared understandings rather than formal rules, personal agreements rather than legal contracts, or organizations without necessary legal recognition or legitimate power that can nonetheless serve as the basis for extracting and allocating resources.

While existing accounts do not completely ignore the role of informal structures or practices in state-building, they are chiefly concerned with the stable formal outcomes that eventually emerged. This is understandable since this literature developed to analyze state formation in Western Europe, which began with the elite extraction of resources from the populace for the sake of building armies to defend or expand their territory, and gradually evolved into the centralized state administrations and legal-rational bureaucracies we now view as characteristic of modern states. These formalized structures were often the only visible ones. Since centuries have passed, we know much more about the formal institutions than about any informal practices and structures that, in contrast, left little historical record. Given their analytical and empirical salience, it is not surprising that the differences among these formal mechanisms explained much of the variation in West European state outcomes.[13]

State formation in the post-communist world challenges many of these assumptions. First, the post-communist states are neither stable nor consolidated. Their state-building processes are ongoing and dynamic; although diverging trajectories are evident, they have not yet reached a stable end-point. Thus, the resulting states could become disengaged from society and its demands, evolve into patrimonial networks held together by personalistic rulers, or increasingly constrain themselves with legal-rational structures, popular sovereignty, and adherence to international standards. Moreover, even though the transitional period began a little over a decade ago, some of these states have already changed their outward form more than once. Several post-communist states, for example, have already changed course from emerging democratic republics to increasingly personalistic states (e.g. Belarus, Kazakhstan) or fractured states (e.g. Bosnia, Tajikistan), while others have moved in precisely the reverse direction (e.g. Slovakia, Serbia). As we argue below, initial elite goals and strategies can be either subverted or sustained by several key structural factors. Assuming these states have reached stable outcomes is therefore neither justified nor illuminating. Rather, a focus on the *processes* by which these states transform and develop can tell us much more about the nature of the post-communist state than employing static measurements of outcomes and causal factors.

Second, the post-communist state cannot be appropriately described—either analytically or empirically—as a unitary actor. Rather, post-communist state-building reinforces the more recent efforts to analytically disaggregate the state into sectors, capabilities, and actors.[14] It is characterized by multiple actors, both domestic and international, staking out claims to public authority. Oligarchs, political parties, and presidents on the one hand, and international financial institutions or regional trade associations on the other, all have access to the nascent state structures and exert considerable pressures on the processes of state formation. No one single

agent has uniform influence or authority across all state sectors. The post-communist state is thus best characterized as having multiple centers of authority-building, each with different sectoral capabilities and degrees of influence. Those actors, who control sectors that are economically significant, such as natural resources and manufacturing crucial to the country's exports, often wield considerably more influence than actors who control less vital sectors. Compare, for example, the weight of the emergent financial industrial groups (FIGs) versus the decaying Soviet military in Russia's political and economic development since 1991.[15]

The clear distinction between state and society, fundamental to existing theories of the state, is also challenged by the often blurred boundary between state and society in the post-communist context. On the one hand, an integral part of the communist state-building project was to develop a ruling apparatus that was clearly separate from and superior to society so as to establish and maintain a legal-rational order. On the other hand, communist leaders armed with the vision of creating a heroic-Leninist state purposefully blurred the distinction between state and society.[16] In either case, success was only partial; while Soviet leaders succeeded in obfuscating state-societal boundaries in the Soviet Union, they were unable to erase the pre-existing distinction between states and societies in most of Eastern Europe.[17] The result is a crucial difference in the degree to which a clear line of demarcation, real or perceived, can be said to exist between "the state" and "society" in the Soviet successor states versus their East European counterparts. Moreover, in contrast to Western Europe, where clear boundaries between state and society, or at least widespread perceptions that these boundaries existed, appeared gradually, not enough time has transpired for a clear distinction between "state" and "society" to emerge and consolidate.[18] We cannot assume, then, that there exists a set of state actors or organizations that are either clearly separate from social ones or even widely

recognized as such. Nor can we assume that these distinctions exist to the same degree across the post-communist context.

As a result, where this division remains ambiguous it is impossible to speak of "the state" as having either the autonomy or capacity to make or implement decisions, respectively. While the communist state can be said to have been autonomous in that society had little direct influence on policy decisions, it could also be described as fully captured in the sense that the communist party controlled, duplicated, and fused its structures.[19] Similarly, the post-communist state has been characterized simultaneously as entirely autonomous from societal demands and as wholly captured by social, economic, or international interests.[20] In the very same year, for example, the Russian Federation was described as a "disengaged" state based on its apparent indifference to social suffering during the transition, and Boris Yeltsin's administration was credited with winning the 1996 presidential elections due to its populist social spending.[21] This confusion suggests both that a unitary state agent may not exist, and that state action is neither centralized nor coherent. At the same time, the direct role that international actors are playing in the formation of formal political and economic institutions, combined with the pressures of globalization and technological advances, complicates the task of assigning an autonomous decision-making role to any domestic actor.

Finally, change is rapid, and characterized not by the development of formal institutions alone, but by the recombinance of the formal and the informal. In contrast to earlier West European states, post-communist state-building builds on existing formal state structures. In many cases, the starting point is not the absence of centralized administration, but the existence of an extensive and politicized state apparatus, which had both infrastructural and coercive power at its disposal for well over five decades.[22] The post-communist state also inherited an

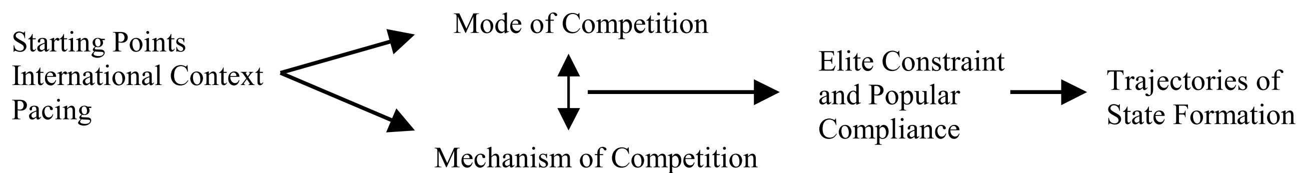
intricate and robust set of informal structures and practices utilized by political elites, factory managers, and ordinary citizens alike, which have survived the collapse of communism.[23]

Such rapid change has two effects. On the one hand, it privileges elite action, as we will see below. On the other hand, because of the increased complexity and informational lags that occur in rapid change, it makes both prediction and the disentangling of concurrent processes difficult. For example, regime transition and post-communist state building both occur simultaneously, and serve to reinforce one another. A formal definition can differentiate the two: regimes are the rules of decision-making, and the state is the structural framework through which these rules are made and enforced.[24] An empirical disentangling, however, is made much more difficult: not only do legacies of the prior state and regime persist, but as the rules of decision-making change and new actors enter the political arena (regime transition), so does the enforcement of these rules undergo change, decay, and contestation (state rebuilding). These changes in the state, in turn, permit some actors but not others to influence the rules of decision-making, creating a boot-strapping dynamic that some have characterized as "rebuilding the ship on the open sea."[25]

Thus, the post-communist state is now being hastily *rebuilt* in decades, not built anew over centuries. This project of state rebuilding is more akin to bricolage, than to building up the state brick by institutional brick. As a result, the preexisting set of state institutions and informal practices are as important as their formal counterparts. Recombinance of old and new, formal and informal, is a pervasive feature of the post-communist state-building experience. At the same time, the post-communist state is entering an international arena that is replete with other states as well as templates for statehood. Those making institutional choices thus face both greater time constraints and international scrutiny.

In sum, the post-communist experience both suggests the need and provides the opportunity for reconceptualizing state formation in order to refocus our comparative analysis. Rather than depicting states as static and consolidated outcomes or unitary actors and concentrating on the emergence of formal structures, we develop a dynamic model of state formation as *the competition among a set of individual or institutional actors to establish authority within a given territory*. We thus explicitly shift the focus away from explaining the formal outcomes of state-building to illuminating the distinct processes that lead to different trajectories of state formation. These processes are distinct because they vary depending on a given country's different starting points that—combined with the international context and the pace of state-building—serve as the main structural influence on elite agency. They produce different trajectories because they consist of particular interactions between the mode and mechanism of elite competition, which in turn, produce varying degrees of elite constraint and popular compliance. The causal links are sketched out in Figure 1 (below) and described in detail in the following sections.

Figure 1: Explaining State-Building Trajectories



Mode of Competition

If state-building is competition, the main actors competing can include a wide range of domestic individuals, groups, and organizations (e.g. Mafiosi, oligarchs, political and economic elites, traditional leaders, criminal syndicates, interest groups, social movements and political parties, economic and social networks), and international forces (including other states, international organizations, and military or economic alliances.) While any one of these competitors could win the struggle for authority, the likelihood of victory differs for each. Those individuals, groups, or organizations with initial access to economic, political, and/or ideational resources, for example, have a distinct advantage.

The *mode of competition* refers to the basis for these actors' involvement in the state-building process—that is, whether they are self-contained or representative elites. Self-contained elites compete exclusively amongst themselves to establish their authority, with little reference or appeal to outside groups or constituencies. Official representative institutions may exist, but as in the case of rubber-stamp parliaments, are either ignored or misused. Representative elites, in contrast, compete on behalf of a popular constituency in whose interest they seek to establish authority and do so, through institutionalized, functioning channels of representation. Thus, they are often recognized leaders of political parties and social movements or distinct tribes and ethnic groups, whereas self-contained elites have no explicit or organized social support base.

Under what conditions are these two different modes of competition likely to emerge? Te relevant starting point here is whether or not society was voluntarily organized into distinct and discernable groups prior to the initiation of the state-building process. Self-organized social interests offer a strong incentive for entrepreneurial elites to serve as their representatives because they can provide a ready-made basis for political support. This is not just a matter of

facilitating a given elite's rise to power by reducing the barriers to mobilization. The presence of explicitly organized social groups can also compel elites to recognize the fact that their own political success (and, consequently, the failure of their rivals) depends on winning (and maintaining) the favor of such groups. Thus, as Venelin Ganev suggests, popular mobilization can act as an effective check on elite behavior.[26] This is the case whether society is organized on the basis of economic interests and policy preferences or ethnic identities and kinship ties. Whether or not society is organized, in turn, is both indicative of and dependent on whether or not there exists a clear division between the state and society. Where this division exists, then, we should find both social mobilization and representative elites. Conversely, the more the boundary between state and society is blurred, the less likely is society to be organized on a voluntary basis and the more likely the elites are to be self-contained.

The pacing of state-building directly reinforces the significance of this starting point. As mentioned previously, the dynamics of state development can range from the gradual, evolutionary development of state institutions, to its rapid and radical transformation or imposition. The faster the tempo, the greater the role for direct, intentional elite involvement and, conversely, the lower the potential for public resistance to such projects. This is because rapid transformations entail information lags: there is simply not enough time to collect, transmit, absorb, and evaluate the "facts" about these changes as they occur. As a result, any potential societal mobilization both has less time to organize, and faces higher informational and cognitive barriers. Thus, whether or not society is already organized at the inception of state formation becomes all the more important in determining whether elites are self-contained or representative. In contrast, gradual state-building provides the opportunity for not one set of

elites but several different sets of elites over time to have an impact on this process, allowing resistance to mobilize and build up, and new competitors to enter as the process continues.

International actors can also reinforce elites' incentives toward self-contained versus representative competition by demanding the formal institutions of representation. For example, a central feature that distinguishes the post-Cold War context from other state-building experiences is the direct international pressure to democratize, which is often equated with a competitive party system and free and fair elections. Whether or not this pressure is effective, however, depends on the elites' perception both of the potential domestic response (i.e., the levels of potential societal support or resistance), and of the country's geo-political and economic interests, themselves a function of geography, natural resource endowments, economic structure, and security threats. At the same time, this pressure to democratize can encourage elites to build institutions, such as electoral rules and parliaments, that are formally democratic and yet consistently and deliberately undermined by informal practices.[27]

These structural differences are a powerful constraint on elite strategies, and can subvert or aid elite action. Self-contained elite competition is likely to be thwarted by a society that had mobilized previously to protest precisely this sort of disengagement. Conversely, there is little point in attempting to compete through representation where there exist neither channels of competition nor nascent constituencies. In conditions of rapid state-building, moreover, such channels and constituencies have insufficient time to develop. By demanding representative institutions, international actors can reinforce the existing domestic support for democratic competition, which is itself a function of prior societal organization. Yet, where no previous societal mobilization occurred, such international efforts are likely to fail. As some have argued,

moreover, they may even backfire by undermining popular support for further political liberalization where democratic institutions prove to be a mere façade.[28]

Mechanisms of Competition

The mechanisms of competition refer to the means that competing elites employ to establish their authority—most importantly, whether they rely primarily on formal or informal structures and practices. As mentioned above, mainstream theories have focused almost exclusively on the state as a set of formal institutions. In contrast, informal practices of decision-making, policy implementation, and resistance to formal structures are characterized by both their lack of official codification, and location outside of formal channels.

This is not to say that "formal" versus "informal" is the only possible distinction to make among the practices and structures used in elite competition. However, it is particularly appropriate given the universe of cases to which this model applies: that is, state (re)building efforts a) in the modern era and b) where there is no institutional *tabula rasa*. In these cases, the distinctions commonly used in other studies of transitions and institution-building are less useful. For example, the dichotomy between "structure" and "agency" often obscures the interaction between the two that lies at the heart of most political processes.[29] "Democratic" or "non-democratic" distinctions presuppose a teleology that is inappropriate given the unfolding nature of the state-building processes. Even simple "old" and "new" (or pre-transition and post-transition) classifications presuppose a historical break that cannot be taken for granted. In contrast, "formal" and "informal" allow us to distinguish between choices as elites often do: official channels versus informal networks.[30] Formal and informal mechanisms also coexist—elites who compete in regular elections, for example, can rely on personal networks to build

political support. Similarly, informal conventions serve alongside formal structures to enforce contracts and regulate economic exchange.[31]

The question, rather, is which of these two mechanisms *dominates* elite competition. When competing elites rely primarily on formal institutions, the result is a greater degree of procedural predictability. A set of explicit guidelines and/or regularized events (such as party congresses or elections), for example, will govern elite turnover and succession. Similarly, official channels and designated agents or organizations (such as local governments and tax agencies) will be utilized to implement policies as well as to extract and distribute the bulk of state resources.[32] In contrast, when competing elites rely primarily on informal institutions, elite turnover and succession will not occur at regularized intervals and unofficial channels and informal networks will serve as the primary mechanism for implementing policies and allocating resources.

The crucial starting point in determining whether formal or informal mechanisms dominate is the extent to which a centralized state apparatus exists prior to the inception of the state formation process. *Ceteris paribus*, the presence of central state institutions provides a powerful incentive for elites to attempt to establish their authority through these existing formal institutions, rather than to build new ones from scratch. This tendency is reinforced by the fact that the actors who dominate the state-building process are often the same elites who occupied pre-existing centers of power. The same logic can be applied to settings in which elites have disproportionate access to strong informal power structures, such as patronage networks.

The incentive to "colonize" pre-existing institutions (or power structures)—whether formal or informal—is also related to the pace of state-building. In short, the more rapid the process or more urgent the need is to establish authority, the more tempting it is for elites to

utilize institutions that are readily available. Elites simply do not have the luxury to invest in designing wholly new structures and practices, or to fully dismantle existing ones. To the extent that they create new institutions at all, they are more likely to engage in recombination of old with new, albeit to varying degrees, as a way to reduce the inherent risk involved in the wholesale replacement of pre-existing structures and practices. In contrast, the more gradual the state-building process, the more elites can afford to build anew and to experiment by introducing new institutional forms over time.

While the existence of a centralized state apparatus and the speed of the state-building process are crucial for understanding why competing elites will chose to rely on primarily formal structures to establish their authority, the international context has a profound effect on the *types* of formal institutions that these elites will actually construct.[33] The degree and form of international pressures on state-building projects can differ markedly—and, in fact, have differed markedly—across historical time periods. West European state-builders faced external pressures to build strong armies and to establish stable taxation systems.[34] In these earlier episodes of state-building, the international context reified existing state structures—security and economic alliances formed among states, but these coalitions assumed little life or legitimacy of their own, apart from their constituent states. Alliances, agreements, and conflicts occurred *among states* qua states, rather than with international organizations with no specific national mandate. There were no supranational, tightly linked, and coordinated agents that could adjudicate or direct state action. As a result, prior episodes of state building had to *react* to the international context, but not necessarily to *comply* with its demands.

In the post-Cold War period, in contrast, such organized, active, and supranational international agents are the norm.[35] State-builders have thus been subjected to direct pressure in

the form of international consultants, lending institutions (e.g. IMF, WB), and aid organizations (e.g. USAID, TACIS, and WNGOs), to craft particular political and economic institutions according to "international standards."[36] Thus, international influence has not only become more acute, it has had a profound effect on the very nature of state-building because it has changed the formal institutional requirements for becoming a full-fledged member of the international system. The emphasis is no longer on the ability to defend one's borders, which demands both military and extractive institutions, but on the ability to compete economically, which often mandates certain representative as well as market institutions—that is, institutions consistent with a democratic political system, a market economy, and free trade.

Nonetheless, countries facing the same degree and form of international pressure will not respond in identical ways. This is because a given country's starting points can modify the impact of international pressure. In the present international context, for example, countries that are well-endowed with natural resources, particularly oil and gas, face much different restrictions on participating in international trade than countries for whom economic growth depends on exporting manufactured goods. With a few notable exceptions (i.e. Iraq and Iran), the former has an open invitation to export its oil to Western markets and to join OPEC regardless of its regime type and economic policies, while the latter must adopt a specific set of representative and market institutions to be considered a viable trading partner with the West and to join regional trading blocs such as the European Union.

Thus, the mechanisms of elite competition are similarly constrained by "starting points." The existence of a centralized state apparatus encourages elites involved in state-building projects to rely on primarily formal structures —and since there is little time to create new institutions, to colonize these structures while recombining them with pre-existing informal

structures and practices. International influence, however, is concentrated on the *type* of formal structures that arise, and international agents have far fewer opportunities to formulate or implement strategies that would affect informal practices and structures.

Elite Constraint and Popular Compliance

The interaction between the modes and mechanisms of elite competition produces varying degrees of elite constraint and popular compliance; that is, the extent to which elite behavior is constrained vis-à-vis broader social forces and the level of "quasi-voluntary compliance" that can be achieved.[37] In turn, these combinations of compliance and constraint produce the four distinct paths of state development depicted in Table 1 below, illuminating how and why different state-building trajectories are likely to emerge.

Table 1: Possible State Trajectories

		MODE OF COMPETITION	
		Between Self-Contained Elites	Between Representative Elites
MECHANISM OF COMPETITION	Primarily Formal	I HEGEMONIC *LOW Compliance, LOW Constraint*	II DEMOCRATIC *HIGH Compliance, HIGH Constraint*
	Primarily Informal	III PERSONALISTIC *MED Compliance, LOW Constraint*	IV FRACTURED *LOW Compliance, MED Constraint*

The mode and mechanism of elite competition interact in two distinct ways. Where the mechanism of elite competition is primarily formal, popular compliance is a direct function of elite constraint. Formal institutions reduce uncertainty for both elites and the population: whether competition is self-contained or representative, both groups are relatively certain about each other's potential set of actions and reactions. Where the mechanism of elite competition is informal, however, the relationship between compliance and constraint is more complicated because greater uncertainty is introduced for both elites and the population. In informal and representative competition, elites are both more uncertain and more constrained than the population, whose support has to be sustained via informal means. In informal and self-contained competition, conversely, elites are both more certain and less constrained given the population's incentives for compliance.

When competition is self-contained and the primary means of establishing authority are formal (cell I), elites are virtually unrestrained by the population over which they seek to rule because there exists no other countervailing sources of authority.[38] Entrenched elites, therefore, can colonize formal institutions and subvert them, as necessary, to serve their own ends. In particular, they can utilize their control over the coercive and monitoring capacities of existing institutions as a tool to dominate other actors, groups, and organizations through coercion or disengagement, and to force acquiescence among the masses, but not to restrain themselves. Thus, elite constraint will be low. Without any guarantees—or even the expectation—that elites will enforce formal rules and procedures consistently, quasi-voluntary popular compliance will also be low—the population may be cowed into submission, but will not necessarily grant the state its support or legitimation. Lack of elite constraint thus directly breeds a lack of popular

compliance since the populace has no formal means by which to hold the elites accountable. The result is an unrestrained, "hegemonic," development of the state.

At the other end of the spectrum is a "democratic" (trans)formation of the state. This type of state emerges when competition is between representative elites who seek to establish their authority primarily through formal mechanisms (cell II), which fosters a high degree of both constraint and compliance. Under these circumstances, elites face multiple sources of restraint on their power: from other elites, from their own constituencies, and from the formal laws and institutions that emerge out of inter-elite competition. Formal institutions are used not to coerce, but rather, to reinforce restraints on elite behavior and to establish guarantees for losers.[39] Because elite actions are relatively transparent and codified—and thus accountable and predictable—populations willingly comply both because they can expect elites to provide public goods and hold them accountable when they do not.

A personalistic (cell III) trajectory occurs when, as in the first cell, self-contained elites compete, but in contrast to cell I, they seek to establish their authority primarily through *informal* mechanisms. As in hegemonic states, then, elites are only minimally constrained, and yet formal institutions cannot be effectively utilized to foster compliance, either through coercion (cell I), or through representation (cell II). Popular compliance is instead based on ideological affinities with elites, the distribution of resources through patronage networks, or informal privileges. While they maintain control over a steady flow of goods and services, self-contained elites can be confident of their position. Yet, in the absence of formal feedback channels or links with elites, the populace can neither constrain elite behavior nor expect to receive these goods and services without some level of compliance.

A fractured trajectory (cell IV) occurs when, as in the second cell, competition is between representative elites, but in contrast to cell II, the primary means of establishing authority are *informal*. Under these conditions, elites are restrained to a greater degree than in either hegemonic or personalistic states because of the countervailing forces created by inter-elite competition. Yet, without formal institutions to reinforce this restraint, provide feedback, establish guarantees for losing elites, and regulate popular compliance through incentives and sanctions, elites can neither guarantee that they "will keep their [own] bargains" or that their "constituents [keep] theirs."[40] Thus, elites are more constrained because they must satisfy their respective constituencies if they are to remain in power, but this does not produce concomitant popular compliance.

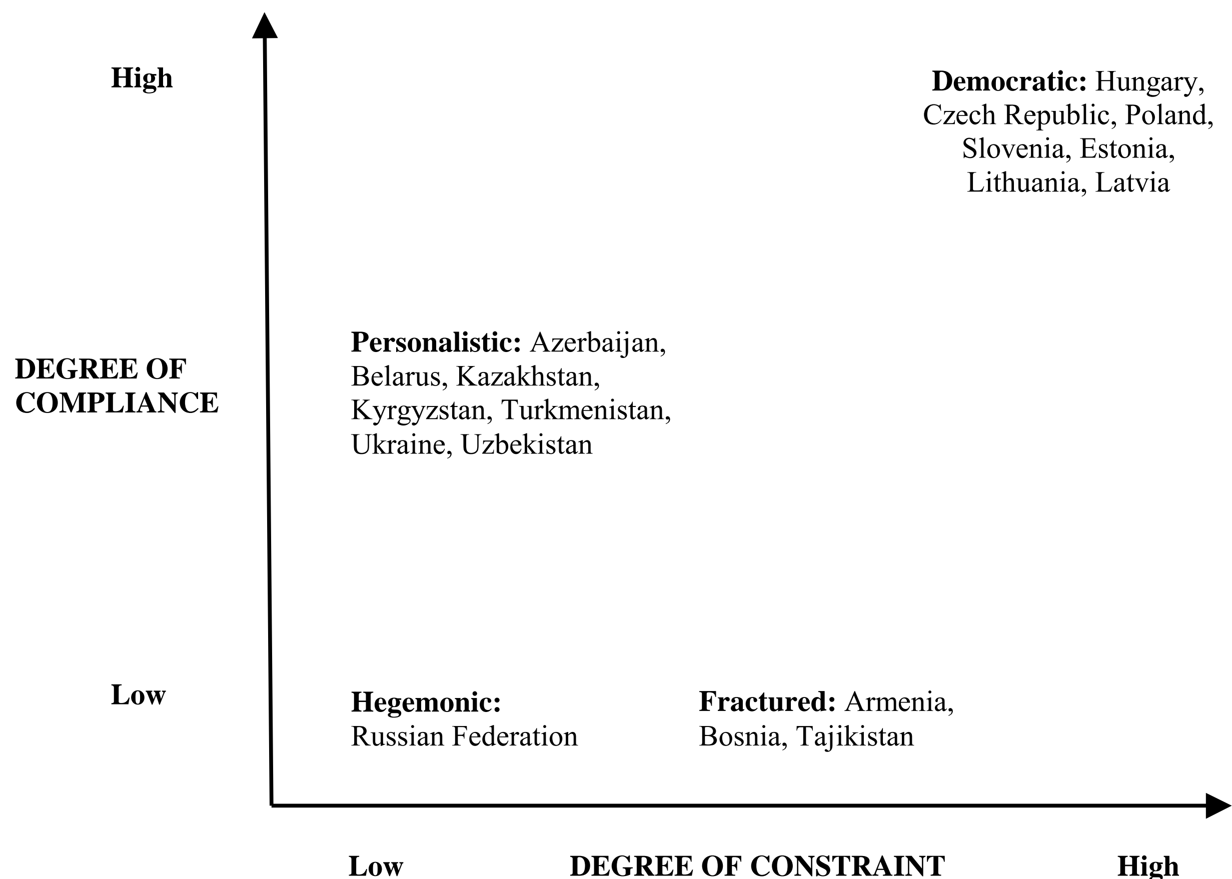
Post-Communist State Development

How, then, do empirical developments correspond to the model we present? At this juncture—approximately a decade after communism's collapse—the social, political, and economic developments in the post-communist world have crystallized into distinct state trajectories. [See Figure 2 on the following page.] Although the ultimate outcomes remain uncertain, it is clear that the institutional, economic, legal, and political frameworks in these countries are taking on distinct characteristics, grouped together by their patterns of elite constraint and popular compliance.

In the post-communist context, the new set of domestic leaders that arose from the transitions had considerable freedom to determine the scope, pace, and direction of state transformation. This in and of itself does not differ that much from the elite-dominated state building projects in Western Europe. However, given the rapidity of the transformation,

institution building became endogenous to the new elites, many of whom were themselves the product of pre-existing power structures. After the communist regimes collapsed, they deliberately and swiftly began to devise the very political and economic institutions through which they would then compete, govern, and conduct economic activity. While post-communist elites in each country competed because they shared a desire to establish their authority, they differed in the mode and mechanism of their competition.

Figure 2: Post-Communist State Trajectories, 2001



The mode of elite competition ranged from fully representative (e.g. Poland) to completely self-contained (e.g. Turkmenistan), depending on the degree to which a visible distinction existed between state and society, and how social interests were subsequently self-organized. Whether or not the communist state succeeded in blurring the distinction between state and society directly affected the opportunity for popular dissent and prospects for mass mobilization both during and after independence from Soviet rule. Societal mobilization, and the opposition to the communist project arose and was articulated in very different ways: from the mass popular mobilization of Solidarity in 1980-81 in Poland, to the committed, but miniscule, *samizdat* networks of dissident intellectuals in the RSFSR, to a largely quiescent society in the Central Asian republics.[41] In many East European countries, this resulted in proto-constituencies, ready to be tapped by a political entrepreneur, but ones that exacted representation in exchange for their support. Conversely, the new elites in many former Soviet republics developed fewer ties to particular constituencies.

These differences mirror the extent to which elite competition became representative or self-contained. We observe representative competition in those states where society had organized itself previously, and a clear line emerged between the communist party state and its subjects, including Hungary, Poland, the former Czechoslovakia, Slovenia, and the former Baltic republics. These countries have a common history of communist rule imposed on previously independent states, which fostered an antagonistic relationship between rulers and ruled, and thus served to reinforce this state-society division. Where the boundary between state and society was blurred under communism, and hence, former ruling elites did not face mobilized opposition, as in Russia and many of the other former Soviet republics, we find self-contained competition. The obscured division between "public" and private" also facilitated widespread (and unhindered)

elite extraction of formerly state-owned resources. Since everything belonged to "the people," and hence, was officially "public" property, after the Soviet Union collapsed nominally "public" officials easily usurped the assets under their jurisdiction for private gain.

International pressures further consolidated these patterns of domestic elite competition. Where strong incentives existed to follow international standards of political contestation in preparation for joining international alliances, such as the European Union, elites faced additional pressures to engage in representative competition. The result was not only the adoption of West-European style parliamentarism as part of the "return to Europe," but also wholesale adoption of detailed laws. For example, East Central European candidates for membership in the European Union (EU) have been adopting the *acquis communautaire*, the legal framework of the EU, in an almost automatic fashion. Where these incentives are weak, as in the former (non-Baltic) Soviet republics, elites can more readily self-contain their competition with little fear of relevant sanctions or hope of potential benefits. For example, the knowledge that Russia will never be allowed to join NATO or the EU enfeebles the demands of these two organizations that Russia democratize further. At the same time, the Commonwealth of Independent State (CIS) and the Association of South East Asian Nations (ASEAN) impose no such requirements on the former Soviet and Central Asian states, respectively.

The mechanism of elite competition also varies across post-communist states. Formal and informal practices of state-building do not simply reflect the difference between democratic and communist institutions, as illustrated in Table 2 below. Both "old" and "new" formal and informal practices coexist in the post-communist context and play an important role in rebuilding these states. Rather, the degree to which formal versus informal practices dominate the state-

building process depends on the extent to which a centralized state apparatus existed under communism.

Table 2: Examples of the Practices and Structures of State-Building

	OLD	NEW
FORMAL	The military Bureaucracy Regional government	Taxation Property rights Representation
INFORMAL	Official rent-seeking Social networks Anti-corruption drives	Mafia Ethnic mobilization Krisha

Where elites inherited the central state institutions that previously governed their respective communist states, as in the Russian Federation and several Eastern Europe states (e.g. Poland, Hungary, and the Czech Republic), they had a much greater incentive (and opportunity) to establish their authority through these formal structures. Thus, in the Russian Federation's first few years of independence, Boris Yeltsin launched two major political struggles—one to win the presidency, and the other to dominate the parliament. Moreover, the more formal and relatively independent state institutions flourished—particularly during the last decade of communist rule—the more attractive they became as a means to re-establish public authority. The fact that the hegemony of the communist party vis-à-vis the government began to erode in the 1970s and 1980s in Poland and in Hungary, for example, made using the existing bureaucracy an appealing strategy after 1989.[42]

For these states, the international context could have an important influence on both the design of new formal institutions, and the exact form of these institutions. Across the post-communist world, the most direct pressure is to build economic institutions conducive to markets and free trade. Yet, in this era of globalization, the influence of international pressures varies by the desire and need to become a reliable Western trading partner. It is thus stronger in East Central Europe, where manufacturing and service sectors are increasingly dominating the domestic economy, than in the energy-rich states of the former Soviet Union.

As noted above, informal structures were a pervasive feature of communism. Yet, they varied in form and scope across the post-communist states: from the social and economic networks based on barter between enterprises and individuals in East Central Europe and Russia to more traditional patronage networks in Central Asia and the Caucasus.[43] In the former, they served primarily as a means of surviving both the political excesses and economic shortages of communism, and thus were more useful tools for resisting than establishing authority. In the latter, however, they came to define the political and economic system itself. Strong patronage networks developed under Soviet rule thus served as the basis for re-establishing public authority in several Central Asian states, and ultimately, allowed authoritarian regimes to consolidate power in Kyrgyzstan, Kazakhstan, Uzbekistan, and Turkmenistan.[44]

The rapid pace of the transition throughout the post-communist states has reinforced these tendencies toward formal versus informal mechanisms of competition. It also has encouraged the common practice of recombining old and new institutions, so that they not only continue to co-exist with formal and informal structures and practices, but also are often intertwined. Recombinance refers to the simultaneous dismantling and rebuilding of state institutions. While analytically distinct, these two mechanisms often become blurred in practice.

In some cases, new institutional forms substitute for old ones. The state administrative sectors associated with economic planning, for example, were eliminated after communist regimes collapsed. Instead, ministries of privatization, trade, and new central banks assumed the responsibility for regulating economic exchanges. In other cases, old institutions remain alongside new ones, supplementing their function. For example, in the initial stages of the transition new laws and regulations were often "sewn on" to the old communist constitutions, as occurred in Poland and Hungary. Finally, some old institutions were "transplanted" into new settings and functions. Islam Karimov's government in Uzbekistan, for example, co-opted the old village soviets to form *mahalla* committees, which continue to serve many of the former soviets' functions as well as some new administrative and more traditional ones.[45]

Recombinance is the product of both deliberate elite action—their reliance on primarily formal or informal institutions to establish their authority—and attempts to resist their authority.[46] Where the project of state building has left gaps or overlaps in the administrative and legal frameworks, recombinance can most easily benefit those who wield the new resources of the state. Elites in positions of power, for example, are as likely to use informal practices of surveillance, ostracism, and theft, to subvert the intent of formal structures. Political elites can then pick and choose, using the law as a weapon to eliminate inconvenient political challenges and opponents.[47] The recombinance of coercive resources from the old state has reached its acme (or its nadir, depending on one's perspective) in Ukraine, where President Kuchma utilizes the existing networks of surveillance and coercion to consolidate his hold on power.[48] At the same time, Lucan Way provides compelling evidence that informal practices at the local level in Ukraine have undermined both the ability of the formalized structures of fiscal administration to function effectively and efforts to reform them.[49]

The various combinations of modes and mechanisms of competition resulted in the different configurations of compliance and constraint discussed earlier, and thus, distinct state-building trajectories. Where both a prior state-society distinction and a centralized state administration existed, representative and formal competition have produced the democratic states of the Czech Republic, Hungary, Estonia, Latvia, Lithuania, Poland, and Slovenia. Elites are highly constrained, and popular compliance with formal institutions is also relatively high. These states have also had among the most stable trajectories. Faced with both competition among several sets of elites, including anti-communist opposition elites with popular backing and international recognition, and an organized society that could exert considerable pressure, via strikes, elections, and media campaigns, elites were duly restrained from engaging in self-contained competition or circumventing formal institutions. This, in turn, encouraged a high degree of popular compliance. The virtuous cycle was reinforced by the emergence of well-developed party systems to monitor elites, and the consolidation of formal institutions to monitor popular compliance.

Where a centralized state administration existed but a state-society distinction did not, self-contained elites used formal means to establish their authority. A hegemonic trajectory emerged, as in Russia. Elites colonized pre-existing formal structures, using them to freely plunder public coffers and to consolidate their political and economic gains, while relying on informal networks and personal connections as the basis for national policy. Unrestrained elite behavior fostered a low degree of popular compliance, as societal actors retreated into passive disregard for the rule of law and formal administrative structures. Consider, for example, the abysmally low level of tax compliance that Russia has been able to achieve by relying on informal elite bargains to extract revenue, as compared to Poland.[50] Here, instead, a vicious cycle

could ensue, as elites became increasingly disengaged from society and societal organization remained nascent at best.

Blurred state-society distinctions and the absence of a centralized state administration fostered the self-contained and informal competition that we see in the personalistic states of Albania, Belarus, Ukraine, and across Central Asia. Ties based on strong personal, ethnic, or traditional affiliations have promoted some quasi-voluntary popular compliance, via patronage and special privileges. Elite actions, however, have been left largely unconstrained due to either an unorganized society or highly underdeveloped social organizations. In contrast to democratic and hegemonic states, these countries have followed the most unstable paths of development. As illustrated in Table 3, most personalistic states initially seemed to be moving toward democratic ones. Yet, these initial state-building strategies clearly felt the weight of historical starting points: in Belarus, Kyrgyzstan, Kazakhstan, for example, the early promise of representative competition was voided by the lack of societal organization and formal institutions that would serve to hold elites accountable.

Table 3: Dynamic Post-Communist State Trajectories

Post-Communist State	Trajectory since Independence
Belarus	Democratic, 1991-94 ➔ Personalistic, 1994-
Kyrgyzstan	Democratic, 1991-95 ➔ Personalistic, 1995-
Kazakhstan	Democratic, 1991-95 ➔ Personalistic, 1995-
Russian Federation	Democratic, 1991-93 ➔ Hegemonic, 1993-
Serbia	Fractured, 1991-93 ➔ Personalistic, 1993-00 ➔ Democratic, 2000-
Slovakia	Democratic, 1991-94 ➔ Personalistic, 1994-98 ➔ Democratic, 1998-
Tajikistan	Democratic, 1991-92 ➔ Fractured, 1992-

Finally, competition among representative elites via informal means emerged where prior state-society distinctions existed but a centralized state apparatus did not. In such fractured states, elites are somewhat constrained by competition. Even Serbia's first president, Slobodan Milosevic, was loath to shut down democratic institutions entirely, preferring to rule by parliamentary domination and executive fiat. In Tajikistan, elites have also been moderately constrained by the need to maintain support among regionally-based constituencies throughout the civil war. And the first democratically-elected president of Armenia was forced out of office by proposing to negotiate a very unpopular truce with Azerbaijan. However, popular compliance is low and at best passive.

While the trajectories of several states have been fairly stable, most have shifted at least twice in accordance with the changes in the modes and mechanisms of competition. (See Table 3.) For example, the Russian Federation has become increasingly hegemonic under President Vladimir Putin, who has steadily reversed the democratic reforms achieved in the early years' of Boris Yeltsin's administration.[51] Moreover, as Regina Smyth's work on elections in Russia clearly demonstrates, he has done so by deliberately strengthening formal institutions.[52] Slovakia was transformed from an emerging democratic state into an increasingly personalistic one under Vladimír Mečiar's rule and his elimination of political opponents. The resurgence of mass mobilization, however, eventually brought down his regime. Similarly, personalistic states can become more hegemonic with a shift from informal to formal institutions as the primary means of establishing authority. This appears increasingly likely to occur in Belarus, for example, as Alexander Lukashenko, who launched (and won) a personalistic campaign for the presidency in 1994 (winning again, to no one's surprise, in September 2001), routinely takes over and converts formal laws and institutions to augment his authority and coerce popular compliance. Movement

from fractured to democratic trajectories is also possible: with popular mobilization and the opening up of elite competition, representative elites can rise to the fore and nurture greater constraint and compliance. Serbia's experience since the presidential elections in the fall of 2000 most closely approximates such a shift in direction. Similarly, both Bulgaria and Romania moved from informal competition among vaguely representative elites, to an increasingly democratic one after the initial years of the transition, as society mobilized and formal representative institutions arose in response to EU and NATO pressures.

Conclusion: Implications for the Study of the State and Post-Communism

The dynamic model of state formation we develop above is the product of the rich literature on the state and the post-communist experience. On the one hand, a close examination of the distinctiveness of post-communist state formation suggests a limited application of existing theories of state development, which are largely based on the West European experience, and hence, predicated on analyzing gradual change and static outcomes. Refocusing on state trajectories rather than outcomes and reconceptualizing state formation as a competitive process in light of post-communism thus provides a more portable theory of state formation for comparative analysis. On the other, shifting the analytical focus of post-communism to the common need to reconstruct public authority, or state-building, both raises previously unexplored issues and recasts several existing inquiries, while providing additional leverage to explore both. As such, our model has several implications for the both the study of the state and of post-communism.

Toward an Alternative Theory of State Formation

Our key point of departure from existing theory is that we define the state not in terms of what it is or what it does, but rather, what it is likely to become, and emphasize the *process* by which it comes into being and into action rather than the final *outcome*. Because state formation is viewed as a competitive process in which the competition to become the preeminent rule-making organization has no ex ante "winner," no single actor or entity is presumed to represent either "the state" or "society." Instead, the emphasis is on exploring the struggle between multiple sets of individual or institutional actors to establish their authority through various means (i.e. the mechanism of competition). Our re-conceptualization thus promotes a more nuanced view of the relationship between elites and social forces and how it evolves. Its dynamic aspects provide insight into how what we commonly term "the state" and "society" come to either be distinguished from one another or intentionally blurred. State formation is a competitive process among elites, who may or not be aligned with certain constituencies; whether or not they are representing some set of social forces (i.e. the mode of competition), in turn, directly influences the degree of constraint they will confront and the level of quasi-voluntary compliance they can achieve.

This emphasis on process rather than outcomes is not only more appropriate for analyzing state formation in the post-communist context, but also throughout the developing world where we often find unconsolidated states. Unlike existing theories, it discourages us from making the often erroneous assumption that a state exists and acts—and hence speaking of varying degrees of state autonomy and capacity across countries—and instead, encourages us to empirically evaluate the presence, scope, and functions of state structures and practices. Furthermore, it enables us to view actors and institutions as parts of the emerging state, and to

evaluate each of these parts rather than the whole. Such an approach thus reflects attempts to align our understanding of how the political world functions with the methods we use to study it, to inelegantly paraphrase Peter Hall.[53] It enables us to investigate the ways in which the state arises and functions, rather than examining what may falsely appear to be stable outcomes, and reading processes back into them. Thus, re-conceptualizing the state as a "competitive process" promotes recognition of the multiplicity of possible state trajectories, and discourages selecting on the dependent variable by only examining the consolidated outcomes.

Such an approach may have analytical costs, since we can only predict trajectories and not full-fledged outcomes. Yet, it also has clear benefits. First, an analysis of trajectories provides important insights into the dynamic nature of state formation across time and space. Elucidating the process that leads to different state-building trajectories provides an opportunity not only to explicitly acknowledge that there are several possible pathways to building states, but also to explain why some result in consolidated states and others do not. Where outcomes do consolidate, there will be a full account of: 1) which paths were not taken and why, 2) which paths were taken that failed, and 3) which paths were taken that succeeded, or led to modern democratic states.

Second, the key features of these different trajectories that our model highlights—elite constraint and popular compliance—also offer an alternative framework for evaluating the state. In short, they are more conducive to capturing a dynamic process with multiple agents involved. The link from the various combinations of the mode and mechanism of elites competition to constraint and compliance in our model illuminates how and to what extent public authority is established, as well as the process by which the boundaries between state and society takes shape. Thus, it explicitly takes into account the interaction between elites and social forces, or

between those who seek to rule and those over whom they rule, and thus, assigns an equally important role to both.

Third, a simultaneous focus on the dynamic nature of state-building trajectories and the pivotal role of elite constraint and popular compliance provides insights into why some trajectories are likely to be more stable than others. Because state collapse is so rare in the modern international system, the relevant question is not the longevity of states per se, but why certain *types* of states manage to survive.[54] Our analysis suggests that the keys to stability in this regard are corresponding levels of compliance and constraint. We can hypothesize that the state trajectories that we identify at both ends of the spectrum—hegemonic and democratic—are more likely to be stable than either personalistic or fragmented ones, because they create a self-enforcing equilibrium**.** In other words, given the strategies of the other actors involved, neither elites nor the population can do better by switching their strategies. Both prefer to mirror the others' strategy: both receive the higher payoff either if elites are not constrained or the population does not comply *or* if the elites are constrained and the population complies. In either case, this becomes self-enforcing: in the former; neither side can effectively monitor the other's behavior, and so, has no incentive to change; in the latter, elites are constrained through linkages to their constituencies, and their constituencies comply so that elites have an incentive to remain constrained.

Stability, however, is not just a matter of strategic action. It also depends on the basis for legitimation—that is, how different actors with different state-building projects legitimate their rule. This is a crucial component of both the state-building process and the eventual consolidation of states, and yet, is often overlooked.[55] Modern democratic states are often perceived to be more stable because they enjoy a greater degree of legitimacy. This legitimacy,

based on a simultaneously high degree of elite constraint and popular compliance—can be very costly to build and maintain,[56] requiring the establishment of a set of formal structures.[57] These formal structures, however, can quickly lose their efficacy if they are not supported by informal practices. Thus, state-building trajectories may initially converge around "democratic" ones, as they did in the post-communist world, but may quickly change course once informal practices depart from and take precedence over these formal structures.

Creating and maintaining formal mechanisms to enforce mutual guarantees between elites and the population requires a high level of sustained effort as well as organizational and financial resources. Thus, it may also require a certain level of economic development and growth. Conversely, hegemonic and personalistic states, which *by definition* are governed by some form of authoritarian or hybrid regime, build legitimacy at least in part through special privileges and traditional loyalty that are not tied directly to economic performance. [58] Their survival is thus not wholly contingent on one or the other.

This, in turn, suggests an alternative explanation for the recent empirical finding that poor democracies are more fragile than developed ones and democracies are generally more vulnerable to economic crisis than dictatorships.[59] Put simply, poorer states lack the capacity to enforce the rules that democratic regimes make and thus can neither credibly guarantee constraint nor compliance, which gives both elites and the population incentives to defect.[60] Dictatorships, in contrast, can rely on informal mechanisms, such as the aforementioned privileges and loyalty, to sustain themselves in times of crisis. In other words, regimes must be undergirded by state institutions—formal and informal—if they are to survive. The two can thus serve to mutually reinforce or undermine one another.[61]

Toward a New Framework for Post-Communism

Our model of state formation also provides a new analytical framework for post-communism that moves us appropriately beyond the focus on the "triple transition" from Soviet rule to incorporate the need to reconstruct public authority.

First of all, it captures and illuminates several unique features of post-communism that have not yet received sufficient attention. For example, by focusing on the means used to build the state, rather than on its autonomy or capacity, we can better distinguish the roots of the considerable variation in democratic legitimacy, the rule of law, administrative efficiency, and levels of corruption across the region. By the same token, we can now focus on the recombinance of old and new, formal and informal, practices in an area thought to be dominated by formal administrative structures. Such recombinance has not only dominated the political and economic transition, but also is the linchpin of reconstructing public authority. The conflict between formal and informal institutions in specific sectors, and the constant piling on of one set of laws on top of another also helps to explain the legal and administrative incoherence we see in so many of these states.

At the same time, this model of state formation contributes to our broader understanding of why different states have such distinct *sectoral* capacities: for example, due to their respective historical inheritances, the military exercised a great deal of political autonomy in many Latin American states but was subordinate to civilian leaders in the communist states. This may not only shed light on the virtual absence of violence surrounding the collapse of communism, but also illuminate the distinct patterns of civil-military relations that followed the breakdown of authoritarian regimes in the former versus the latter.[62]

Secondly, it recasts several questions that have already been asked and raises new ones. These include why so many of the post-communist legal frameworks are incoherent, why there is such a wide variation in social service provision, and why the effective enforcement of contracts and property rights is so problematic. It also sheds new light on broader questions of corruption, intra-regional differences in political and economic liberalization between East Central Europe and the former Soviet Union, and the variation in compliance with international directives.

Finally, this new approach provides analytical leverage for examining the clear and distinct trajectories that have emerged across post-communist states. A shift in analytical focus to the process and trajectories of state formation encourages a more multi-dimensional approach to the study of post-communism than a focus on the formal institutions of political and economic reform. As the argument above elaborates, by this we do not mean a wholesale importation of concepts and hypotheses developed for historically- and institutionally- distinct contexts. Rather, we urge a new focus on the processes by which self-contained or representative elites compete to establish their authority and seek to legitimate this authority, through both formal institutions and informal practices, and in a global environment replete with international economic and political standards and intense pressures to conform to these standards.

Notes

[1] See, for example, Bunce, Valerie and Maria Csanadi. 1993. Uncertainty in the Transition: Post-Communism in Hungary. *East European Politics and Societies* 7: 240-275, Comisso, Ellen. "Where Have We Been and Where are We Going," in W. Crotty, ed. *Political Science: Looking to the Future.* Evanston, IL: NWU Press, 1991: 77-122. Ekiert, Grzegorz. 1991, Democratization Processes in East Central Europe: A Theoretical Reconsideration. *British Journal of Political Science* 21 (July): 285-313, and McFaul, Michael and Sergei Markov. 1993. *The Troubled Birth of Russian Democracy: Parties, Personalities, and Programs*. Stanford, CA: Hoover Institution Press, Stanford University.

[2] There were, of course, exceptions to this rule. See, for example, Cirtautas, Arista Maria. 1995. The Post-Leninist State: A Conceptual and Empirical Examination. *Communist and Post-Communist Studies*, 28: 379-92, Holmes, Steven. 1997. What Russia Teaches us Now: How Weak States Threaten Freedom. *The American Prospect* 33 (July-August): 30-39, and Elster, Jon, Claus Offe, and Ulrich K. Preuss. 1998. *Institutional Design in Post-communist States: Rebuilding the Ship at Sea*. New York, NY: Cambridge University Press.

[3] See, for example, Shleifer, Andrei and Robert W. Vishny. 1998. The Grabbing Hand: Government Pathologies and their Cures. Cambridge, MA and London, UK: Harvard University Press. Additional example can be found in: Holmes, Stephen. 1996. Cultural Legacies or State Collapse?: Probing the Postcommunist Dilemma. In Mandelbaum, Michael. Editor. *Postcommunism: Four Perspectives*. New York, NY: Council on Foreign Relations.

[4] Thus, this analysis parallels, and owes a conceptual debt to Peter Hall's "Aligning Ontology with Epistemology," manuscript, Harvard University, 2001.

[5] As will become clear below, our goal here is not to divorce the study of regime transition from state formation, but rather, to integrate them so as to better understand how they relate to one another. Other studies that fuse the study of state formation and the transition in the post-communist context include Bunce, Valerie. 1999. *Subversive Institutions: The Design and the Destruction of Socialism and the State*. New York, NY: Cambridge University Press, and Weinthal, Erika. Forthcoming. *State Making and Environmental Cooperation: Linking Domestic and International Politics in Central Asia*. Cambridge, MA: MIT Press.

[6] On the problem of only studying the "survivors" or "victors" of state-building, see Tilly, Charles 1990. *Coercion, Capital, and European States, AD 990-1990*. Oxford, UK and Cambridge, MA: B. Blackwell.

[7] See, for example, Eisenstadt, S. N. and Stein Rokkan. Editors. 1973. *Building States and Nations*. Beverly Hills, CA: Sage Publications, and Tilly, Charles. Editor. 1975. *The Formation of National States in Western Europe*. Princeton, NJ: Princeton University Press.

[8] See Mann, Michael. 1993. *The Sources of Social Power. Volume Two*. New York, NY: Cambridge University Press, Chapter Three, for an overview.

[9] Not surprisingly, this is particularly true of scholars of developing countries. See, for example, Anderson, Lisa. 1986. *The State and Social Transformation in Tunisia and Libya, 1830-1980*. Princeton, NJ: Princeton University Press, Migdal, Joel. 1988. *Strong States and Weak Societies: State-Society Relations and State Capabilities in the Third World*. Princeton, NJ: Princeton University Press, and Waldner, David. 1999. *State Building and Late Development*. Ithaca, NY: Cornell University Press.

[10] This refers to the literature that was inspired by Peter B. Evans, Dietrich Rueschmeyer, and Theda Skocpol's seminal *Bringing the State Back In*. Cambridge, UK and New York, NY: Cambridge University Press, 1985.

[11] This includes, for example, the work of Emile Durkheim, S. N. Eisenstadt, Karl Marx, Charles Tilly, and Max Weber. For an overview and critique of the "differentiation" approach to state-building, see Badie, Bertrand and Pierre Birnbaum. 1983. *The Sociology of the State*. Chicago, IL: University of Chicago Press, Chapters 1-2.

[12] Subsequent scholarship has largely duplicated this focus on formal institutions, both inside and outside of the West European cases. See, for example, Anderson, Lisa. 1986. *The State and Social Transformation in Tunisia and Libya*, *1830-1980*. Princeton, NJ: Princeton University Press, Kohli, Atul. 1986. *The State and Development in the Third World*. Princeton, NJ: Princeton University Press, North, Douglass C. and Barry Weingast. 1979. Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England. *The Journal of Economic History* 49: 803-833, and Stepan, Alfred. 1978. *The State and Society: Peru in Comparative Perspective*. Princeton: Princeton University Press.

[13] See, for example, Ertman, Thomas. 1997. *Birth of the Leviathan: Building States and Regimes in Medieval and Early Modern Europe*. Cambridge, UK and New York, NY: Cambridge University Press. North, Douglass C. and Robert Paul Thomas. 1973. *The Rise of the Western World: A New Economic History*. Cambridge, UK and New York, NY: Cambridge University Press, and Tilly, 1975.

[14] See, for example, Migdal, Joel, Atul Kohli, and Vivienne Shue. 1994. *State Power and Social Forces: Domination and Transformation in the Third World*. New York, NY: Cambridge University Press.

[15] See, for example, Johnson, Juliet. 1997. Russia's Emerging Financial-Industrial Groups. *Post-Soviet Affairs* 13, 4: 333-365, and Odom, William E. 1998. *The Collapse of the Soviet Military*. New Haven, CT and London, UK: Yale University Press.

[16] See, for example, Jowitt, Kenneth. 1992. *New World Disorder: The Leninist Legacy*. Berkeley, CA: University of California Press.

[17] See, for example, Ekiert, Grzegorz. 1996. *The State against Society: Political Crises and their Aftermath in East Central Europe*. Princeton, NJ: Princeton University Press.

[18] On the state-society distinction as conceived, see Nettl, John. 1968. The State as a Conceptual Variable. *World Politics* 20: 559-592.

[19] David Stark and Laszlo Bruszt argue, for example, that under socialism neither the state nor the market was autonomous in Eastern Europe. See Stark and Bruszt. 1998. *Postsocialist Pathways: Transforming Politics and Property in East Central Europe*. Cambridge, UK and New York, NY: Cambridge University Press, p. 111.

[20] See, for example, Hellman, Joel. 1998. Winners Take All: The Politics of Partial Reform. *World Politics* 50, 2: 203-234, Johnson, 1997, and Wedel, Janine R. 1998. *Collision and Collusion: The Strange Case of Western Aid to Eastern Europe*. New York, NY: St. Martin's Press.

[21] Holmes, 1997, Treisman, Daniel. 1997. Why Yeltsin Won. *Foreign Affairs*, 75, 5: 64-78.

[22] Mann (1993) distinguishes between infrastructural and coercive state power.

[23] See, for example, Stark and Bruszt, 1998.

[24] Lawson, Stephanie. 1993. Conceptual Issue in the Comparative Study of Regime Change and Democratization. *Comparative Politics* 25: 183-205.

[25] Elster, Offe, and Preuss, 1998.

[26] Ganev, Venelin. 2001. *Post-Communism as an Episode of State-Building: A Sociological-Historical Approach*. Unpublished manuscript, University of Notre Dame.

[27] For a description of this phenomenon in post-Soviet Central Asia, see Jones Luong, Pauline. 2000. *Institutional Change through Continuity: Power Shifts and Prospects for Democracy in Central Asia*. Paper presented at the Eighth Annual Conference on The Individual versus the State, Central European University, Budapest, Hungary, May 18-21. For a description of this phenomenon more broadly, see Zakaria, Fareed. 1997. The Rise of Illiberal Democracy. *Foreign Affairs* 76 (November/December): 22-43.

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[28] See Jones Luong, 2000, and McFaul, Michael. 1999. The Perils of a Protracted Transition. *Journal of Democracy* 10, 2: 4-18.

[29] Sewell, William. "A theory of structure: Duality, Agency, Transformation." *American Journal of Sociology*, July 1992: 1-29, Bielasiak, J. 1997. Substance and Process in the Development of Party Systems in East Central Europe. *Communist and Post-Communist Studies* 30, 1 (March): 23-44.

[30] The classic rendition of this choice can be found in Machiavelli, Niccolo. 1897. *The Prince*. Oxford, UK: Clarendon Press. For a more contemporary treatment, see Putnam, Robert D. 1976. *The Comparative Study of Political Elites*. Englewood Cliffs, NJ: Prentice-Hall.

[31] On informal institutions as an enforcement mechanism, see Agrawal, Arun. 1999. *Greener Pastures: Politics, Markets, and Community among a Migrant Pastoral People*. Durham, NC: Duke University Press, North, Douglass C. 1990. *Institutions, Institutional Change, and Economic Performance*. Cambridge, UK and New York, NY: Cambridge University Press, and Ostrom, Eleanor. 1990. Governing the Commons: the Evolution of Institutions for Collective Action. Cambridge, UK and New York, NY: Cambridge University Press.

[32] This does not mean, however, that these channels will always be utilized effectively. Elite reliance primarily on formal institutions that are often ineffective is not the same as elite reliance primarily on informal institutions. Informal practices, however, may influence the effectiveness of formal structures. See, for example, Putnam, Robert D. with Robert Leonardi and Raffaella Nanetti. 1993. *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton, NJ: Princeton University Press.

[33] It can also affect informal structures and practices, but such influence is likely to be indirect, delayed, and distorted by diffusion effects, since there are no clear or direct channels.

[34] See, for example, Tilly, 1975, 1990, and Herbst, Jeffrey. 1990. War and the State in Africa. *International Security* 14, 4 (Spring): 117-139.

[35] Slaughter Burnley, Anne-Marie, and Walter Mattli. "Europe before the Court: A political Theory of Legal Itnegration," *International Organization*, 1993.

[36] See, for example, Weinthal, forthcoming.

[37] The term "quasi-voluntary compliance" refers to citizen compliance that is neither based solely on coercion nor on ideological affinity, but relies in part on both. In the context of taxation, it occurs "when taxpayers have confidence the (1) rulers will keep their bargains and (2) the other constituents will keep theirs." We borrow this concept

directly from: Levi, Margaret. 1988. *Of Rule and Revenue*. Berkeley, CA: University of California Press, pp. 52-3. Note, however, that we are extending it beyond taxation to all kinds of institutions and functions.

[38] They would not want to follow policies, for example, that might foster massive upheaval or popular revolt, but otherwise they face no restraint on their actions.

[39] Jack Knight, for example, argues that formal institutions serve as viable enforcement mechanisms for social contracts. See Knight, Jack. 1992. *Institutions and Social Conflict*. New York, NY: Cambridge University Press.

[40] Levi, 1988, p. 53.

[41] See, for example, Ekiert, Grzegorz and Jan Kubrik. 1998. Contentious Politics in New Democracies: East Germany, Hungary, Poland, and Slovakia, 1989-1993. *World Politics* 50: 547-581, Grzymala-Busse, Anna. Forthcoming. *The Regeneration of Communist Successor Parties in East Central Europe: Redeeming the Past*. Cambridge, UK and New York, NY: Cambridge University Press, and Jones Luong, Pauline. Forthcoming. *Institutional Change and Political Continuity in Post-Soviet Central Asia: Power, Perceptions, and Pacts*. Cambridge, UK and New York, NY: Cambridge University Press.

[42] See, for example, Bunce, 1999.

[43] See, for example, Jones Luong, forthcoming, Chapter Three, Stark and Bruszt, 1998, Suny, Ronald. 1993. *The Revenge of the Past: Nationalism, Revolution and the Collapse of the Soviet Union*. Stanford, CA: Stanford University Press, and Woodruff, David. 1999. *Money Unmade: Barter and the Fate of Russian Capitalism*. Ithaca, NY: Cornell University Press.

[44] Jones Luong, forthcoming.

[45] See, for example, Abramson, David. 1998. *From Soviet to Mahalla: Community and Transition in post-Soviet Uzbekistan*. Unpublished doctoral dissertation, Indiana University.

[46] The latter can be likened to what James Scott has termed the “weapons of the weak.” See Scott, James C. 1985. *Weapons of the Weak: Everyday Forms of Peasant Resistance*. New Haven, CT: Yale University Press.

[47] Holmes, Stephen. “Can Foreign Aid Promote the Rule of Law?” *East European Constitutional Review*, Fall 1999.

[48] See, for example, Darden, Keith. 2001. The Dark Side of the State: Formal and Informal Mechanisms of State Supremacy. Paper prepared for presentation at *State-Building in Post-Communist States: Toward Comparative Analysis*, Yale University, April 2001.

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[49] Way, Lucan. 2001. *Weak Formal Institutions and Reform: The Case of Post-Soviet Fiscal Decentralization*. Unpublished manuscript, Harvard University.

[50] Easter, Gerald. 2001. *Politics of Revenue Extraction in Post-Communist States: Poland and Russia Compared*. Unpublished manuscript, Boston College.

[51] Putin was elected president in the spring of 2000. Although Russia was already heading away from democratic statehood and in the direction of hegemonic statehood in the later years of Yeltsin's presidency, Putin appears to be formally consolidating this shift.

[52] Smyth, Regina. 2001. *Elections, Parties, and State Development: Understanding the Evolution of Executive Hegemony in Russia*. Unpublished manuscript, Penn State University.

[53] Hall, 2001.

[54] On the rarity of state collapse, see e.g. Bunce, 1999, p. 5, and Weinthal, forthcoming. African states, for example, have long been granted *juridical* statehood despite the fact that they have largely failed to function as states *empirically*. See Jackson, Robert and Carl Rosberg. 1992. Why Africa's Weak State Persist. *World Politics* 45, 1: 1-24.

[55] Levi, 1988 is, of course, an important exception in this regard.

[56] Note that this directly contradicts the conventional wisdom that quasi-voluntary compliance is less costly than coercion.

[57] This is the classic minimalist, or Schumpeterian, model of democracy. For a description and critique of this model, see Shapiro, Ian. 1996. *Democracy's Place*. Ithaca and London: Cornell University Press, Chapter 4.

[58] In fact, one of the key differences between them is that hegemonic states rely on some degree of loyalty or privileged access within elite circles at the highest levels of power but formal institutions to coerce popular compliance, whereas personalistic states also rely on traditional loyalty and privilege to form links with the population and thus to ensure some degree of compliance. The former just seek legitimation among other elites while the latter also seek legitimation from the population. This difference may also makes the latter more vulnerable than the former.

[59] Przeworski, Adam, et. al. 2000. *Democracy and Development: Political Institutions and Material Well-being in the World, 1950-1990*. Cambridge, UK and New York, NY: Cambridge University Press.

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[60] As Holmes (1997) argues, for example, at a minimum democracies require states that are strong enough to enforce laws and protect rights.

[61] Bunce (1999, p. 5), for example, attributes our failure to understand the relationship between regime transition and state collapse to the tendency for studies to focus on either regime or the state.

[62] On the relatively peaceful nature of transitions in Eastern Europe and the Soviet Union, see Elster, Offe, and Preuss, 1998, and Bunce, 1999. On civil-military relations in the Soviet Union, both before and after the transition, see Taylor, Brian. 1998. *The Russian Military in Politics: Civilian Supremacy in Comparative and Historical Perspective*. Unpublished doctoral dissertation, Massachusetts Institute of Technology.