This study undertakes a comparative analysis of the state as an economic actor in developing countries. Why have some developing country states been more successful at facilitating industrialization than others? An answer to this question is developed by focusing on both patterns of state construction and patterns of state intervention aimed at promoting industrialization. Four countries are analyzed in detail—South Korea, Brazil, India, and Nigeria—over the twentieth century. The states in these countries varied from cohesive-capitalist (mainly in Korea but also in Brazil) to fragmented-multiclass (mainly in India but also in Brazil) to neo-patrimonial (mainly in Nigeria). It is argued that cohesive-capitalist states have been most effective at promoting industrialization and neo-patrimonial states the least. The performance of fragmented-multiclass states falls somewhere in the middle. After explaining in detail why this should be so, this study traces the origins of these different state types historically, emphasizing the role of different types of colonialisms in the process of state construction in the developing world.

Atul Kohli is the David K. E. Bruce Professor of International Affairs at Princeton University. He has written or edited nine books and has published some fifty articles. His most recent publications include The Success of India’s Democracy (2002) and States, Markets and Just Growth (2003). He has held fellowships from the Russell Sage Foundation, the Ford Foundation, and the Social Science Research Council, New York.
Advance Praise for *State-Directed Development*

“Kohli’s provocative book rehabilitates the state in face of claims that state sovereignty has declined as a result of globalization. Reviewing the comparative capacity of four states in this admirably grounded project he demonstrates that markets, liberty and security require a strong state. Bringing history back in, he argues that the differences in state capacity of Brazil, India, Nigeria and Korea have been shaped by their distinct colonial’ experiences.”

– Susanne Hoeber Rudolph, *University of Chicago*

“This book amounts to a head-on challenge to what John Stuart Mill once called ‘the deep slumber of a decided opinion’, the opinion that the developing country state should focus on alleviating poverty and providing a market-friendly framework for the private sector. Kohli argues that fast economic growth is unlikely without a more forceful kind of state intervention in support of investor profits, and he illuminates the institutional characteristics of the state that are likely to make such intervention effective or not. Subsequent research on the political economy of growth will have to take this as a touchstone.”

– Robert Hunter Wade, *London School of Economics*
STATE-DIRECTED DEVELOPMENT

Political Power and Industrialization in the Global Periphery

ATUL KOHLI
Princeton University
To

My Parents
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