PART I

THE PUZZLES AND ARGUMENTS

I

To Extract and To Organize

The Puzzles, Arguments, and Setting

The Outcomes in Question: Ineffective States and Undemocratic Regimes

In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself.

James Madison

The postcolonial world is riddled with governments that must reflect Madison's worst political nightmare: They are neither enabled to control society nor obliged to control themselves. Half a century after the global struggle for decolonization reached its 1960 pinnacle, effective and democratic public authority remains a rare political commodity throughout Asia, Africa, Latin America, and the Middle East.

Yet the overarching pattern of postcolonial politics has not been one of extreme failure, but of extreme variation. The powerful "developmental states" of East Asia offer a stark contrast to the "predatory states" of sub-Saharan Africa and the numerous "intermediate states" in between.[1] Still, most postcolonial states sorely lack what Michael Mann calls "infrastructural power,"[2] or the institutional capacity to implement their political objectives. Most notably, precious few states in the developing world manage to mobilize significant revenue through income or corporate taxes on economic elites, who hold a grossly disproportionate share of wealth in developing economies.[3] Incapable of sustainably funding themselves, such states have also proven incapable of performing virtually every virtuous task that modern states ostensibly exist to fulfill. In many cases, postcolonial Leviathans have even failed to develop and coordinate the kind of coercive apparatus necessary to lay effective claim to what Max Weber considered the defining

[1] Evans (1995); Waldner (1999); Doner, Ritchie, and Slater (2005).
[2] Mann (1988): 5.
[3] Lieberman (2003).

trait of stateness – a "*monopoly of the legitimate use of physical force* within a given territory."[4]

Democratization has made greater headway than state-building in the post-colonial world, especially since the end of the Cold War. Yet authoritarianism remains an enduring, ubiquitous feature of global politics; the "third wave" of democratization has been far more uneven in its impact than the metaphor implies.[5] While indeed resembling that mighty metaphor in some regions (e.g., Latin America, Southern Europe, Eastern Europe), it has looked like nothing more than a faint ripple in others (e.g., Central Asia, North Africa, the Middle East). Nor have democratic transitions served as any panacea for the vast array of political and economic woes that plague most of the postcolonial world, such as crushing poverty, recurrent violence, endemic corruption, steep inequality, and shoddy public infrastructure. But by providing electoral checks on arbitrary state power, democratization has at least modestly increased some states' public accountability, pressuring them to improve their performance and curtail their most wanton, predatory abuses.

Stateness and democracy have thus proven elusive in the postcolonial world, but not entirely unattainable. Why have some states proven so much more infra-structurally powerful than others? And why have some authoritarian regimes proven so much more capable of preserving regime stability and forestalling democratization than others?[6] Since the durability of authoritarian regimes has been convincingly traced to the robustness of ruling parties and the consistent support of a loyal and unified military,[7] the regime question entails two intervening institutional questions: Why have some authoritarian regimes constructed more powerful and cohesive ruling parties than others? And why are some authoritarian regimes backed by more cohesive and compliant militaries than others?

This book commences with the assertion that these four distinct institutional puzzles – the state puzzle, the regime puzzle, the military puzzle, and the party puzzle – can be usefully portrayed as four distinct manifestations of a single coalitional puzzle: *Why are elites more prone to act collectively in some political systems than others?* States cannot successfully assert and broadcast central authority, ruling parties cannot effectively channel support to authoritarian regimes,

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[4] Cited in Gerth and Mills (1946): 78. Emphasis in original.

[5] Huntington (1991). Also see Brownlee (2007).

[6] Authoritarian regimes do not always become democracies when collapsing – think of the communist revolution against the Kuomintang in China, the Islamic revolution against the Shah in Iran, or coups by one set of military officers against another in Haiti. This book is solely focused on authoritarian regimes' resilience against pressures for democratization, not intra-authoritarian types of political change.

[7] On parties as regime stabilizers, see Huntington (1968, 1991), Geddes (1999), Slater (2003), Brownlee (2007), and B. Smith (2007). On military splits as a prelude to authoritarian collapse, see O'Donnell and Schmitter (1986), inter alia, as well as Lee (2009), for an application to Southeast Asia. Cohesive party and military institutions thus make authoritarian regimes more durable both in the sense of temporal endurance, and of regime stability while enduring (Grzymala-Busse 2008).

and militaries cannot serve as politically reliable defenders of such regimes – leaving them highly vulnerable to collapse amid popular pressures for democratization – unless the officials commanding these institutions generate *elite collective action*.[8] When elites do not act collectively, authoritarian institutions do not function effectively. By offering an explanation for why levels of elite collective action vary so dramatically across countries, I hope to gain simultaneous analytic leverage on the political foundations of parties, militaries, states, and regimes in the postcolonial world.

My overarching argument for these multiple institutional outcomes is this: Contemporary divergence in the elite coalitions underpinning postcolonial state and regime institutions[9] has been primarily produced by historically divergent patterns of *contentious politics*. Broadly conceived as nonroutine political events involving considerable popular mobilization, contentious politics encompasses a wide range of transgressive, collective mass actions – from labor strikes to ethnic riots, from rural rebellions to student protests, from urban terrorism to street barricades, and from social revolutions to separatist insurgencies. While such plasticity in a concept can often be an analytic weakness, contentious politics proves quite useful as an umbrella term capturing the diverse types of internal conflict that have characterized and – as I shall argue and attempt to demonstrate – *shaped* the postcolonial world.

The recent profusion of research on contentious politics has almost universally treated it as an outcome to be explained – as a product instead of a producer of political institutions.[10] This book takes a different approach, inquiring into what contentious politics can explain in its own right. In contrast to most scholarship on state-building, I argue that violent internal contention can "make the state" as surely as international warfare[11] – but only when it takes especially threatening and challenging forms. Specifically, when a wide range of elites perceive the danger to their property, privileges, and persons from contentious politics to be endemic and unmanageable under relatively pluralistic political arrangements, they become prone to coalesce in *protection pacts* – broad elite coalitions unified by shared support for heightened state power and tightened authoritarian controls as institutional bulwarks against continued or renewed mass unrest.[12]

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[8] This should in no way imply a chummy arrangement. Elites may act collectively while mistrusting, even despising each other. It also should not imply a purely consensual and noncoercive arrangement, as I discuss below.

[9] Since militaries and ruling parties are critical institutions in authoritarian regimes, I will at times refer to them under the broad rubric of "regime institutions."

[10] This is witnessed in the leading book series on the topic, *Cambridge Studies in Contentious Politics*, whose titles almost uniformly treat contentious politics as the key outcome of interest. Tilly (2004) is an important but partial exception to this rule.

[11] This language derives from Tilly's famed phrase on European state-building: "War made the state, and the state made war" (Tilly 1975: 42).

[12] Protection pacts are not simply protection rackets. My distinction echoes Tilly (1985: 170–171), who argues that the meaning of the word protection "depends mainly on our assessment of the reality and externality of the threat. Someone who produces both the danger and, at a price, the shield against it is a racketeer. Someone who provides a needed shield but has little control over the danger's appearance qualifies as a legitimate protector . . ." Tilly thus recognized the logical

My logic is perhaps most eloquently expressed by the quotations that opened this book. Challenging and threatening outbreaks of contentious politics can leave a wide range of elites, from captains of industry to captains in the military, experiencing what Polanyi called "the impress of an acute danger," which will endure "as long as its ultimate cause is not removed." Hobbes famously recognized the coalitional implications of such shared perceptions of threat – when man is stricken by "fear of not otherwise preserving himself. . . . men may join amongst themselves to subject themselves to such as they shall agree upon for fear of others." The greatest political beneficiaries of such mutual subjection would be the authoritarian commanders of Wittfogel's reorganized Leviathan – newly rebuilt not merely "*ex tempore*" for a challenge that "is simple and passing," but through "more elaborate preparations" for the "permanent and difficult task" of crafting stable institutional arrangements in what has come to be broadly perceived as an endemically unstable land.

This book dubs this political process *ordering power*. As the *Oxford English Dictionary* indicates, "to order" has multiple meanings consistent with the process of state-building under authoritarian auspices as just described. With a protection pact at their disposal, public authorities can enjoy extraordinary success in their efforts "to regulate, direct, conduct, rule, govern, manage" and "command" their vulnerable subjects. Not only do ruling political elites enjoy a rare opportunity to "combin[e] disparate elements into an integrated whole," in Wittfogel's terms. They also can leverage shared perceptions of mass threat to "request that (something) be made, supplied, or served" from society to the state. Most significantly, endemic and unmanageable contentious politics provides authoritarian regimes with extra leverage to extract tax payments from society's wealthiest figures. This comports with Lipset and Rokkan's argument that "conflicts between the established and the underprivileged classes" can ironically "strengthen the body politic over time."

In sum, protection pacts provide the strongest coalitional basis for authoritarian regimes both to *extract* resources from elites and to *organize* their most powerful allies. As an especially sturdy foundation for elite collective action, protection pacts facilitate the formation of powerful states, well-organized parties, cohesive militaries, and durable authoritarian regimes – all at the same time.

Protection pacts as I have just abstractly described them are never perfectly duplicated in real life. Yet they can be approximated, and we can learn a great deal about the divergent strength of states and durability of dictatorships by keeping this image of an ideal-typical protection pact in mind. In the pages and chapters that follow, I elaborate on and assess this conceptual and causal framework through a comparative-historical analysis of seven countries in Southeast Asia – a region exhibiting variation in state capacity, party strength, military

potential for state-building to occur through protection pacts instead of rackets; yet he treated racketeering as a defining attribute of state action. This book treats empirical variation between pacts and rackets, which Tilly acknowledged but did not explore, as causally and theoretically pivotal.

cohesion, and authoritarian durability that rivals the political variation of the postcolonial world writ large.

The Region in Question: Southeast Asia as a Zone of Anomalous Variation

The bewildering variety of language, culture, and religion in Southeast Asia. . . . appear[s] at first glance to defy any attempts at generalizations.

Anthony Reid[13]

The perplexing ethnic, linguistic, and religious divisions which prevail throughout [Southeast Asia] only underline the difficulties confronting us. However, diversity in and of itself need not be an insurmountable barrier to our efforts at generalization, since the diversity of Europe has not prevented more or less meaningful generalizations about the general – and the generic – course of its history.

Harry J. Benda[14]

Southeast Asia presents a perplexing political patchwork, displaying a "remarkable range of political forms."[15] This is particularly true of the political institutions under the microscope here. The Cold War era saw the region incubate extremely strong states (e.g., Singapore) and extremely weak states (e.g., the Philippines); highly robust ruling parties (e.g., Malaysia) and virtually party-less polities (e.g., South Vietnam); remarkably cohesive militaries (e.g., Burma) alongside chronically factionalized fighting forces (e.g., Thailand); as well as a seventh country (Indonesia) displaying state, party, and military institutions of intermediate capacity and cohesion. These three sources of institutional variation have shaped a fourth: the dramatically divergent durability of Southeast Asian dictatorships.[16] While selecting cases from a single region frequently entails selection bias, choosing cases in Southeast Asia helps avoid this inferential pitfall.[17] All four institutional outcomes are tabulated in rough, nominal form for these seven cases in Table 1.

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[13] Reid (1988): 3.

[14] Benda (1962): 108.

[15] Hewison (1999): 224. Since the existence of stark variation in Southeast Asian political institutions is largely uncontroversial, the empirical chapters place somewhat greater stress on establishing the more subtle and less well-recognized variation on my independent variable – the type and timing of contentious politics. For analytic reviews of existing literatures on state, regime, and party institutions in Southeast Asia, see Kuhonta, Slater, and Vu (2008: Chs. 2–4).

[16] Following Grzymala-Busse (2008: 1), this book treats durability as "the vector of duration and stability," not as duration alone. Durability speaks not only to how *long* authoritarian regimes endure, but to how *stable* they prove to be.

[17] Geddes (1990). An additional potential regional pitfall is that Southeast Asia experienced tremendous foreign intervention during the Cold War era, raising the possibility that international factors might lie behind the region's divergent postcolonial outcomes. Yet the very ubiquity of foreign intervention throughout the region suggests that this factor is not well suited for explaining Southeast Asia's institutional diversity. While levels of foreign intervention cannot explain institutional divergence, the *type* of foreign intervention matters greatly – but since this primarily took the form of divergent state-building strategies, it is one of the outcomes this book endeavors to explain. As we will see, foreign elites were influenced as strongly as domestic elites by the types of contentious politics they confronted on the ground.

TABLE 1. *Institutional Outcomes in Southeast Asia*

Country Cases	State Capacity	Party Strength	Military Cohesion	Authoritarian Durability
Malaysia	High	High	High	High
Singapore	High	High	High	High
Philippines	Low	Low	Low	Low (1986)[18]
S. Vietnam	Low	Low	Low	Low (1975)
Thailand	Intermediate[19]	Low	Low	Low (1973, 1992)
Indonesia	Intermediate	Intermediate	Intermediate	Intermediate (1998)
Burma	Low	Low	High	Intermediate[20]

This sweeping political diversity within a single region should be readily familiar to informed laypersons with internationalist inclinations. Southeast Asia's diverse experience with democratization is especially well known, ranging from the inspirational "People Power" movement against Ferdinand Marcos in the Philippines to the notorious crackdowns by the Burmese military against protesting students and Buddhist monks in the late 1980s and again in late 2007. The power of the Singaporean state to regulate and control social life is as legendary as the complete collapse of the South Vietnamese state upon America's military withdrawal. Of more pressing concern to many global observers and policymakers, the Indonesian state has famously struggled to combat threatening infectious diseases and respond to recurrent natural disasters, while authorities in the Philippines have sorely lacked the capacity to manage their most serious governance challenges – from deadly floods inundating the nation's capital, to deadly militant groups infesting the archipelago nation's far southern reaches.

As an informative barometer of this regional variation, consider how much Southeast Asian states differ in their capacity to accomplish one of their

[18] Parenthesized years reflect when authoritarian regimes collapsed and transitioned to democracy – or, in the case of South Vietnam, collapsed as a state entirely. Cases with no parentheses continue as of 2010 to have authoritarian regimes in power. Regime duration is measured in this book by the year when authoritarianism collapsed, not by total years of nondemocratic rule. This is because it was much politically harder to sustain an authoritarian regime in the 1980s and 1990s than in the 1950s and 1960s. Hence the greater endurance of the Suharto regime in Indonesia than the Marcos regime in the Philippines is best indicated by the fact that Suharto outlasted Marcos by 12 years, not that he happened to seize authoritarian powers six years earlier.

[19] The Thai state proved "intermediate" because of earlier state-building legacies. Like Southeast Asia's "weak" states, the Thai state experienced no significant or sustained increase in infrastructural capacity during the postwar period. See Doner (2009).

[20] Burma's military regime has exhibited similar temporal duration as Malaysia's and Singapore's party-led regimes, but it has generated far less political and regime stability during its extensive reign. It is precisely Burma's lack of effective civilian institutions and active civilian backing that best explains the country's recurrent lapses into massive societal unrest and violent military crackdowns – vividly illustrating Burma's relative lack of stability vis-à-vis Malaysia and Singapore. Combining high duration with relatively low stability, authoritarian durability in Burma is best conceived as intermediate. By contrast, authoritarian durability in Indonesia proved intermediate in the sense of both duration and stability.

benchmark tasks: collecting taxes. Evan Lieberman usefully locates the countries analyzed in this book (with the exception of extinct South Vietnam) alongside another hundred-plus nations in terms of their capacity to extract income and corporate taxes as a share of national income during the 1990–94 period.[21] If one were to divide this global population of cases into quadrants, this book's Southeast Asian sample would include cases from all three quadrants in which postcolonial states are predominant. Excluding the top quadrant, which is populated mostly by wealthy democracies (#1–27), the Southeast Asian cases of Indonesia,[22] Malaysia, and Singapore can be found in the strong postcolonial quadrant (#28–54); the Philippines and Thailand are positioned in the intermediate, third quadrant (#55–81); and Burma stands apart in regional terms among the world's governance basket cases (#82–107). Since theories constructed from a representative sample are more likely to prove generalizable than theories derived from a biased and truncated sample,[23] Southeast Asia provides a highly promising setting for theorizing institutional variation throughout the postcolonial world.

New theorizing is essential. While social scientists have amassed extensive knowledge on state-building and democratization, existing theories prove surprisingly unhelpful for explaining the divergent development of Southeast Asian state and regime institutions. Although I deal with alternative explanations in greater depth in the following chapter, consider for now how Southeast Asia fails to accord with some of our most familiar explanations for political development.

Table 2 (next page) obviously does not serve to falsify any of the hypotheses mentioned. Yet it suggests at a minimum that Southeast Asia's institutional variation cannot be readily explained by many of our most familiar theories. If any of these hypotheses effectively captured Southeast Asia's variation in state and regime institutions, we might not need new theorizing at all – but they do not.

The reader should also note that each of the hypotheses in Table 2 aims to explain *one* institutional outcome. Yet as we saw in Table 1, state and regime institutions in Southeast Asia have tended to be strong or weak *in tandem*. Is it merely a coincidence that states, parties, militaries, and dictatorships in the Philippines and Thailand have been fragmented and fragile across the board, while those same political institutions in Malaysia and Singapore present a consistent picture of cohesion and capacity? Might we develop a theoretical framework to explain this stark variation, while also making sense of more muddled, institutionally uneven cases such as Burma and Indonesia, and express it in general terms that can be applied and tested in other world regions?

This book attempts such an enterprise, embracing the theory-building challenge laid down by Benda to his fellow Southeast Asianists nearly half a century ago. If a region as diverse as Europe can produce general, portable theory, why not Southeast Asia? Much as Reid and Benda sought to uncover common themes and patterns in Southeast Asia's eclectic social and cultural topography, I aim to

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[21] Lieberman (2003): 64–66.
[22] Indonesia's relatively inflated ranking is largely an artifact of its vast (and largely state-owned) mineral resources – an exceedingly easy target for corporate taxation.
[23] Slater and Ziblatt (2009).

TABLE 2. *Southeast Asia as a Challenge to Theoretical Expectations*

Theoretical Expectations	Southeast Asian "Anomalies"*
Development encourages democracy (e.g., Boix 2003)	*Malaysia*, *Singapore*[24] / Philippines, Indonesia
Resource rents hinder democracy (e.g., Ross 2001)	*Indonesia*, *Philippines* / Singapore
British colonialism fostered democracy (e.g., Weiner 1987)	*Burma, Malaysia, Singapore*
Powerful landed elites hinder democracy (e.g., Rueschemeyer et al. 1992)	*Philippines* / Singapore
Military regimes should not long endure (e.g., Geddes 1999)	*Burma, Indonesia*
Economic crises help destroy dictatorships (e.g., Gasiorowski 1999)	*Burma, Malaysia* / Thailand
External threats help build the state (e.g., Tilly 1992)	*South Vietnam* / Malaysia
Resource rents hinder state-building (e.g., Karl 1997)	*Indonesia, Malaysia*
Nation-building aids state-building (e.g., Marx 2003)	*Burma, Indonesia, Thailand* / Malaysia, Singapore
Nationalist revolutions build strong parties (e.g., Huntington 1968)	*Burma, Indonesia* / Malaysia, Singapore

* Italicized cases exhibit the hypothesized cause but not the expected outcome; nonitalicized cases exhibit the outcome without the hypothesized cause.

locate common threads capable of explaining the region's diverse political land-scape. The causal framework I offer places variation in *contentious politics* and *elite collective action* at its analytic center.

From Factions to Institutions: How Contentious Politics Can Change Politics
The provision of selective incentives cannot be the general solution to the collective action problem. To assume that there is a central authority offering incentives often requires another collective action problem to have been solved already.

Jon Elster[25]

Elite collective action is as elusive as it is elemental. On the one hand, "the cohesion of the political elite is the crucial element in the search for political stability."[26] But strong elite coalitions are extremely difficult to construct and consolidate at the national level. In most places and under most circumstances, elite politics is rife with factionalism and parochialism. This book commences

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[24] Przeworski and Limongi (1997: 161) were especially struck by this anomaly: "Singapore and Malaysia are the two countries that developed over a long period, became wealthy, and remained dictatorships until now." As Greene (2007: 22, fn. 34) notes, "Przeworski et al.'s model predicts that Singapore should have been a democracy with 98% probability," while Malaysia should have democratized "with 69% probability."

[25] Elster (1989): 40.

[26] Brown (1993): 111.

with the assumption that *factions* – not atomistic individuals, solidary organizations, ethnic groups, or economic classes – are the fundamental building blocks of politics.[27] Whenever strong institutions arise to transcend the quotidian politics of factions and cliques, and to organize elite collective action on a national scale, there is a fundamental political puzzle to be explained.

How is elite factionalism tempered, and elite collective action gained? Or, to state this question in terms of the specific institutions under consideration here – How can state officials be induced to work collectively to extract direct taxes from economic elites, and to channel those revenues to a central treasury, rather than cutting self-serving side-deals with factional allies in the private sector or pocketing most of the revenue haul for themselves? How can economic elites be convinced that resistance to direct taxation is futile or self-defeating? Taxation represents a monumental collective action problem – not only for individual taxpayers with obvious incentives to free-ride, but for government officials who must construct (or acquiesce to the construction of) effective state organizations to make direct taxation administratively plausible in the first place.

Collective action problems plague party formation, military politics, and authoritarian regime maintenance as seriously as they hinder state-building. How can authoritarian rulers bring a wide range of elites into supportive relations with their regime, and prevent them from playing oppositional roles? Building broad-based ruling parties would appear to be the best approach. But it is inherently risky. Such parties might ultimately be used as organized vehicles for challenging the leadership rather than supporting it. Why not just depend on a narrow range of personal loyalists instead, particularly in the military? Even when a regime rests on military rather than party power, elite collective action remains essential. If military officers are not in lockstep in their willingness to use force against democratic protestors, the regime becomes highly vulnerable to collapse in the face of anti-regime mobilization. To pose the "regime puzzle" in the broadest terms: Why would *any* elites provide steadfast support to a regime that does not countenance the prospect of its own removal?

Political scientists overwhelmingly concur on a straightforward answer to this question: People support a dictatorship when it provides them with economic benefits.[28] Put more axiomatically, we do not expect people to bite the hands that feed them – even if those hands also happen to be politically strangling them. The core problem with this formulation, as Elster's previous quotation suggests, is that the predictable provision of selective incentives or public goods requires the prior existence of a robust political center. Elites must be effectively arranged

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[27] Factions need not inhabit a common organizational setting, such as a political party. Following Sandbrook, I define factions broadly as "personal alliance networks" engaged in "conflict over access to wealth, power, and status, frequently with only minor ideological or policy implications" (1972: 109, 115). For a similar starting assumption that politics in "natural states" exhibits a "predominance of social relationships organized along personal lines," see North, Wallis, and Weingast (2009: 12).

[28] "The survival of leaders and of the institutions or regimes they lead is threatened when they are no longer able to provide sufficient resources to sustain political support" (Bueno de Mesquita et al. 2003: 26). See also Bellin (2002) and Greene (2007), inter alia.