

The Historical Roots of the Spatially Uneven State

Exploring Subnational Variation in State Capacity in Guatemala

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Abstract

This paper explores the relationship between historical political conflicts and subnational variation in state capacity. I draw on new literature which suggests that internal patterns of state strength mirror the geographical distribution of socio-political conflicts during critical periods of institutional change. This general argument is placed within a broader society-centric theoretical framework of state-making, through which the Guatemalan state-building experience during the Revolutionary Decade (1944-1954) is analyzed. Based on historical data from archival and secondary sources, the statistical analysis reveals that the class-cleavage that structured state-building in Guatemala has had a positive effect on local fiscal capacity, but a non-significant impact on central state capabilities. I suggest that this negative finding may be the result of a lack of cohesion around a single political cause, which in turn may be a reflection of the complex mix of class, ethnic and regional tensions that historically has characterized the country.

Key words: state capacity, Guatemala, cleavage structures, subnationalism

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1. Introduction

In an article named *The strange absence of the state in political science*, Francis Fukuyama (2012) observes that comparative political scientists have focused overwhelmingly on issues such as democratic transitions, human rights and transnational justice – to the large neglect of the institution that accumulates and deploys power: the state. One explanation for this disproportionate preoccupation with power-checking institutions, Fukuyama argues, is the predatory view of the state that has come to dominate political economy. Yet, an important body of empirical research points at state strength as a key variable to explain worldwide differences in political and economic development (Acemoğlu, García-Jimeno, & Robinson 2015; Evans & Rauch 1999), the incidence of civil conflict (Goodwin, 2001; Fearon & Laitin 2003) and levels of violence (Huntington 1968). Understanding how states develop the ability to raise taxes, establish well-functioning bureaucracies and provide public goods has therefore become an increasingly important academic endeavor (Lindvall & Teorell 2016).

This paper contributes to the abovementioned strand of research by investigating the social and historical roots of states' uneven territorial strength. The investigation is the result of three months of full-time field work in Guatemala¹, dedicated to the collection of empirical data from a wide range of archival and secondary sources. Drawing on historical and society-centric theories of state-building, I examine whether contemporary subnational differences in state capacity can be traced to the geographic distribution of political conflicts during the so-called Revolutionary Decade (1944-1954). The main finding is that the class-based cleavage in which the Guatemalan state-building project was embedded appears not to have had any significant effects on the central state's capacity to penetrate its territory and regulate social relations, although I somewhat surprisingly find a positive impact on local fiscal capacity.

¹ I wish to thank the *Swedish International Development Cooperation Agency* (Sida) and Lund University for the opportunity of conducting the empirical investigation on spot through a Minor Field Studies (MFS) scholarship.

These insights are not only relevant to advance our theoretical understanding on why states differ in their ability to carry out core functions. On a more general level, the vast evidence linking state capacity to a series of “desired” development outcomes has also had profound impacts on policymaking. Actors such as the World Bank and the International Monetary Fund (IMF), once longstanding champions of limited government, increasingly emphasize the importance of “good governance” to promote human well-being (Saylor 2014). This paper does, however, not strictly belong to the broader good governance research agenda². Rather, it concentrates on the narrower concept of *state infrastructural power*, or the “institutional capacity of a central state [...] to penetrate its territories and logistically implement decisions.” (Mann 1984: 113). According to Lindvall & Teorell (2016: 14) this power has to do with the effectiveness with which states deploy resources to achieve intended public policy outcomes. Such resources typically include information, or “eyes”— to effectively monitor citizens, but also “teeth” — the policy instruments necessary to punish free-riders (d’Arcy & Nistotskaya 2017: 195).

This inevitably raises the question why some states have come to develop sharper teeth and bigger eyes than other. The state-building literature has highlighted rough geography (Scott 2009; Nunn & Puga 2012), the incidence of internal and external conflict (Thies 2005; Tilly 1975), low population density (Herbst 2000; O’Donnell 1993) and socioeconomic development (Pellegrini & Gerlagh 2008) as some of the key predictors of state (in)capacity. That the lion’s share of empirical studies is based on cross-country samples may nevertheless conceal possible *within-country* variation, while perhaps missing the opportunity to exploit subnational differences to identify causal mechanisms (Snyder 2001). For as O’Donnell (1993) points out, most central states exert considerable influence in certain parts of their territories, while large “brown” areas are characterized by strikingly low levels of “stateness” (Nettl 1968).

And precisely because a distinctive feature of the modern state is its claim of exerting authority uniformly throughout its jurisdiction (cf. Migdal 2001), it is unsurprising that state-building scholars have become increasingly preoccupied with solving the puzzle of states’ uneven territorial reach (see Börzel & Risse 2016; Falletti 2010; Luna & Soifer 2017; Soifer 2015). This is no less

² I here include the growing scholarship on the Quality of Government, which mainly focuses on the role of impartiality and (lack of) corruption within the public administration (Rothstein 2011).

true in the case of Latin America, where classic state-building approaches have fallen short of explaining intra-regional and subnational variation in state strength (Centeno 2002). Although the emerging historical institutionalist scholarship on state-building in the region (particularly Kurtz 2013; Saylor 2014; Soifer 2015) has yielded important contributions to fill these gaps, the most exhaustive comparative case studies have centered on South America and Mexico.

I address this issue by turning the gaze towards Central America; a region that has been somewhat understudied within the general state-building literature (Holden 2004). This despite the puzzling fact that Central American countries – while sharing similar geographical and historical traits³ – exhibit sharp discrepancies in their ability to provide public goods and enforce laws. Whereas Panama and Costa Rica generally score among the highest in entire Latin America on a series of state capacity indicators, Honduras and El Salvador tend to be found on the opposite side of that spectrum (see Luna & Soifer 2017). And even if the specialized literature has exploited these differences in several regional cross-country studies (see for example Acuña Ortega & Rodríguez Solano 2014; ICEFI 2017; Schneider 2012), systematic comparative subnational analyses are still rare. This paper seeks to fill that void by investigating the historical roots of the Guatemalan state’s territorial unevenness. In doing so, this study deviates from previous scholarship that conceives of state-building in functionalistic terms; that is, that decisions to invest in state infrastructure occur in response to rulers’ rational calculations (Soifer 2016).

Instead, I depart from the premise that *intended* state-building projects either can succeed or fail, and that a crucial factor determining such outcomes is the configuration of state-society relations. Previous research has suggested that societal resistance towards the extension of state authority can emanate from ideological discrepancies (Sánchez-Talanquer 2017), the perceived threat to traditional ways of life (Scott 2009), and power struggles vis-à-vis local elites over social control (Migdal 1988; Kurtz 2013). These ideas are woven into a society-centric theoretical framework in which I specifically draw on new literature about historical *cleavage structures*, or “the political conflicts that divide societies during decisive historical periods of state formation.” (Sánchez-Talanquer 2017: 2) as a pivotal factor to understand states’ uneven spatial strength. State-building is here conceived as a process by which an emerging political coalition seeks to impose

³ Guatemala, El Salvador, Honduras, Costa Rica and Nicaragua even merged into a federation – the *Federal Republic of Central America* (1823-1841) – after gaining independence from Spain in 1821.

rules and policies that privilege certain values and interests *to the detriment of others*. This is uncontroversial, since state policies hardly can appease entire constituencies. The point is rather that state-building projects tend to revolve around, and perhaps accentuate, a single and particularly salient political cleavage in society. It is therefore hypothesized that social actors that belong to the “losing end” of that division will resist any attempts of state centralization, which ultimately may cause those efforts to fail (Soifer 2016). Such socio-political divisions may moreover be geographically anchored, which would suggest that attempts to extend state authority in areas where oppositional values enjoy hegemony may stumble and ultimately result in lower levels of stateness.

In Guatemala, I argue that the most salient political conflict structuring state-building was rooted in a longstanding class cleavage. During the so-called Revolutionary Decade (1944-1954), two reformist administrations would undertake previously unseen efforts to extend labour rights, promote political participation and modernize the economy (Grandin 2000). To meet these ends, the government set on to dissolve the highly unequal structure of land tenancy by expropriating large landowners and redistributing the soil to poor peasants (Handy 1988a). The implementation of the Revolutionary objectives also coincided with considerable efforts to extend the state’s infrastructural reach across territory; public schools, government agencies and political parties were established even in the most remote areas of the country. Unsurprisingly, these progressive reforms constituted a frontal attack on the social, political and economic power of Guatemala’s landholding elite, whose prestige and economic success essentially had hinged on the disempowerment of lower strata in society for decades (Kurtz 2013.)

The vehement opposition towards the government on behalf of these groups culminated with the enactment of the 1952 agrarian reform, which ultimately precipitated the overthrow of President Jacobo Árbenz in 1954. Arguably, the dominating theme in the historiography about this crucial period has been the role of the United States in staging and supporting the counterrevolutionary *coup d’état* against Guatemala’s democratically elected government (see Jonas 2018; Schlesinger & Kinzer 1982). As a consequence, the domestic opposition and different regional responses to Revolutionary policies and their effects on state development have become partly overlooked (Handy 1988a). The state-building projects in mid twentieth-century

Guatemala were primarily enacted to privilege popular groups, especially poor rural workers and landless peasants, to the detriment of local elites and large landowners. This essentially reflected the longstanding class cleavage that had structured social relations in the country for centuries, and by which a circle of agrarian elites for decades had managed to enrich themselves through serfdom.

Considering this, and that several society-centric theories precisely point at resistance from local rural elites as a pivotal factor to understand the failure of state-building efforts (Boone 2003; Migdal 1988), it becomes relevant to investigate whether the geographical manifestations of the abovementioned conflict in the 1950s have had any implications for the territorial expansion of the Guatemalan state. The main hypothesis is that attempts of the Revolutionary government to extend state authority stumbled in municipalities with a high concentration of large landowners – and that those failures are reflected in contemporary levels of state capacity. Hence, the research question I seek to answer is:

To what extent are subnational patterns of state capacity in Guatemala an effect of the geography of political conflict during the Revolutionary Decade (1944-1954)?

By approaching that question, this investigation makes three main contributions. First, it provides new empirical evidence to the emerging scholarship on subnational variation of state capacity. Second, it contributes to the literature on state-building in Latin America through a case study in the partly understudied Central American context. Lastly, it yields new insights to the existing body of knowledge on the development of the modern Guatemalan state. The remainder of the paper is structured as follows. Chapter 2 commences with a brief conceptual discussion and continues by mapping existing explanations of state-building. Chapter 3 develops a general theoretical framework to explain states' uneven reach, based on society-centric and historical accounts of state-making. In Chapter 4, these insights are contextualized to the Guatemalan state-building experience during the nineteenth- and twentieth-centuries. Methodological and empirical issues are discussed in Chapter 5. The main results are presented in Chapter 6, while Chapter 7 concludes.

2. Previous research

2.1 State capacity: what it is and what you get

Tell a local that you are conducting an investigation about state capacity in Guatemala and s/he will likely respond that “there is none”. This resentfulness is not very surprising, since vast empirical evidence suggests that high-capacity states generally perform better when it comes to economic and political development (Acemoglu et al. 2015; Evans 1995; Evans & Rauch 1999), the prevention of civil conflict (DeRouen & Sobek 2004; Fearon & Laitin 2003; Goodwin, 2001), levels of violence (Huntington 1968) and democratic stability (Andersen et al. 2014). In a country plagued by 36 years of civil war (1960-1996), where nearly half of all children under five are stunted (WFP 2018); homicide rates are among the highest in the world (UNODC 2013); the fiscal effort is strikingly low in international perspective (ICEFI 2018; World Bank 2018a); and where nearly two thirds of the population live below the general poverty line (World Bank 2018b), it is understandable if one draws the conclusion about the Guatemalan state as being completely impotent. Yet, when it comes to conceptualization, I agree with Brambor et al. (2016) that we should avoid tautologies by not basing our definition of state capacity on the outcomes that we associate with (in)capable states⁴.

State capacity has been defined as “the capacity to implement state-initiated policies” (Geddes 1994: 14); “the ability of the state to induce residents, firms, and organizations to act in ways they would not in the absence of its regulatory and administrative presence” (Kurtz 2013: 3); and “the degree of control that state agents exercise over persons, activities, and resources within their government’s territorial jurisdiction” (McAdam, Tarrow, & Tilly 2001: 78). As mentioned, this investigation departs from Michael Mann’s (1984: 113) concept of *state infrastructural power*, or the “institutional capacity of a central state [...] to penetrate its territories and logistically implement decisions.” I defer a more detailed discussion about this concept and its different

⁴ The pitfalls of using outcome measures to conceptualize state capacity are discussed in detail by Hanson & Sigman (2011) and Fukuyama (2013).

ramifications to the theory section, but would already now like to illustrate how it relates to two adjacent conceptualizations.

First, state capacity has been understood in terms of the state's *relative autonomy* from societal actors (Fukuyama 2013; Skocpol 1985). This conceptualization can be traced to the classic Marxist instrumentalist view of the state as a superstructure that merely reflects the underlying economic power relations, and therefore lacks autonomy from dominant economic elites in society (Marx 2010). This society-centric view was questioned by authors such as Skocpol (1979; 1985) and Rueschemeyer & Evans (1985), who “brought the state back in” as an autonomous actor with independent power to set and pursue its own goals, rather than as an arena for resource allocation. Yet there are reasons to distinguish between state autonomy and state capacity. As pointed out by Lindvall & Teorell (2016), autonomy can be conceived as the extent to which the state is *controlled* by external actors, whereas capacity can be thought of as the degree to which the state has *control* over the outcomes it intends to achieve (ibid.: 9). These dimensions are not necessarily mutually exclusive.

Another tradition has defined state capacity in terms of the degree of professionalization, or “Weberianess”, of the bureaucracy (Geddes 1994; Rauch & Evans 2000). This view draws on Max Weber's (1978) widely known characterization of the modern bureaucracy, whose key features include the degree to which public officials are recruited according to meritocratic standards and whether bureaucrats enjoy a predictable career ladder (Evans & Rauch 1999). In my view, the main problem of this procedural definition is that it is more concerned with governance than with capacity. Power-based definitions (such as the ones of Mann 1984 and Lindvall & Teorell 2016) are primarily preoccupied with the degree to which a state succeeds in achieving its intended policy outcomes. Strictly speaking, the procedures according to which those policies are carried out should be of secondary concern.

2.2 The state of the field: triggers of state-making

What are the origins of state formation? And what induces governing actors to undertake investments in state capacity? Previous research has pointed at the role of interstate war (Tilly 1975), internal conflict (Besley & Persson 2007; 2008; Centeno 2002), demographic factors (Herbst 2000), natural resource wealth and economic structure (Ross 2001; Saylor 2014), difficult geography (Scott 2009), ethnic diversity (Easterly & Levine 1997), institutional design (Geddes 1994; Soifer 2015) and state-society relations (Boone 2003; Migdal 1988) to approach these questions. This section critically discusses the dominant explanations of state (in)capacity, addresses some general weaknesses, and concludes by suggesting a way forward in order to deepen our understanding about states' uneven territorial reach.

Triggers and deterrents of state-building

One of the classic approaches to explain state-building outcomes centres on the role of war. A seminal work within the bellicist tradition is Charles Tilly's (1975) *The Formation of National States in Western Europe*. The main argument is that European rulers – in the face of increasingly expensive external wars – were induced to increase fiscal revenues and ensure mass mobilization, which ultimately propelled the expansion of the kinds of fiscal and administrative state apparatus that we associate with the modern state (Besley & Persson 2009). Although Tilly's famous "states made war and wars made states" might apply empirically to the European case, the conclusion might be flawed by selection bias. This is because Tilly's sample consists of, not all countries that have engaged in warfare throughout history, but those that have persisted – and perhaps emerged stronger – from the struggle for survival in an environment of fierce military competition.

While external war has been highlighted as a motor of state-building, the general agreement is that internal conflict has the contrary effect (cf. Centeno 2002; Thies 2005). Besley & Persson (2008) argue that while public goods lie in the general interest under external threat, the value of such goods becomes uncertain under civil war. Consequently, the higher rulers' perceived risk of internal conflict, the less likely that they will undertake investments in state capacity. In this view, (the absence of) civil war has an indirect effect on state weakness (strength) by shaping the incentives of state leaders. But one can also imagine more direct effects. To explain the relative weakness of Latin American states, Centeno (2002) writes that pre-existing domestic cleavages in

the post-independence period trumped national cohesion and thus produced limited and internal conflicts, as opposed to the kinds of total interstate wars that propelled mass mobilization and state-building in Europe.

Scholars have also pointed at geo-demographical factors to explain divergent outcomes of state development (see Hendrix 2011; Jiménez-Ayora & Ulubaşoğlu 2015; Nunn & Puga 2011). Herbst (2000) argues that constant low population densities in Sub-Saharan Africa disincentivized colonial and post-independence leaders to establish authority throughout their territories, simply because the perceived costs of doing so would outstrip the potential gains. A similar cost-benefit argument is invoked by James Scott (2009), who describes how state leaders in Southeast Asia strategically sought to establish control over densely populated and agriculturally productive areas to maximise revenue, while rugged and inaccessible regions essentially ended up as “nonstate spaces” (see also Scott 1998). Fearon & Laitin (2003) likewise emphasise how rough and inaccessible geography historically has favoured insurgency movements in escaping the grip of the state. In this view, state weakness does not necessarily result from the absence of incentives to extend authority in some areas, but rather that certain geographical conditions may have a deterring effect.

State capacity has also been linked to the nature of economic structure (see for example Ross 2001; Shafer 1994). Different theoretical variations of the so-called resource curse suggest that the access to easily taxable streams of natural resource windfalls disincentivize governing elites from investing in a costly “normal” fiscal bureaucracy unless necessary (Chaudry 1989). But the counterexamples of resource-rich, yet institutionally strong, Norway, Australia and the United States suggest that the relationship is conditional, not deterministic. Saylor (2014), for instance, argues that natural resource booms create an *impetus* for state-building by increasing the demand for public goods. Whether this window of opportunity is seized however depends on the configuration of elite coalitions, and, specifically, whether exporting elites are included or excluded from political power.

Another set of accounts concentrates on the effects of ethnicity on state-building. Cross-national (see for example Easterly & Levine 1997; La Porta et al. 1999) and subnational inquiries (Alesina, Baqir & Easterly 2003; Jackson 2013) mostly point at a negative relationship between ethnic

heterogeneity and public goods provision. Still, there is disagreement about the mechanisms at play (Singh & vom Hau 2015). Because the standard causal hypothesis holds that ethnic-specific preferences thwart inter-ethnic cooperation to generate or demand public goods from the state, most empirical studies have departed from different measures of ethnic fractionalization (see Alesina et al. 2003; Fearon & Laitin 1996). Others have concentrated on the degree of political-economical exclusion of ethnic groups (Baldwin & Huber 2010; Cederman, Wimmer & Min 2010) or varying effects of ethnic mobilization and collective action. Within the latter tradition, Van Cott (2005) suggests that the strengthening of indigenous movements in Latin America has led to *increased* political recognition and, consequently, more targeted public goods provision on behalf of the state. Wimmer (1997) and Cammet (2011), on the other hand, highlight the risk of discriminatory public goods provision and weakened administrative capabilities if ethnic collective action to gain control of state institutions results in an “ethnicization of state bureaucracy”.

The organizational structure of the bureaucracy has also been a salient theme within the tradition that examines the role of institutional design for state development. In *Politicians Dilemma*, Barbara Geddes (1994) investigates how executive-bureaucracy relations in Latin America shape administrative state power. The dilemma faced by politicians refers to a trade-off between appointing public officials according to patrimonial or meritocratic principles, where the former option may ensure continued short-term support, while the recruitment of competent bureaucrats is more likely to promote long-term political and economic development. Geddes therefore points at the degree to which the bureaucracy is insulated from *particularistic* political influence as a key institutional feature to promote state implementational power. The nature of bureaucratic organization has also been a salient theme within the general literature on Latin American state-building. Since this paper can be placed within that strand of research, the following subsection presents some overarching theories and empirical evidence about state development in the region.

2.2.1 State-building in Latin America

Latin America represents the puzzling scenario of relatively old states that on average exhibit intermediate levels of infrastructural capabilities. As pointed out by Soifer (2015: 1), no Latin American state can be described as a Hobbesian Leviathan, but neither is any state as rudimentary

as, for instance, the Somalian. Drawing on bellicist theory, Miguel Centeno (2002) argues that this partly can be attributed to the fact that post-independence wars in the region were limited and internal in character, as opposed to the kinds of total wars that drove state-building in Europe (cf. Tilly 1975; 1992). Centeno describes a path-dependent story in which administrative chaos after independence, social cleavages trumping national cohesion and the partial character of warfare impeded mass mobilization and military centralization. As a consequence, warfare in Latin America largely resulted in debt and breakdown rather than in a strengthened state.

Centeno's theory is empirically assessed by Thies (2005), who finds that the incidence of external war in Latin America has a null effect on taxation, whereas the occurrence of civil war is strongly negatively correlated with fiscal extraction. Cárdenas (2010) extends the argument by incorporating the role of political and economic inequality. Like Besley & Persson (2008) he views the accumulation of infrastructural power as the result of the predicted future value of public goods, on the one hand, and who will hold power in the future, on the other. Cárdenas' main empirical finding is that levels of political and economic equality influences the latter dimension; inequality may thus result in lower levels of state capacity.

The limitations of traditional bellicist and functionalist approaches in explaining country-wide discrepancies in state capacity in Latin America have prompted the emergence of new historical institutionalist literature on the subject (most notably Kurtz 2013; Saylor 2014; Soifer 2015). Although these accounts emphasise distinct explanations, they generally agree on a fundamental point: that the configuration of elite coalitional politics in the late nineteenth-century is crucial to understand contemporary differences in stateness between Latin American countries.

In *State-Building in Latin America*, Hillel Soifer's (2015) main innovation is that he conceives state-building as an inherently ideological endeavour – contrary to the dominant functionalist presuppositions that capacity-building occurs in response to external threats (cf. Tilly 1975), intra-state power struggles (cf. Geddes 1994) or revenue imperatives (cf. Besley & Persson 2008). State-building emerged, argues Soifer (2015: 19), “where elites saw them as the means to goals [...] to civilization, order, and progress”, which explains why such efforts in Latin America not only included taxation but also education and the expansion of other state functions. By exploiting the analytical distinction between permissive and productive conditions – factors that

facilitate state building and those that produce it, respectively – Soifer also deepens our understanding of why some state-building projects emerge, but then fail. The root causal factor determining why capacity-promoting developmentalist ideas emerged in Mexico, Chile and Peru but not in Colombia is referred to as *urban primacy*: the existence of a single, dominant urban centre. Urban primacy, argues Soifer, enabled the flourishing of a liberal ideology of state-led development around which elites could reach consensus, as opposed to countries with salient regionalisms where such common causes were trumped by conflicting geographic interests.

But while in Mexico and Chile, elites seized this window of opportunity to undertake considerable state-building efforts, Peru failed to do so. The explanation, according to Soifer, has to do with the organizational structure of the bureaucracy. Where local bureaucrats were *deployed* from centre to periphery, the implementation of state-initiated policies became more successful than in countries where the appointment of public offices was delegated to local elites, as was the case in Peru. The suggested mechanism is fairly straightforward: while centrally deployed bureaucrats' salaries and status depended on their loyalty towards the central government, locally elected office holders were more susceptible to the influence of regional elites (Soifer 2015: 5-6). This argument thus goes in line with Geddes' (1994) on the importance of a bureaucracy that is insulated from *particularistic* political influence. It shall however be noted that Soifer views deployment or delegation as an exogenous choice, without considering the possibility that the choice itself might be a function of the central state's calculations about possible resistance from local elites.

Latin American State-Building in Comparative Perspective by Marcus Kurtz (2013) centres on the nature of economic production and state-elite relations. Kurtz sketches a path-dependent causal trajectory spawning two major critical junctures. The first one revolves around the social relations governing agricultural production in the early period of economic modernization in the late nineteenth-century. Where a repressive labour structure is present, argues Kurtz, state-building projects are highly unlikely to occur (this discussion is developed in Chapter 3). But although the absence of servile labour is a necessary condition for state development, it is insufficient. Rural elites will only be disposed to contribute economically to the expansion of state institutions if reassured that the benefits of those investments will be shared widely amongst each other (Kurtz 2013: 9). That is why the second necessary condition for the success of early state-building efforts

entails inter-elite cooperation. Only where labour relations were free (non-servile) and rural elites cooperated to delegate power to the central state, an effective initial trajectory of institution-building could be undertaken.

Exploring the long-term failure or success of those initial state-building efforts, Kurtz (2013: 39) moves on to address a second critical juncture: the large-scale electoral incorporation of non-elite society in the early twentieth-century. How this so-called “social question” unfolded in different countries was crucial for the expansion of state capabilities, because the incorporation of popular groups placed the issue of redistribution at the centre of the political table (ibid.: 42). In an argument similar to Soifer’s (2015), Kurtz argues that the crucial factor is whether the middle- and working classes seized this momentum to unite around a common developmentalist strategy, realizable through a strengthened state. Such alliances were forged in Chile but not in Argentina. The reason, Kurtz argues, is that the incorporation of the Argentinian “masses” occurred before the Great Depression, when middle-sectors were predominantly concerned with their private economy and free trade, rather than making redistributive demands with the working classes.

The main contribution of Kurtz’s society-centric theory is that it recognizes the possibilities for institutional change in less deterministic terms than Soifer (2015) and Saylor (2014). Although Kurtz admits the path-dependent nature of state-building, he convincingly argues for the role of institutional sequencing and subsequent critical junctures in “deflecting” initial trajectories of state development – for better or worse. Kurtz and Soifer moreover touch upon an interesting aspect of institutional expansion: how civil society and local power relations can shape the fate of state-building efforts. As revealed in this literature review, and as pointed out by Soifer (2016), many scholars seem to depart from a tacit assumption that state weakness results from the *absence* of state-building – be it due to the lack of exogenous shocks or because governing elites rationally choose not to invest in state capabilities. This functionalistic view neglects the possibility that (overall or internal) state weakness could be a consequence of leaders’ inability to implement their chosen initiatives. Thus, a first step to attain a fuller picture of the determinants of state-building outcomes is to identify the factors that may obstruct or promote the link between intention and outcome. One such factor, I argue, is the relations between state and society.

It is likewise clear that a large portion of the reviewed literature centres on the determinants of *national* state-building outcomes. Only to varying degrees, these accounts yield insights to explain subnational patterns of state capacity – which is the goal of this investigation. This is more an observation of a theoretical gap than a critique; exploring stateness at the national versus subnational level simply constitute separate theoretical endeavours. Yet, the dimensions are hardly unrelated, and it would seem unreasonable to characterize a state that exhibits considerable internal variation as strong (Soifer 2012). Without making any claims about the direction of causality, this is one reason why we should make efforts to inquire into the puzzle of states’ territorial unevenness. This will be point of departure in the following section, in which I develop a theoretical framework that revolves around the role of civil society in shaping subnational outcomes of state capacity.

3. Theoretical framework

This section develops a general theoretical framework on the role of civil society in shaping states' ability of extending authority throughout their territories. I mainly draw on society-centric and historical institutionalist accounts of state-building to pinpoint when, why and under which circumstances we should expect the configuration of state-society relations to either facilitate or thwart the territorial penetration of the state. This should not be interpreted as a universal theory of subnational variation, since the insights upon which I draw mainly are concerned with state-building in the development world. Having said that, it serves a good theoretical base to explain subnational outcomes of state development in Latin America and other similar contexts.

Addressing the puzzle of states' spatial unevenness

It has been argued that a distinctive feature of the modern state is its claim of exerting authority uniformly throughout its jurisdiction (Migdal 2001). But empirically, this is hardly the case. As noted by Guillermo O'Donnell (1993) in one of the pioneering works on states' spatial unevenness, many countries exhibit large "brown" areas with limited or inexistent statehood (see also Börzel & Risse 2016). The goal of this study is to provide new theoretical and empirical insights to approach that puzzle. In doing so, I draw on new state-building literature which points at historical *cleavage structures* – the political conflicts that divide societies during critical periods state formation – as a pivotal factor to understand states' uneven reach. Because the theoretical and empirical foundations about this specific relationship still lie in their cradle⁵, this section is going to locate them within the larger society-centric state-building tradition to which they belong.

Since state-building is a process that unfolds over time *and* space, a logical point of departure is to assume that local idiosyncrasies either can facilitate, thwart or discourage state efforts to govern infrastructurally across territory. As discussed in the previous chapter, such factors may include difficult geography and/or local demographic characteristics. Without denying the relevance of

⁵ To my knowledge, Sánchez-Talanquer (2017) is the only study that explicitly has approached the relationship between cleavage structures and state capacity.

those structural conditions, I argue that a theory of states' uneven strength will be incomplete unless incorporating the socio-political dimensions of state-building. After all, state power is wielded over people, not things. But such power does not necessarily entail pure coercion. States also need to "know" the subjects they (presumably) seek to rule (cf. Scott's [1998] idea that states have to render their societies "legible"). To paraphrase D'Arcy & Nistotskaya (2017: 195), states do not only need "teeth" – the coercive capacity to punish free-riders –, they also need "eyes" – informational resources to monitor citizens. That is why infrastructural power, the main dependent variable in this study, is intrinsically relational. This point is illustrated through Mann's (1984) distinction between despotic and infrastructural power. Whereas the former denotes a state's degree of discretion to make independent decisions, the latter refers to the its *de facto* ability to penetrate and centrally regulate the activities of civil society through its *own* institutional infrastructure (cf. Weber 1975; Mann 1984: 114).

Why state-society relations should affect infrastructural power

Because social structure defines the playing ground in which states attempt to centralize and govern infrastructurally (cf. Barkey 1994), society's reactions to those effort should reasonably influence the degree to which they become successful. This idea has been furthered in several society-centric studies, thereamong Joel Migdal's (1988) seminal *Strong Societies and Weak States*. Migdal's (1988: 261) starting point is that state-building unfolds in an environment of conflict, in which state leaders compete with other social organizations over the accumulation of *social control*, defined as the ability to make the operative rules of the game for people in society (note the parallelity with infrastructural power). Social control, Migdal argues, is a prerequisite for effective state action because it facilitates the mobilization of material and human resources. How this control is distributed between the state and other social actors thus fundamentally shapes whether the state becomes strong or weak.

Although this general argument primarily centers on the expansion of national state capabilities in the developing world, I do not see any straightforward reasons why the same line of thought could not be applied to explain state strength (or weakness) at the subnational level. The structure and strength of civil society is hardly uniform across territory. Different geographical responses to state action should therefore have consequences for the fate of state-building efforts. This is the

premise in Sánchez-Talanquer's (2017) study on the effect of historical cleavage structures on subnational fiscal capacity in Mexico and Colombia. Following Migdal, state-building is here conceived as an intrinsically conflict-driven process, by which a dominant political coalition seeks to obtain institutional and ideological supremacy through policies that "privilege the interests and values of specific sectors of society *at the expense of others* [my italics]" (Sánchez-Talanquer 2017: 2). The main argument, which will be discussed in detail later on, is that the geographical patterns of popular resistance to emerging state-building efforts should have profound implications for states' territorial strength.

Other scholars place more emphasis on the effect of non-state elites' responses to state centralization. Migdal (1988), for example, argues that state-building may fail because powerful local elites view the extension of state authority as a threat to their ability to exert social control. This may lead to resistance towards any centralization attempts. Boone (2003) and Kurtz (2013) similarly point at the configuration of rural social structure and the opposition of agrarian elites as important explanations for the disruption of – or even retreat from – state-building projects. Under certain circumstances there is also a possibility of *accommodation*, which typically occurs when the state and local elites for different reasons depend (politically and economically) on one another and therefore agree on making mutual power concessions.

From these accounts we can conclude that there are multiple potential sources of social opposition to state action. It can take the shape of popular contention, as suggested by Sánchez-Talanquer, or elite resistance, as argued by Migdal. We can also distil three overarching causal pathways through which civil society affects state capacity. First, state weakness may result from state leaders' failed attempts to impose "their" rules on civil society. Second, certain social structures may deter the state from even trying. Third, state-building may be facilitated by social actors that share the state's goals or in other ways benefit from its expansion. These mechanisms are not necessarily mutually exclusive. One can perfectly imagine a state that ignores one region, fails in another and succeeds in a third.

This nevertheless highlights the importance of incorporating the dimension of intentionality into our theory of subnational variation. At its core, state infrastructural power has to do with the strength of the causal relationship between adopted policies and *intended* public policy outcomes

(Lindvall & Teorell 2016: 18). State weakness *per se* is thus a blunt indicator of civil society's effect on state penetration. We want to know whether the state even *intended* to establish control, if it tried but failed, and if yes, why so. Although this is an empirical issue, the overall analysis will benefit from a more precise theoretical understanding about the micro-mechanisms that determine *when*, *why* and under which *circumstances* civil society impacts the infrastructural expansion of the state. The following sections will be devoted to these issues, together with a discussion on why certain *aspects* of state-building should be more likely to face social resistance than others.

How civil society influences the development of state capacity

Popular resistance theory

Widespread popular resistance has been highlighted as one potential causal pathway through which civil society thwarts or deters state-building projects. This idea has become most fully developed in the works of James Scott (1998; 2009), who asks the basic question why some popular groups often view state agents as their enemies. The general answer is that states' efforts to centralize and force people into permanent settlements in order to render their societies "legible", constitutes a fundamental threat to people's traditional ways of life. This typically leads to resistance – particularly in poor, rural communities – which ultimately may trump state-building projects. A similar point is made by anthropologist Eric Wolf in his theory about the cultural configuration of so-called closed corporate communities (CPCs). According to Wolf (1957: 5), CPCs represent "relatively autonomous [...] social, linguistic and politico-religious system[s]" that are closed in the sense that benefits are limited to in-group members while participation with outside society is discouraged. Such communities, typically peasant or indigenous, are thought to develop in face of sweeping exogenous political-economical change and may resist state centralization as a strategy of self-preservation.

Alternatively, popular opposition can emanate from ideological discrepancies vis-à-vis the ruling coalition. Sánchez-Talanquer (2017: 2) studies how historical cleavage structures, or "the political conflicts that divide societies during critical periods state formation" have shaped subnational patterns of stateness in Latin America. The main theoretical proposition is that central states' attempts to impose "their" rules of the game in areas dominated by interests and values on the

“opposite” side of the most salient political cleavage will stumble. Two general mechanisms are suggested. On the one hand, state-builders are expected to make strategic calculations about the prospects of establishing control in any given area. Where such efforts are likely to instigate widespread social opposition and render lower fiscal revenues, emerging states will retreat from institution-building projects. On the other hand, social groups that are antagonized or excluded by the policies of the emerging state may develop a culture of suspicion and non-compliance to state authority, thereby rendering it more difficult for the state to regulate social relations through its own institutional infrastructure (cf. Mann 1984).

Sánchez-Talanquer (2017) illustrates this theory through the state-building experiences in Mexico and Colombia; countries whose state-making processes unfolded along quite diverse political conflicts but that nevertheless exhibit considerable internal variation in state strength (see Flores-Macías & Sánchez-Talanquer 2016; Safford & Palacios 2002). Whereas state-building in early twentieth-century Mexico was structured along a sharp religious divide, a fierce bipartisan conflict shaped political life in Colombia (Roldán 2002). Without going into details, the findings reveal that fiscal capacity in Mexico lagged behind in municipalities that experienced Catholic insurgency, whereas the same pattern went along in Colombian areas where Conservatives enjoyed overwhelming popular support. This suggests that widespread ideologically-motivated popular mobilization can have important consequences for state-building outcomes. Although the argument makes sense and largely resonates with Scott (1998; 2009), some questions about its generalizability are raised. Catholic insurgents in Mexico might well have had ideological inducements, but it remains unclear whether it really was the ideological disagreements that thwarted state-building and not the armed conflict *per se* (cf. Centeno 2002). While the political nature of the conflict is more straightforward in the Colombian case, I would say that the micro-mechanisms linking electoral opposition with failed state-building remain somewhat underspecified.

Elite opposition and the role of rural societal structure

As touched upon before, many society-centric theories of state-building in the developing world have emphasised the nature of rural social relations and the modes of agricultural production to explain state weakness (see Boone 2003; Migdal 1988). This is no less relevant in the case of Latin America – to say nothing about Guatemala – considering that the rural socio-economic

structure in many of these countries have revolved around the exploitation of peasant (often indigenous) labour, shaped by deeply entrenched colonial and post-colonial power relations (Barrington Moore 1966; Kurtz 2013; Saylor 2014). As mentioned in chapter 3, Marcus Kurtz (2013) highlights the existence of servile labour in nineteenth-century Latin America as one of the single most important explanations for contemporary state weakness (see also Anderson 1974; Root 1987). In labour-repressive systems, argues Kurtz (2013: 37), local elites⁶ become extremely vulnerable to the centralization of authority because the state might not want, or is unable, to support the strict social control elites wield over local populations and upon which their (economic and perhaps even physical) survival so fundamentally depends.

Catherine Boone (2003) also points at the pivotal role of rural elites in her study on state-society relations in Sub-Saharan Africa, although her argument has more functionalist undertones than Kurtz's. She argues that central decisions to deconcentrate state institutions to the periphery largely depend on the configuration of social hierarchy at the local level. A strategy of deconcentration typically occurs where rural elites in agriculturally productive areas exert considerable social control and are economically independent of the state. In a similar line of reasoning as Soifer (2015), Boone points out that central state leaders often perceive local elites as competitors over economic and political power and therefore choose to deploy state institutions as a strategy to circumscribe the latter's influence. Although this might be empirically true, there are obviously no guarantees that the deployment of state institutions will result in *de facto* changes in the local power balances.

What both Kurtz and Boone essentially describe is the kind of struggles over social control that Migdal (1988) views as so crucial for the fate of state-building efforts. But how exactly does elite resistance disrupt the infrastructural expansion of the state? Since social control constitutes rural elites' most important asset, argues Kurtz, any centralization attempts will be perceived as threats. Critically, the taxation necessary to support public goods provision – even if it should lie in elites' own interest – are likely to be resisted. At the same time, they are unlikely to permit (or willing to pay for) the expansion of general education, as it would promote the “empower[ment of] workers

⁶ Kurtz's (2013: 36) definition of rural elites resembles the one of Adams (1970), which refers to a traditional feudal aristocracy or a locally dominant upper-class.

whose disempowerment is the cornerstone of economic production” (Kurtz 2013: 37). Under certain circumstances, however, a middle ground can be reached. The paradoxical reason, Boone (2003) says, is that the central state often relies on the social control wielded by local elites to elicit compliance on behalf of lower strata in the rural hierarchy. If rural elites depend economically on the state, and thus are perceived as less threatening, political power can be conceded to local strongmen within deployed state institutions; a scenario that Migdal (1988) would refer to as “accommodation”.

From the hitherto discussion we can conclude the following. First, there is nothing inherent about state-building that sparks resistance; different *aspects* of state centralization are reasonably more anathema to civil society than others. Slater (2008) also makes this point. Electoral registration, for instance, essentially requires the same information-collecting infrastructure associated with conscription and taxation (which arguably should be more conflict-generating). Yet, it serves a more representative purpose and is therefore unlikely to instigate the same kind of opposition. The same should go when it comes to the provision of general public goods, such as education and basic infrastructure, although this may not always apply in the case of elite resistance – for reasons that have already been discussed (Kurtz 2013).

Second, it would be deceitful to assume that state-building in “quantitative” terms, like the establishment of public institutions and increases in state resources, automatically will lead to increased penetration of civil society. Paying attention to the underlying ramifications of the concept of infrastructural power can help illustrate this point (see Mann 1984; Soifer 2008: 232). Needless to say, states rely on resources (primarily money, human capital and information) to effectively exert authority (cf. Lindvall & Teorell 2016). But resources are not everything and do not automatically translate into power (Snider 1988). That is why we also need to look at the actual impact of radiating state institutions, that is, their *weight on society*, and whether these outcomes reflect the intentions of state-builders (Knight 2002; Morriss 2002).

How the social structure of communities may shape state-building attempts

Why, then, do seemingly successful state-building efforts not necessarily result in actual increased penetration of civil society? Barrington Moore (1966) and Scott (1976) argue that the answer partly is to be found in the social structure of specific communities. Moore (1966), for instance, points at the degree of communal cohesiveness as a crucial factor to explain state-society relations.

Communities endowed with high collective action capacity and the ability to control local dominant groups, argues Scott (1976), generally enjoy higher leverage in their engagement with outside political actors, including the state. Those with low levels of social coherence and group solidarity, on the other hand, will generally become more susceptible to outside encroachment (Moore 1966).

Migdal (1988) also stresses the importance of social fragmentation, albeit with a slightly different connotation. A defining feature of many developing countries is that social control is fragmented among numerous social actors – religious, ethnic or economic. This becomes a crucial obstacle for states that seek to concentrate social control and regulate society according to “their” rules. Why? One reason is that these social organizations contribute to people’s “strategies of survival” – the provision of elemental material needs and a sense of belonging. Merely breaching the social control of dominant social actors, writes Migdal, is therefore insufficient; states also need to become a real and symbolic aspect of people’s daily survival strategies in order to effectively establish authority. Unless the state fills that void, other social actors will. Migdal exemplifies this with the Egyptian state-building experience during the 1952 revolution, which in many instances resembles that of Guatemala.

President Nasser’s reforms took place in a context in which large landowners essentially dictated the behavior of poor peasants by providing the means for their strategies of survival. In promoting the goals of the revolution, rural elites were deprived from their lands and state institutions were deployed across territory to undermine traditional power bases. Yet, although the state’s physical presence became overwhelming and affected almost every aspect of rural life, it was not the government itself that ended up dictating the local rules of the game. In the absence of expropriated landlords, middle-peasants found momentum to capture state institutions and turning agricultural cooperatives into vehicles for imposing their rules on rural communities (Migdal 1988: 194). The obsession of breaking the social control of one dominant group simply led to the emergence of another, whose influence drew from their positions in the prerevolution order. In other words, the state could not overcome the fragmentation of social control despite all the resources at its disposal.

The main implication of these arguments is that effective establishment of state authority cannot occur unless pre-existing social structures are essentially shattered, which typically happens under rapid, exogenous shocks that fundamentally undermine people's strategies of survival. Historical institutionalists would refer to such shocks as *critical junctures*: situations of uncertainty under which the decisions of actors lead to the selection of one institutional trajectory over another (Capoccia 2016: 1; Stinchcombe 1987). Such trajectories are moreover expected to be *path dependent*, resulting in at least a degree of institutional continuity over time (Fioretos, Falleti & Sheingate 2016). Although some scholars (see for example Joseph & Nugent 1994) conceive of state-building as a gradual process, the abovementioned discussion would suggest that we should concentrate on the events and processes that occurred during such critical moments if we want to explain long-term state development outcomes. This will be the main theme in the following chapter.

Summing up

Taken together, this theoretical framework has proposed several causal pathways through which civil society can affect state-building outcomes. Popular groups or local elites may either facilitate, deter or thwart state-building projects. Social and economic power, ideology and tradition seem to be the most salient driving forces behind opposition or compliance to state action. Yet, some aspects of state-building are likely to be more “conflict-generating” than others. Public goods provision should generally face less resistance than conscription or taxation, although there are circumstances under which local elites are likely to resist any kind of centralization efforts. The reason is that rural elites' economic and political survival typically depends on the extent to which they can wield social control over local populations. Indeed, it is the struggle over social control between the state and other social organizations that largely shape whether the former succeeds in governing infrastructurally throughout its territory.

That is why the mere presence of state institutions in the hinterland says little about its actual *impact* on civil society. The degree of fragmentation of social control and the cohesiveness of local communities largely condition the prospects of the state to breach entrenched social structures and effectively impose “its” rules of the game. This can only occur when major external shocks, or critical junctures, profoundly disrupt pre-existing patterns of social organization. In the following

section, I illustrate these theoretical insights through a brief case study about the Guatemalan state-building experience in the nineteenth- and twentieth-centuries. It should be interpreted as a preface to the main analysis in Chapter 6, and a way to set the context for the methodological and empirical sections.

4. Case study: State-building in Guatemala

If the *cleavage structures* theory is to be validly assessed in relation to the Guatemalan state-building experience, it is paramount to ensure some degree of parallelity with previous empirical investigations. Sánchez-Talanquer (2017: 9) centres on the “divisions in which the state-building process is embedded [...] during critical historical periods of institutional change” in his case studies of Mexico and Colombia. The problem is that there are many plausible “critical periods” of institutional change, although we remember that the Latin American state-building literature generally pinpoints the late nineteenth-century as particularly decisive (see Saylor 2014; Soifer 2015). Considering the *mélange* of socio-political tensions that exist in any society, one can also question whether it really is possible to identify a single, dominant cleavage.

With all of this having been said, the Mexican and Colombian state-building experiences share several similar traits. Both projects emerged in the early and mid twentieth-century, when the Mexican Post-revolutionary state and Liberal administrations in Colombia undertook unprecedented measures to promote order, progress and modernization through the incorporation of non-elite society in the national transformation⁷ (Fallaw 2013; Roldán 2002). Labour organization was encouraged, public education was expanded and reforms to facilitate peasant access to land were enacted in both countries (ibid.). Yet, these ambitions were not unique to Colombia and Mexico. Rather, they largely correspond – in substance as well as in timing – with what Kurtz (2013) would refer to as the second critical juncture of Latin American state-building.

Having identified a common denominator as for the *intentions* of emerging state-builders, the subsequent question is whether the *type of conflicts* that divided Mexican and Colombian societies during this critical juncture had any Guatemalan equivalency. Here it should be pointed out that Sánchez-Talanquer (2017) views the nature of a cleavage as secondary to the *process* along which it unfolds. After all, the religious conflict in Mexico and the Conservative-Liberal divide in Colombia were different in essence, yet produced the same negative outcomes for state-building.

⁷ Compare this with Soifer’s (2015) claim about the role of ideology as the main driving force behind state-building.

Hence, we should perhaps not concentrate so much on the substance of conflict, but on which social groups that are favoured or deprived by the specific values and policies that are furthered by an emerging state-building coalition. Or to paraphrase Michael Mann (2012: 359), we should ask: who builds the state, for whom, and how?

4.1 The Guatemalan state-building experience

I argue that the second critical juncture of Latin American state-building took place in Guatemala during the so-called Revolutionary Decade (1944-1954). This period, also known as *los Diez Años de Primavera* – the Ten Years of Spring – would see unprecedented government measures to promote democracy, modernize the economy and incorporate the masses in the national transformation (Grandin 2000). To meet these ends, the reformist administrations of Presidents Juan José Arévalo (1945-1951) and Jacobo Árbenz (1951-1954) made important attempts to extend the state's infrastructural reach throughout territory. Government agencies and political parties were established even in the most remote areas of Guatemala (Wasserstrom 1975). Rural education was expanded, while labour and peasant unions with national bonds were represented in nearly every municipality (Handy 1994). Yet, it was clear to them that in a country with extremely unequal patterns of land ownership, any true transformation of the economy would require some redistributive measures (Handy 1988a). The most important government initiative would therefore be the 1952 agrarian reform, which sought to dissolve the entrenched landowning structure of *minifundio-latifundio*. This entailed a pattern by which the great majority of farming units were tiny plots used by peasants for subsistence agriculture, while 72 percent of the agricultural land – much of it uncultivated – was controlled by large landowners in huge estates (Dirección General de Estadísticas, 1954).

The Revolutionary reforms naturally posed a direct threat to Guatemala's regional power base: the local upper-class, landholding elites and regional businessmen. By the 1950s, politics had crystallized along a sharp political divide with one faction supporting the progressive government reforms, while a growing opposition feared that these measures reflected the spread of Communist influence (Patridge 1994). The opposition culminated with the enactment of the

agrarian reform, which ultimately precipitated the overthrow of President Árbenz in 1954. Despite the fact that the broader government opposition involved many different actors, it is well-established that the Revolutionary policies struck hardest against Guatemala's traditional landowning oligarchy (see Handy 1994; Wasserstrom 1975). Considering the strong theoretical foundations about the pivotal role of rural elites' in restricting or facilitating state-building projects (see Chapter 3), I argue that this is where an analysis of the relationship between cleavage structures and subnational variation in Guatemala should start. But in order to illustrate the deep-seated nature of this peasant-landowner conflict and how it has shaped the development of the modern Guatemalan state, we must look even further back in history.

State-society relations at the dawn of the modern Guatemalan state

The general consensus holds that the fundamentals of the modern Guatemalan state were laid during the early decades of the so-called Liberal Revolution (1871-1897), when an emerging circle of Liberal political elites put an end to nearly four decades of Conservative rule (Taracena Arriola & Castillo 2002). This period saw the first significant expansion of basic state infrastructure, including the construction of railways, roads and telegraphs networks, as well as the establishment of prisons, customs offices, credit institutes and a land registry (UNDP 2010: 21f). These state-building efforts were primarily undertaken to support the booming coffee industry – the state's main source of income. Following Saylor (2014), the nature of elite coalition politics in this period provided the necessary conditions for successful state-building, since the ruling political coalitions nearly unreservedly accommodated to the interests of Guatemala's coffee-exporting oligarchy (Grandin 2000: 111).

But apart from expanding public goods, the Liberal coffee state also reinforced pre-existing Spanish colonial patterns of peasant exploitation by enacting a series of repressive labour laws to guarantee the landholding coffee bourgeoisie a stable workforce provision (Adams 1970). Decree 222 from 1878, commonly known as the vagrancy law, authorized *finqueros*⁸ to imprison workers deemed as vagrant, while the 1894 labour code basically created a new class of landholders who could enrich themselves through serfdom until the onset of the October Revolution in 1944 (Woodward 2005: 175). The ethnic dimension of this semi-feudal labour structure cannot be

⁸ Estate-owning farmers.

neglected. The fact that the majority of exploited workers pertained to Guatemala's large Maya population has even led some scholars to describe the Liberal decades in terms of a "second conquest" (Handy 1994).

From this we can distil that the incidence of a major commodity boom and the symbiotic relationship between exporting elites and state leaders fulfils both of Saylor's (2014) necessary conditions to create an opportunity for effective state-building. But while these conditions may well have facilitated state expansion in terms of increased public goods provision, we also recall that Kurtz (2013) points at the existence of servile labour relations as the most important obstacle to state-building. The fact that state penetration was not as thorough as one might be led to believe largely corroborates Kurtz's point. For example, municipal mayors were not deployed from centre to periphery, but appointed by local elites (cf. Soifer 2015). The abovementioned labour policies moreover endowed regional landowners with considerable social control by making workers strongly economically and socially dependent upon them. This is why Handy (1994) argues that Liberal policies actually stunted state growth, at least in terms of its ability to penetrate society through its *own* institutional infrastructure. Or in the words of Mann (1984), the early Liberal state appeared to have some degree of despotic power, yet largely lacking infrastructural strength.

The Leviathan slowly emerges: the regime of Jorge Ubico

These power bases would partially change during the regime of President Jorge Ubico Castañeda (1931-1944). Two of his reforms were particularly crucial for changing the locus of power from regional and local groups to the central government. First, he introduced the so-called *intendente* system, by which mayors that previously had been elected by the local upper-class were replaced by hand-picked intendentes that answered directly to the executive (Grieb 1979). Note that that this entailed precisely the kind of bureaucratic re-organization that Geddes (1998) and Soifer (2015) view as pivotal for the effective implementation of state policies. Second, Ubico subtly reformed the peonage system so that employers no longer could force non-compliant workers to pay off their "debts" at their farms. Instead, they were forced into compulsory infrastructural work under the auspices of the state. These policies changed accountability patterns and placed increased control over local and regional affairs in the hands of the central government.

Yet, despite the wide consensus that this constituted the formative period during which the local upper-class, local farmers and regional *caciques*⁹ became increasingly dependent on Guatemala City, Ubico was reluctant to entirely destroy the social control exercised by local elites over peasants, since the former provided leadership in service/commerce surrounding the state's two major sources of income: coffee and bananas (Adams 1970). This is suggestive of a pattern of accommodation similar to the one described by Boone (2003) and Migdal (1988), by which the deployment of state agents and institutions not necessarily translates into *de facto* penetration of civil society. Still, Ubico's reforms arguably rocked the very structure of political organization by centralizing control over labour and challenging the political power of the landowning elite (Handy 1994).

Ten Years of Spring

But it was not until the onset of the *October Revolution* in 1944 that the central government would undertake more whole-hearted attempts to break this longstanding socio-economic structure by launching an ambitious programme to extend labour rights, promote public education and encourage political participation amongst all social classes. The Revolution itself was admittedly not precipitated by any large-scale popular upheaval against Ubico's authoritarian government (Adams 1970). His resignation was mainly pushed forward by young intellectuals, middle-grade military officers and open-minded conservatives that had grown tired with the government's inability to open up the heavily coffee-dependent national economy (Wasserstrom 1975: 448-449).

One of the most ground-breaking reforms under President Juan José Arévalo's (1945-1951) first Revolutionary administration was the 1948 amendment to the labour code, which allowed rural unions (*sindicatos*) to request the same legal recognition as urban and industrial unions (Bishop 1959). Another important step to economically empower poor rural families came with the Forced Rental Law (*Ley de Arrendamiento Forzoso*) in 1949, under which large landowners were required to rent uncultivated portions of their fincas to neighbouring peasants at fixed rates (Toledo 1952). Although oppositional currents invoked these measures as evidence of the

⁹ Local indigenous authorities

government's Communist inclinations, the reforms were rather impotent in curtailing the root cause of rural elites' political-economic dominance over lower-class peasants: the inequities of land tenancy (Adams 1970). Politicians understood that an alteration to this structure would be absolutely necessary if the goals of the Revolution were to be fulfilled (Handy 1988a: 675).

By 1951, landlords had become increasingly antagonized by the abovementioned development and initiated a series of lockouts on their plantations in an attempt to turn agricultural workers against the government (Wasserstrom 1975: 450). In face of this growing opposition, the newly elected President Jacobo Árbenz (1951-1954) became eager to circumscribe the political and economic power of his adversaries and therefore sided with the labour movement (*Confederación de Trabajadores de Guatemala*) to bring about the promise of land distribution. The 1952 *Agrarian Reform Law*¹⁰ – described by Árbenz himself as “the most precious fruit of the Revolution” – drew inspiration from Mexico's *ejido* programme and encouraged rural workers and landless peasants to organize into rural unions and peasant leagues to denounce landlords whose estates exceeded certain legal limits (Wasserstrom 1975: 453).

To implement the law, also known as Decree 900, Árbenz created a system of local agrarian committees that would supervise land expropriations with support from the newly established *Departamento Agrario Nacional* (DAN). But as government reforms became more radical, social actors that initially had viewed the Revolution with cautionary optimism – including urban elites and certain segments within the Catholic Church and the military – turned increasingly sceptic. Protests from “Anti-Communist” student associations often ended in riot, while conservative organs within the Catholic church described agrarian reform as the “worst plague” to Guatemalan agriculture (Gómez Díez 1999). Still, the most vehement opposition understandably came from the landholding aristocracy, organized through the *Asociación Guatemalteca de Agricultores* (AGA) – the largest landowners' association (Bell 1992). Apart from a general reluctance to provide DAN with the necessary technical information to enforce expropriations, some landowners fought Decree 900 through the courts – despite the law leaving no formal space for such appeals (Rodríguez de Ita 2003).

¹⁰ Ley de Reforma Agraria



Government propaganda in favour of the agrarian reform.
Source: Diario de Centro América (1950, November 4th).

Following a Supreme Court ruling in favour of an expropriated landlord in 1952, Congress dismissed the judges that had voted against the expropriation to prevent further delays of the reform's application. This decision deepened the political polarization around Decree 900, as reflected in one of Árbenz's speeches:

"We are tired of the maneuvers of the reaction. [...] I want to warn the other side, that if they go outside of the law, if they provoke a civil war, we will also fight."

— President Jacobo Árbenz in 1953 (cited in Handy 1988a: 693).

And indeed, the agrarian reform sparked violent conflict in rural Guatemala. Landlord abuse of rural labourers who denounced land and/or organized into peasant unions prompted the creation of rural self-defence committees, while several peasant leaders and landowners were killed following violent confrontations throughout the countryside (see Martínez Peláez 1985; Handy 1988a). Ultimately, the resistance from Guatemala's traditional regional power base and the

effective lobbying of the United Fruit Company would prompt the United States to support a *coup d'état* against the purported Communist threat of Jacobo Árbenz's government, which finally put an end to the Revolution in 1954.

Hopefully, this initial analysis of the Guatemalan state-building experience has served to strengthen the claim that the main socio-political cleavage during the Revolutionary Decade revolved around a longstanding class-conflict, and that this should be considered a historical fact rather than a matter of (adopting a class-based) perspective. This is not to deny that other underlying social disputes – mostly ethnic and community-based – parallelly rose to the surface during this critical period of state-building (see Handy 1989). But to answer Mann's (2012) call of identifying who builds the state, how and for whom – it was arguably the deep-seated division between agrarian elites and landless rural labourers, not ethnicity, *that structured state-building projects*. Since this is the main issue of interest for the purposes of this paper, the remaining chapters will be dedicated to the assessment of whether the practical manifestations of this conflict have had any implications for the strength of the contemporary Guatemalan state.

5. Research design

This section deals with the methodological approach to empirically investigate the relationship between historical cleavages and subnational state capacity in Guatemala. I start by discussing the main strengths and weaknesses of adopting a statistical comparative research design, and continue by describing the strategy to validly assess the focal relationship. The empirical section deals with challenges and possibilities when it comes to measuring state capacity, followed by a detailed description of the empirical data. The concluding section addresses some technical issues.

5.1 Statistical subnational comparative analysis

How should one go about investigating present-day effects of complex political events that took place almost seven decades ago? There is certainly no shortage of historic and anthropological case studies on rural communities in Guatemala; whose micro-level focus on context, actors, sequencing and processes have provided detailed insights about state-society relations in the mid twentieth-century (see Mendelson 1965; Nash 1968; Reina 1966; Tumin 1952). Yet, the aim of this study is to identify *general* socio-political explanations of state development based on information from a larger sample of political subunits. Thus, a statistical research design suggests itself. To name it right, I adopt what Snyder (2001) refers to as a subnational comparative method (henceforth SCM); an approach that enjoys two main advantages vis-à-vis cross-country statistical designs.

To begin, it allows for the identification of internal heterogeneity in the outcome of interest; variations that are typically obfuscated in “mean-spirited” national-level designs (Lijphart 1975: 166-9). Most importantly, and following the logic of Mill’s (1843/1961) indirect method of difference, the problem of omitted variable bias can be mitigated by establishing control over ecological, historic and other structural circumstances. Having said that, the advantage of controlling inevitably weighs against the ability to generalize (Snyder 2001: 103). Without denying this trade-off, my answer would be that concerns of external validity are addressed by

anchoring my findings in theory. For the theoretical framework upon which I draw is not constructed solely to explain the “case” of Guatemala, but the class of events to which it belongs (cf. King, Keohane & Verba 1994: 35). Another potential weakness in SCM emanates from the fact that subunits in the same political system often are (politically and socially) interconnected, also known as Galton’s problem (Snyder 2001).

To investigate the relationship between historical cleavage structures and subnational state capacity in Guatemala, I conduct a series of *Ordinary Least Squares* (OLS) regression analyses, following Aneshensel’s (2012) logic of statistical inquiry. At the heart of this approach lies the aim of empirically *isolating* the effect of a focal independent variable on a focal dependent variable in order to determine whether they are causally related (ibid.: 2). In doing so, one might want to mitigate the risk of endogeneity – that the error term is causally related to one or more of the independent variables (Avery 2005) – by introducing a large number of possible predictors to the regressions. While it is true that the incidence of omitted (unobserved) variable bias violates the basic requirements of Multiple Regression Analysis (MRA), the strategy of “throwing in everything but the kitchen sink” may cause irrelevant regressors to distort the interpretability of the focal relationship (Kennedy 2008: 94). My stance in this dilemma is to rely on theory and only include those predictor variables that, based on what we know from previous research, can be expected to influence *both* geographical conflicts and state capacity (Schroeder, Sjoquist & Stephan 2016).

Some technical remarks about the general requirements in OLS regression modelling should also be addressed. To meet the assumption of linearity, one dependent variable and two independent variables had to be log-transformed (Djurfeldt 2009: 40). Regression diagnostics moreover revealed that the models generally violated the assumptions of homoscedastic and normally distributed regression residuals (Hayes & Cai 2007; Svensson & Teorell 2007). To adjust this problem, all models were performed with so-called bootstrapping. By estimating the properties of the sampling distribution, bootstrapped linear regressions circumscribe the abovementioned problems by yielding confidence intervals and significance values that do not rely on assumptions of normality and homoscedasticity (Field 2013: 199ff). Finally, I addressed the concern of

multicollinearity, but found that none of my independent variables were correlated to any worrisome degree (see correlation matrix in Appendix I).

5.2 Operationalizations and empirics

Operationalizing state infrastructural power raises important methodological concerns, as unobserved analytical constructs, per definition, cannot be measured directly (Jackson 2013). Commonly, researchers have relied on outcome measures such as tax/GDP ratios, vaccination rates and data on primary school enrolment (Cingolani 2013). The problem is that these are outcomes that do not necessarily emanate solely from state strength (Fukuyama 2013). One way forward, I argue, is to use proxy measures that indirectly presuppose some degree of state capacity. A good example is Lieberman's (2002) characterization of fiscal data, which distinguishes between taxes that are relatively "easy" to levy, and others that require considerable infrastructural presence and administrative capabilities on behalf of the state.

Another important issue goes back to the conceptual discussion about the different ramifications of state infrastructural power. Some scholars (see for example Soifer 2012) have argued that a state that exhibits large discrepancies across different capacity dimensions hardly can be characterized as strong. Following that logic, using composite measures would be the natural choice. Yet, as suggested by Boone (2003), the amount of resources, or capabilities, does not always mirror the state's actual weight on civil society. In order to grasp these nuances, but also as a robustness test, this study will rely on two "weight on society"-measures and one capability measure. The empirical material has been collected from a wide range of archival and secondary sources during three months of full-time fieldwork in Guatemala. I constructed a dataset and hand-coded the retrieved information for each of Guatemala's 340 municipalities. A complete overview of the variables and the sources to which they correspond are available in Appendix II. The following subsection describes all variables in depth and continuously discusses concerns of reliability and measurement validity.

Dependent variables

Weight measures

Taxation is arguably one of the most straightforward measures to capture the state's weight on society, since it typically entails regulating social behaviour and eliciting compliance through other means than pure coercion (Mann 2012). In many cases, fiscal extraction also hinges on states' ability to monitor, as well as collecting information about, firms, citizens and property (Snyder 2001). When it comes to measurement validity, the main flaw with fiscal data is that states, for political reasons, sometimes tax less than they potentially could (Cárdenas 2010; Soifer 2008). This is a concern that should be kept in mind, although it in my case applies more to the first weight measure – *per capita property tax* – than to the other – *taxpayers per capita*, since the latter does not reflect extraction as such.

The property tax has consistently been described as one of the most infrastructurally demanding (Harbers 2015). In Guatemala, it has gradually been decentralized to municipalities since 1994¹¹ – with the important implication that this measure reflects local, rather than central, state capacity. Ideally, property tax revenues should be estimated in relation to the value of real estate or local GDP (Bonet & Rueda 2013). Due to the inexistence of such municipal-level data, I consider the per capita measure as a second-best option. The taxpayer measure refers to the proportion of the population registered as taxpayers between 2013-2017 (averages). For fiscal purposes, all juridical persons in Guatemala are obliged to obtain a tributary identification number (NIT) prior to initiating economic activities (Superintendencia de Administración Tributaria [SAT] 2018). This measure can thus be thought of as an indirect estimation of the size of the informal economy and the state's capacity to monitor tax compliance.

Capability measure

One of the most important state-building initiatives during the Revolutionary Decade was the expansion of public education, which makes it a relevant outcome to incorporate into our analysis (Adams 1970). Unlike the usual approach of looking at enrolment rates, I use an index that reflects the relative concentration of public educational facilities, employees (per capita) and

¹¹ In 2016, the property tax was still administered by the central government in 64 out of 340 municipalities, due to insufficient local administrative capabilities (Ministerio de Finanzas 2018).

expenditures (per capita) among Guatemalan municipalities. The variable is a sub-indicator of the United Nations Development Programme's (2010) *State Density Index* and is thought to mirror the central state's spatial concentration terms of educational resources (cf. Boone 2003: 30). I initially considered using the composite density index, but dropped it due to a lack of linearity with several predictor variables.

Focal independent variable

The original idea to get at the popular resistance faced by the Revolutionary government was to use electoral data from the highly contested 1950 Presidential elections. Unfortunately, the National Electoral Board¹² (JNE) never reported the results at the municipal level. But even if it has been well-established that government opposition during this period was multifaceted, the Revolutionary policies arguably struck hardest against, and instigated the most ardent resistance among, Guatemala's traditional landowning elite. Under the radical agrarian reform (1952-54), the government redistributed more than 500 000 *manzanas*¹³ of land from around 800 private estates to landless peasants (Handy 1988a: 687). By relying on records about *where* these expropriations were carried out, I argue that we attain an indirect measure about **a)** the locus of large landlords and the epicentre of political conflict during the Revolutionary Decade and **b)** where government opposition was likely to be particularly vehement.

Three main issues of measurement validity ought to be addressed. First, expropriation decisions were not taken randomly, but upon petitions from peasants and local agrarian councils. These councils, together with peasant unions and other local actors, moreover played an important role in enforcing the law (Bell 1992). This could entail that expropriation figures primarily capture, not the loci of all powerful landholding elites, but those municipalities where pro-government forces were strong enough to overcome their resistance. Second, one cannot rule out the possibility that the agrarian reform *per se* had implications for state-building outcomes, since the application of the law required state officials to perform land surveys, appraise the value of real estate and collect information about proprietors (Handy 1988a: 690). One possible implication

¹² The *Junta Nacional Electoral* was the predecessor of Guatemala's Supreme Electoral Tribunal (TSE)

¹³ Ancient Guatemalan measurement unit that corresponds to 6,987 square metres.

would be that the expansion of state infrastructural capabilities was *facilitated* in areas where rural elites were too weak to ward off their adversaries.

Third, it is crucial that the measure reflects *systemic*, rather than transitory or coincidental, socio-political conflicts (King et al. 1994: 56). In comparison with possibly fluctuating public opinion figures, the expropriations measure enjoys the advantage of referring to a deeply entrenched socio-political cleavage. Hence, although the expropriations measure admittedly does not capture all aspects of popular resistance to state-building policies in the mid twentieth-century, it arguably pinpoints those areas that experienced a particularly fierce environment of conflict (cf. Migdal 1988); a conflict that I moreover argue was *the one* around which state-building in twentieth-century Guatemala unfolded. Taken together: given the difficulties of retrieving municipally disaggregated data that directly reflect government opposition in the 1950s, I consider the expropriations measure as an acceptable proxy.

Control variables

To validly isolate the effect of socio-political conflict on contemporary levels of state capacity, I must rule out the possibility that both dimensions are mutually influenced by background variables (Schroeder et al. 2016). So, what to control for? Given the nature of the conflict, it was probably more salient in rural areas. Since urbanization rates can be conceived as a proxy for economic development, which in turn is likely to be associated with state capacity (Pellegrini & Gerlagh 2008), I control for the (log) proportion of *urban population* in 1950 and whether municipalities enjoyed *departmental capital* status¹⁴. One can also imagine that conflict was less pertinent in scarcely populated areas with difficult terrain and low suitability for agricultural production – geo-demographical traits that traditionally have deterred or disincentived states from extending their territorial reach (cf. Boone 2003; Scott 1998). I therefore control for municipalities' (log) *population density* in 1950, and the *agricultural potential of the soil*. The latter variable is based on soil classifications from the Guatemalan Ministry of Agriculture, Livestock and Food¹⁵ (MAGA 2005; Alwang, Siegel & Wooddall-Gainey 2005), and ranges from 1 (low

¹⁴ There have been no alterations to the capital status of municipalities since 1950.

¹⁵ Ministerio de Agricultura, Ganadería y Alimentación (MAGA)

potential) to 5 (high). I could unfortunately not retrieve numerical data for terrain roughness at the municipal level, but through a visual examination of topographic maps, slope levels seem to coincide almost perfectly with the land's agricultural potential. I therefore treat the latter variable as a control also for the ruggedness of terrain.

There is no evidence that the agrarian reform was applied more in predominantly *Ladino*¹⁶ areas than in locations with large indigenous populations (Handy 1994). Still, the peasant-landowner conflict inescapably stemmed from a history of exploitation of Indian labour to sustain the booming coffee industry, an endeavour which moreover involved considerable investments in state infrastructure in the late nineteenth-century (Lyon 2010; Wagner 2001). Given this, and recalling that the extension of state authority often faces resistance if perceived as a threat to traditional ways of life (see Chapter 3), I control for the *proportion of indigenous population* and whether municipalities were *coffee-producing*¹⁷ in 1950. The “indigenous” measure was transformed into a dummy variable, where the value “1” indicates an indigenous population of 50 % and above. Although this may seem dodgy, it was a technical necessity due to the fact that Guatemalan municipalities in the 1950s were strongly segregated along ethnic lines¹⁸.

Modifications to Guatemala's political subdivisions over time

Guatemala's political-territorial structure has experienced several modifications over the past century (see Palma Murga & Valladares 1998). 316 municipalities in 1950 have become 340 in 2018 (Dirección General de Estadísticas 1951; Instituto Nacional de Estadística 2018). Considering this study's longitudinal character, these jurisdictional changes inevitably raise questions about the comparability between municipalities over time. To alleviate these concerns, I traced all jurisdictional alterations since the mid-twentieth century and re-coded the units of analysis so that they to the largest extent possible matched the contemporary municipal structure.

¹⁶ The contemporary connotation of a “ladino” refers to a person of mixed ethnic ancestry but who only speaks Spanish (RAE n.d.)

¹⁷ I coded this as a binary variable, where the lower benchmark to be classified as a coffee-producing municipality was set at 3000 *quintales of cereza*, in order to exclude polities with negligible production.

¹⁸ In 1950, the vast majority of municipalities were either 70 % indigenous or 70 % non-Indian (own calculations based on the 1950 census).

For example, if municipality y segregated from municipality x after 1950, I assigned the value of x in 1950 to y . In the case that municipality z that existed in 1950 later amalgamated into municipality x , I calculated the mean value of both x and z in 1950 and assigned it to the contemporary municipality x .

6. Analysis

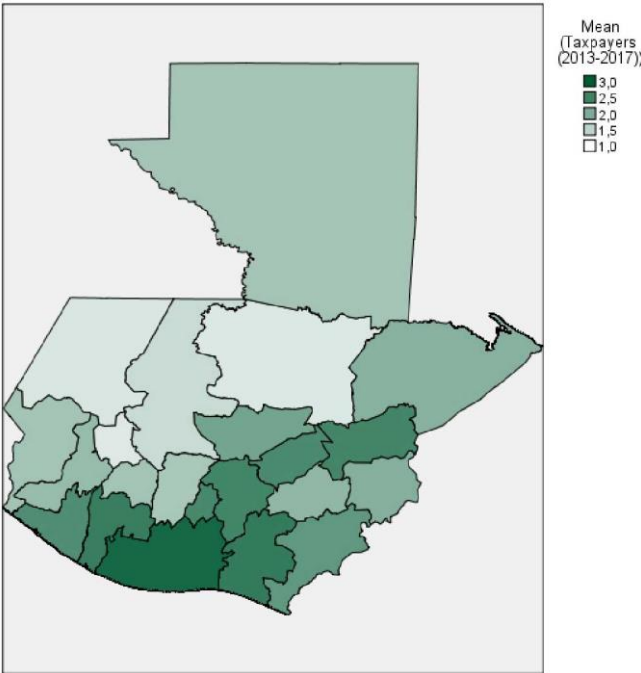
The general aim of this section is to empirically assess whether the uneven territorial strength of the contemporary Guatemalan state can be traced back to the geographical distribution of socio-political conflicts in the past. In the theoretical chapter, we were presented with several suggestions on where such an analysis could start. It has been argued that both elite resistance (Boone 2003; Migdal 1988) and popular contention (Scott 1998; 2009) can have important implications for the ability of states to extend their territorial reach and weight over civil society. Kurtz (2013), Saylor (2014) and Soifer (2015) incorporated the time aspect, pointing at the late nineteenth-century and the mid twentieth-century as the main critical junctures of state-building in Latin America. Finally, Sánchez-Talanquer (2017) argued that we should identify the deep-seated political conflicts that divide societies during these critical moments of institutional change, and where they unfolded geographically, to understand states' uneven spatial reach. The stage for this part of the analysis was set in Chapter 4, which identified the class-based peasant-landowner divide as the most salient cleavage embedded in the Revolutionary Guatemalan state-building project. But before assessing the explanatory power of these conflicts, we must naturally get an idea of the explanandum: the territorial unevenness of the contemporary Guatemalan state.

6.1 The territorially uneven state

This section visually presents the empirical data on contemporary levels of subnational state capacity in Guatemala through a series of choropleth maps. While the multivariate regression analyses are performed at the municipal level, these maps represent average *departmental* differences in the concentration of taxpayers, property tax revenues and educational state density as it facilitates the interpretation of the univariate statistics. Figure 6.1 visualizes the regional distribution of taxpayers per capita. The geographical patterns suggest that the concentration of taxpayers appears to be highest in the Southern regions along the Pacific coastline. This is quite interesting, considering that the common denominator among these lowland departments is that they are endowed with the best agricultural land in the county (MAGA 2005). On the other

hand, the more lightly shaded departments in the mid-Western highlands – Huehuetenango, Totonicapán, Quiché and Alta Verapaz – seem to exhibit significantly lower proportions of taxpayers. These regions are generally characterized by having large shares of indigenous populations and rough terrain. Admittedly, the average differences between departments are not very sharp (1-3 % taxpayers), although it should be pointed out that the discrepancies are larger at the municipal level (see Appendix I for details).

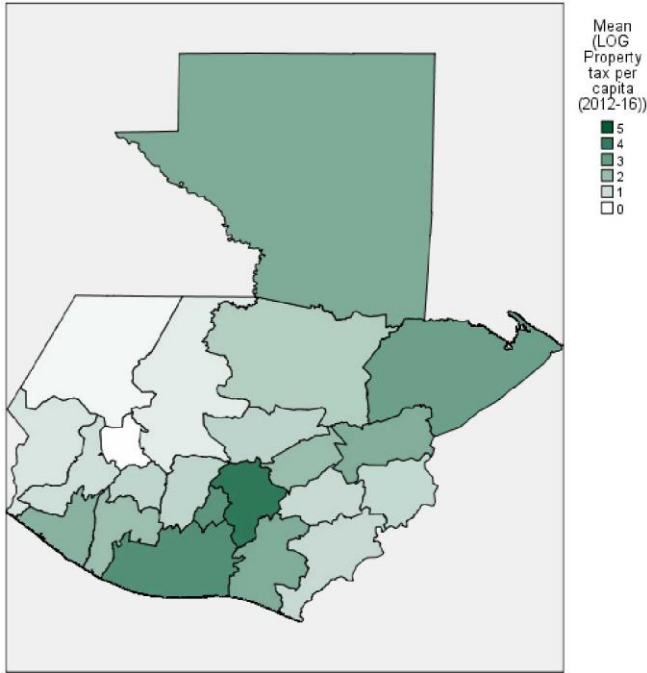
FIGURE 6.1
Taxpayers per capita (2013-2017, percent, departmental averages)



We now proceed to Figure 6.2, which reflects local fiscal state capacity in terms of per capita property tax revenues. Broadly speaking, the patterns mostly follow the concentration of taxpayers, where the Central and Southern regions again exhibit the highest scores. Unsurprisingly, Guatemala – the capital department – levies the largest numbers of property tax revenues, while the mid-Western highland departments basically do not raise anything. While in many cases this is because some municipalities simply have not managed to collect any revenues, low scores can also be explained by the fact that some polities do not yet enjoy the authority to administer the property tax. This situation is particularly salient in the highland departments of Totonicapán, San Marcos and Huehuetenango (Ministerio de Finanzas 2018). When taking these examples into consideration, the spatial differences in local fiscal capacity appear to be

sharper than the concentration of taxpayers. Apart from the outlying capital region, it is worth noting that the North-Eastern departments of Petén, Izabal and Zacapa here score above average. One explanation could be that these are the regions in which the national cadastre registry has become most fully developed – which obviously is a precondition for effective property taxation (Registro de Información Catastral 2018).

FIGURE 6.2
 Log per capita property tax revenues (2013-2017, departmental averages)



Finally, Figure 6.3 illustrates average departmental differences in the concentration of state educational resources (UNDP 2010). The density of education appears to be somewhat differently geographically distributed than both fiscal indicators. While the highland regions again score below average, the Pacific departments (which enjoy high fiscal capacity) do not deviate substantially from the mean. Remarkably, the metropolitan departments of Guatemala (capital region) and Sacatepéquez exhibit among the lowest average scores in the entire country, while the scarcely populated and densely forested Petén region in the north lies well above average. The most straightforward explanation would be that the concentration of private education is higher in the capital region, thereby crowding out the demand for public instalments. A brief review of the Guatemalan educational directory corroborates this suspicion; the concentration of private schools (all levels) in the department of Guatemala is more than four

times higher than in Escuintla, the second-placed department, and 21 times higher than in Baja Verapaz, which has the lowest number of private education facilities (Colegios Guatemala 2018).

FIGURE 6.3
Educational state density index [1-100] (2010, departmental averages)

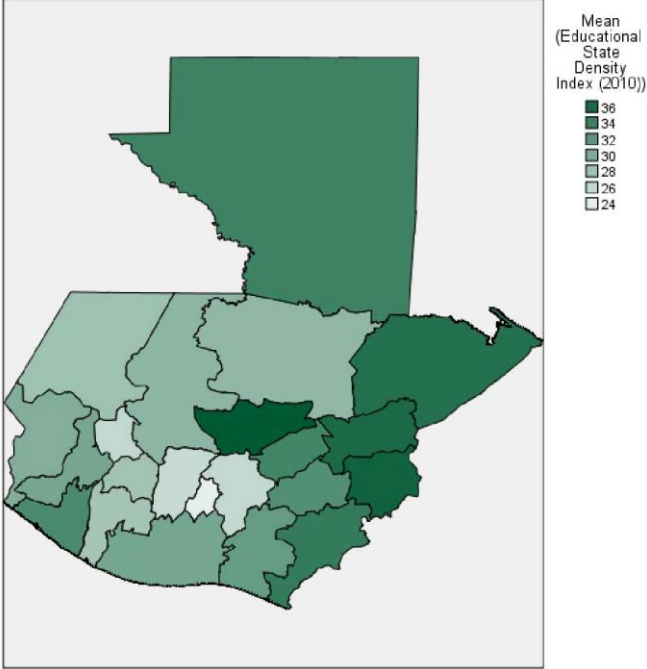


Table 6.1 confirms the initial suspicion that educational density seems to be rather uncorrelated with the fiscal measures, while the two latter appear to touch upon something similar.

TABLE 6.1
Correlation matrix of dependent variables (run at the municipal level)

	Taxpayers	Property tax	Educational density
Taxpayers	-	0,57**	0,22**
Property tax	0,57**	-	-0,42
Educational density	0,22**	-0,42	-

Notes: * p<0.05 ** p<0.01 *** p<0.001

This may seem counterintuitive, and raises the question whether the educational measure really reflects the same underlying theoretical concept (i.e. state capacity) as the other two. I argue that it does, only that the chosen measures reflect separate *dimensions* – capabilities versus weight on

civil society – of state strength (cf. Soifer 2008). After all, the endeavour of tax extraction is quite distinct from the provision of public goods, and this is one reason why it makes sense to investigate the two dimensions separately (Hanson & Sigman 2011).

6.2 Main results

I now test whether the geographical distribution of political conflicts during the Revolutionary Decade has had any effect on contemporary outcomes of state capacity through a series of OLS regressions, which follow the form below:

$$capacity_i = \alpha_0 + \alpha_1 expropriations_i + \mathbf{X}'_i \boldsymbol{\beta} + \varepsilon_i$$

In which $capacity_i$ refers to the proportion of taxpayers; per capita property tax revenues; and educational state density, respectively, in municipality i . The main coefficient of interest is $expropriations_i$, which reflects the number of expropriations of private estates experienced by municipality i between 1952-1954. X_i represents a vector of six control variables and ε_i is the error term. In Table 6.2 (Model 1), I start by investigating the bivariate effect of conflict on the proportion of taxpayers. In Model 2, I proceed by adding control variables for whether a municipality enjoys departmental capital status, the number of inhabitants per square kilometre in 1950 and the agricultural potential of the soil. Finally, Model 3 includes a full set of control variables, including the proportion of rural population in 1950, a binary variable indicating whether a majority of the population were indigenous in 1950, and a dummy variable for if a municipality was coffee-producing that same year.

The results in Table 6.2 indicate that the magnitude of the initially significant *positive* expropriations coefficient decreases and ultimately ends up being non-significant when control variables are added. As expected, when recalling the univariate results in the preceding section, higher levels of agricultural potential are significantly associated with stronger capabilities of eliciting tax compliance. Intuitively, this goes in line with the theory that states generally invest more in fiscal and administrative infrastructure in agriculturally productive regions to maximise revenue (cf. Boone 2003). Another possibility is that the fairly uncomplicated terrain in these

areas simply facilitated the establishment of state authority in comparison with more rugged regions (cf. Scott 1998). Model 3 moreover reveals that the negative effect of having an indigenous majority in 1950 on the proportion of taxpayers is relatively large and statistically significant at conventional levels.

TABLE 6.2
Linear models of central state fiscal capacity in Guatemala.

	Dependent variable: Taxpayers per capita (average 2013-2017)		
	Model 1	Model 2	Model 3
Expropriations (1952-1954)	0,031** (0,011)	0,019* (0,010)	0,010 (0,009)
Department capital		0,432* (0,160)	0,234 (0,136)
Population density (log, 1950)		0,108** (0,030)	0,138** (0,029)
Agricultural potential of soil		0,217** (0,031)	0,171** (0,032)
Urban population (log, % of total population, 1950)			0,134 (0,103)
Indigenous population (dummy, >50% of total population, 1950)			-0,536** (0,063)
Coffee-producing municipality (dummy, 1950)			0,079 (0,072)
Constant	1,886** (0,038)	0,852** (0,149)	1,182** (0,149)
Observations	337	337	337
R ² (adjusted)	0,03	0,19	0,33

Notes: All models are Ordinary Least Squares regressions. Entries are unstandardized regression coefficients with bootstrapped standard errors (two-tailed) in parentheses.

* p<0.05 ** p<0.01 *** p<0.001

That more densely populated municipalities exhibit higher shares of taxpayers is hardly surprising, but that neither urbanization rates nor capital status appear to have any effect indeed is. Perhaps this can be attributed to the fact that the majority of Guatemalan municipalities were

highly rural in 1950 and that many of them have undergone major urbanization processes ever since (Dirección General de Estadísticas 1951). In any case, the main finding of interest is the lack of statistical evidence for a causal relationship between the socio-political conflicts in mid twentieth-century Guatemala and contemporary levels of central state fiscal capacity. I proceed by testing the effect geographical socio-political conflicts on the other dimension of central state capacity: the density of educational resources. The results are presented in Table 6.3 and commences with a baseline specification in Model 1, which includes the expropriations measure and a control for departmental capital status. The main coefficient of interest is negative and significant at the 95 % level, which could be indicative of the hypothesis that landowning elites obstructed state attempts to expand public education if perceived as a threat to their ability to exert social control (cf. Kurtz 2013). Although the coefficient value remains more or less intact and significant when introducing controls for population density and soil potential, it becomes non-significant when all confounders are accounted for in Model 3. We therefore have to conclude that neither for the educational density of the state, the geographical conflicts during the Revolutionary Decade appear to have had any significant effect.

The remaining results are quite expected. Departmental capital status appears to be the most important predictor of educational density, which is logical, since installations of secondary and tertiary education generally are concentrated to the regional capitals (UNDP 2010). Neither is it surprising to see that largely indigenous municipalities in 1950 enjoy significantly less educational resources, although it remains unanswered whether this is because the state deliberately has underinvested in such capabilities in predominantly Indian communities. What *is* surprising is that municipalities that had large urban populations in 1950 exhibit substantially and significantly *lower* educational density today. Again, the most straightforward explanation I can think of is that many polities have become more urbanized since the 1950s. That the soil's cultivation potential does not seem to impact this dimension of state capacity is, on the other hand, quite expected. While the causal link between agricultural productivity and taxation is rather straightforward, it is not obvious how it would affect the concentration of educational resources.

TABLE 6.3

Linear models of educational state density in Guatemala

	Dependent variable: Educational State Density Index (2010)		
	Model 1	Model 2	Model 3
Expropriations (1952-1954)	-0,196* (0,099)	-0,195* (0,098)	-0,206 (0,116)
Department capital	11,502** (1,574)	12,465** (1,651)	13,370** (1,705)
Population density (log, 1950)		-1,215** (0,334)	-0,779* (0,342)
Agricultural potential of soil		-0,124 (0,361)	-0,193 (0,368)
Urban population (log, % of total population, 1950)			-2,833** (0,857)
Indigenous population (dummy, >50% of total population, 1950)			-2,088* (0,851)
Coffee-producing municipality (dummy, 1950)			0,422 (0,800)
Constant	29,612** (0,442)	34,513** (1,540)	36,977** (1,648)
Observations	336	336	336
R ² (adjusted)	0,14	0,16	0,20

Notes: All models are Ordinary Least Squares regressions. Entries are unstandardized regression coefficients with bootstrapped standard errors (two-tailed) in parentheses.

* p<0.05 ** p<0.01 *** p<0.001

Finally, I test the effect of conflict on local fiscal capacity, operationalized as municipalities' (log) property tax revenues per capita between 2012 and 2016. Model 1 in Table 6.4 represents the baseline specification, which reveals a significant positive relationship between the number of expropriations and local fiscal capacity. Even though the magnitude of the coefficient decreases when possible confounders are added, it remains statistically significant throughout Model 2 and Model 3. Mirroring the results in Table 6.2, the agricultural potential of the soil has a positive impact on local fiscal capacity, while the effect of having an indigenous majority population in 1950 again is both negative and significant. Somewhat counterintuitively, the initially significant

effect of capital status is cancelled out in the full specification model. The same goes for the effect of population density, which cannot be statistically distinguished from zero. Going back to the univariate analysis in section 6.1, this could possibly reflect the fact that the scarcely populated Petén department is the one endowed with the most detailed cadastre records, which reasonably may facilitate property tax extraction.

TABLE 6.4
Linear models of local fiscal state capacity in Guatemala.

	Dependent variable: Per capita property tax revenues (log, average 2012-2016)		
	Model 1	Model 2	Model 3
Expropriations (1952-1954)	0,124** (0,024)	0,101** (0,024)	0,068** (0,021)
Department capital		1,206** (0,313)	0,418 (0,262)
Population density (log, 1950)		-0,058 (0,072)	0,082 (0,071)
Agricultural potential of soil		0,308** (0,064)	0,181** (0,059)
Urban population (log, % of total population, 1950)			1,276** (0,263)
Indigenous population (dummy, >50% of total population, 1950)			-1,025** (0,150)
Coffee-producing municipality (dummy, 1950)			0,465** (0,150)
Constant	1,370** (0,085)	0,670* (0,336)	1,494** (0,315)
Observations	337	337	337
R ² (adjusted)	0,09	0,18	0,36

Notes: All models are Ordinary Least Squares regressions. Entries are unstandardized regression coefficients with bootstrapped standard errors (two-tailed) in parentheses.

* p<0.05 ** p<0.01 *** p<0.001

Still, it is the significance of the expropriations measure that is the most puzzling finding. Contrary to the main hypothesis that municipalities with a strong base of landlords would see lower levels of state capacity, the evidence points in the opposite direction. How can this be

explained? Although it is difficult to draw any robust conclusions about the mechanisms based on the statistical analysis, one can note that the regressions on local fiscal capacity are the only ones in which the coffee-production variable has a significant effect. Based on the discussion in Chapter 4, historical evidence has suggested that coffee regions experienced substantial state-building in the nineteenth-century, which nevertheless did not necessarily result in increased central government control over local affairs (Wagner 2001). In other words, it might have been that coffee elites ensured to develop a certain degree of local administrative structure to support this business, while keeping the central state at a safe distance from power. Yet, it does still not explain why municipalities that experienced many expropriations exhibit higher levels of local fiscal capacity. Although this admittedly becomes highly speculative, a possible clue is provided by Richard Adams (1970: 212). He argues that Indian labourers that had undergone the experience of working in the coffee fincas came to develop particularly tight bonds with the Revolutionary movement, at least in comparison with the most traditional indigenous communities, which generally viewed the central state with great suspicion. This could suggest that the extension of state authority, at least to some degree, was facilitated in coffee-dense areas where the Revolutionary cause enjoyed a strong support base.

To sum up, the empirical analysis has, on the one hand, provided evidence that municipalities that experienced many expropriations under the agrarian reform in the 1950s exhibit higher contemporary levels of local fiscal capacity. Still, the more general conclusion is that there are no indications that the geographical distribution of these conflicts would have had any significant effect either on the central state's capacity to elicit tax compliance or to provide public goods in terms of educational resources. It was initially hypothesized that municipalities with a strong landowning class, against whom the expropriations primarily struck, would experience lower levels of state capacity due to the likelihood of elite resistance to pro-labour government policies. But neither would a presumptive positive relationship have been entirely surprising, since the application of Decree 900 itself was an endeavour that required considerable administrative capabilities on behalf of the state. But considering that the empirical results ended up being non-significant, the subsequent question becomes: why?

6.3 Did state-building fail? – possible explanations

The remainder of this chapter will discuss possible explanations why the hypothesized focal relationship does not appear to apply to the case of Guatemala. Since this paper centres on the specific role of civil society in shaping state-building outcomes, this part of the analysis will mainly rely on historical accounts about the *social dynamics* that characterized the country during the Revolutionary period and how they may have stunted the implementation of state policies. The ideas that are furthered will naturally be of more general character, and do not necessarily account for the idiosyncrasies of specific communities. By anchoring the discussion to the theoretical insights in Chapter 3, I hope that it will not become too speculative.

The main theoretical proposition in this paper is that the expansion of core state capabilities will stumble in geographical areas dominated by social groups who are excluded and/or antagonized by the policies and values of an emerging state-building coalition (Sánchez-Talanquer 2017). Yet, for a subnational comparison to make sense, the basic presupposition has to be that state-building will be more or less successful in areas where the state does *not* encounter such social resistance. Arguably, the Revolution's most important legacy was the political awakening it sparked by demonstrating that previously entrenched roles and statuses within the social system were not set in stone (Adams 1970: 205). From a state-building perspective, it was the expansion of rural education and the spread of political parties and labour organizations with national bonds that mainly contributed to establish the state as an important actor in communities that previously had enjoyed very limited levels of statehood (ICEFI-SAT 2009).

Having said that, one must consider the possibility that the reformist rule – for all of its achievements – simply ended too quickly in order for the reforms to “stick”. In 1954, two years after the enactment of the agrarian reform, President Jacobo Árbenz was ousted from office in a dramatic *coup d'état*, staged by domestic counterrevolutionary forces with support from the United States (Redinger 2002). Under the new administration, led by President Carlos Castillo Armas (1954-1957), Guatemala took a sharp U-turn back to authoritarian rule. Expropriated lands were returned to landowners, while the government fiercely cracked down on labour and peasant unions (Rodríguez de Ita 2003). These repressive reforms would spark a series of leftist

insurgencies in the 1960s that ultimately precipitated the onset of Guatemala's 36-year long civil war (Schlesinger & Kinzer 1982). So, even if the Revolutionary Decade exhibited all the features of what Kurtz (2013) refers to as the second critical juncture of Latin American state-building, this window of opportunity may have become abruptly closed by a sudden exogenous shock that set on a new institutional trajectory too quickly. While this seems plausible, the historiography about the Guatemalan Revolution and its aftermath strongly suggests that the reformist policies had both profound and persistent effects on the state's societal reach and weight even in the most remote rural corners of Guatemala (Adams 1970; Forster 2001; Bell 1992).

An alternative explanation for the absence of a focal relationship could therefore be that the political cleavage that structured state-building in mid twentieth-century Guatemala simply cannot be so easily compared to the ones that apparently stunted the state's territorial reach in Colombia and Mexico (Sánchez-Talanquer 2017). Even though the goals of the Guatemalan Revolution largely paralleled the Mexican equivalency, they did admittedly not prompt the same kind of large-scale, violent popular mobilization against the emerging state as in the Northern neighbour (see Adams 1970). While popular agitation certainly swelled following the October Revolution in 1944, Grandin (2000: 202) argues that the (large) absence of mobilized violence allowed many landowners to resort to repression as a means to stifle peasant reaction. As the political polarization around the Revolution deepened, such measures even enjoyed a degree of support from parts of the urban middle-class, who had grown increasingly anxious about the risk for peasant revolt (Handy 1989).

That anxiety, albeit exaggerated, stemmed from Guatemala's history of Indian labour exploitation and the mix of ethnic and class tensions it had produced. Forced labour and indigenous oppression had largely been justified through a mythopoeia about Indians as vagrant and incapable of embracing modernity (Martínez-Peláez 1985). And although the actual historic examples of indigenous peasant revolts were scarce – most of which were easily suppressed by the military – many Ladinos – both urban and rural – “lived in constant dread of any awakening of that ‘totally alien world’” (Handy 1989: 190-191). The fact that the majority of large landowners

were Ladinos¹⁹ led many Guatemalans to interpret the class struggle produced by the agrarian reform as an ethnic conflict. Frightened by this development, parts of the middle-class and the military slowly withdrew support from the Revolutionary project they initially had granted at least half-hearted approval (ibid.). Taken together, these insights would suggest that deeply rooted ethnic divisions indirectly contributed to stunt the effective implementation of Revolutionary policies. But not necessarily because the dominant cleavage *on which the state was built* was ethnic in nature, but rather because latent ethnic dynamics in Guatemalan society inhibited widespread popular mobilization around the Revolutionary state-building project.

Although the historic importance of ethnic conflict should not be downplayed, there are reasons to believe that the class dimension was the dominant one during the Revolutionary period. As have already been pointed out, the main *intention* behind the reformist project was not to spark ethnic struggle, but to liberate peasants and rural workers from political and economic exclusion (Redinger 2002). With the alteration of land ownership patterns, rich Indians and Ladino upper-classes alike largely came to support anti-government and anti-Communist parties in local and national elections (Wasserstrom 1975). Simultaneously, lower strata from separate ethnic backgrounds largely came to embrace the Revolutionary cause – although not necessarily side by side, due to the strong ethnic segregation of Guatemalan municipalities in the 1950s (Adams 1970; Dirección General de Estadísticas 1951).

Within predominantly Indian communities, the large-scale establishment of political parties and workers' organizations wrought by the Revolution also contributed to the destruction of traditional indigenous loyalty schemes to the benefit of increased class-consciousness (Beals 1967). Politically organized Indian peasants became more aware of alternative sources of power – it was not necessarily elders or *patrones*²⁰ that had the last word anymore (Adams 1970: 191). According to Smith & Moors (1992), a substantial proportion of highland, predominantly indigenous communities largely embraced national organizations and took advantage of them to challenge the power of rural elites. This openness to the central government stands in sharp

¹⁹ The 1950 agricultural census revealed that the average farm size operated by Ladinos equalled 35 *manzanas*, while Indian farms averaged 4,4 *manzanas* (Dirección General de Estadísticas 1954).

²⁰ Colloquial Spanish for "boss".

contrast to the Liberal period (1873-1944), when Indian areas – for understandable reasons – generally exhibited strong suspicion towards any outside encroachment. The destruction of what Wolf (1957) would refer to as the closed corporate nature of many traditional communities was, however, not always beneficial for the furthering of Revolutionary aims. Smith (1984), for instance, argues that the disruption of traditional authority structures left a power vacuum that in many cases was filled by rural Ladino elites, who managed to establish control over local affairs.

This may be another reason why the furthering of Revolutionary state-building aims stumbled, despite the unprecedented expansion of state institutions in “quantitative” terms. But the Revolution, and particularly the agrarian reform, also produced other unintended effects in rural communities that might have blocked the state’s expansion. The growing strength of political parties throughout the countryside, and the newfound access to local public office, created an impetus for previously marginalized groups to grasp control of local politics and to put pressure on national political organizations (Handy 1988b: 709). At the same time, many communities became increasingly divided over the struggle for local political power. Local political institutions were often used to further the particular interests of specific communities, often related to the distribution of expropriated land. According to Handy (1994: 135) the agrarian reform itself “opened a Pandora’s box of conflict in rural Guatemala”, in which class struggles often were buried in land disputes between municipal capitals and surrounding villages. Thus, the determination of Revolutionary organizations to combat the political and economic power of landowners paradoxically appears to have been partly undermined by those actors that were supposed to be the main beneficiaries of that development. To use the words of Scott (1976), this apparent lack of communal cohesiveness to effectively coordinate local interests with the objectives of the state, could be another explanation why reformist policies stunted.

Taken together, the discussion above suggests that the Revolutionary movement, on the one hand, appears to have succeeded in bringing about substantive changes in pre-existing patterns of social control – Migdal’s (1988) main prerequisite for state-building success. The question is whether these changes were sweeping enough in order for the state to become “a real and symbolic aspect of people’s daily survival strategies”. As in the case of the Egyptian Revolution

cited in Chapter 3, the Guatemalan scenario suggests that previously deprived social actors – despite essentially supporting Revolutionary cause – took advantage of the newfound power vacuum to increase their own socio-political bargaining power. In other instances, the disruption of traditional sources of social control appears to have paved the way for local upper-classes – one of the groups whose power was to be circumscribed by more inclusive government policies – to increase their local political leverage.

What is important to point out is that the internal disputes that rose to the surface during the Revolutionary Decade did not necessarily spring forth from government initiatives. Rather, they were continuations, albeit with new manifestations, of deep-seated ethnic and community-based social conflicts (Handy 1989). This gives strength to Migdal's (1988) argument that the degree to which states become successful in penetrating civil society heavily depends on the configuration of previous patterns of social fragmentation and control. By scratching the surface, emerges does an increasingly complex picture of the political conflicts structuring state-building during the Guatemalan Revolution. Despite a seemingly united front against the country's traditional local power base – the landowning upper class – latent ethnic and intra-community conflicts rose to the surface when previously dominant bases of social organization were undermined. The historical evidence leaves little doubt that the intentions and policies of Revolutionary state-builders mainly were aimed at empowering poor peasants and rural workers vis-à-vis the agrarian aristocracy and local upper-classes. Thus, at least in theory, the state-building project was rooted in a class cleavage. In practice, however, it appears as if the Revolutionary cause failed to overcome the social, ethnic and economic conflicts that had lain dormant in many communities for decades. Perhaps that is why state-building failed.

7. Concluding discussion

Why are states more successful in implementing policies, regulating social relations and providing public goods in some areas of their territory than in others? This paper has complemented prevailing demographic and geographic explanations to that general question by investigating the role of civil society in shaping attempts of the state to extend its authority throughout its jurisdiction. I have specifically drawn on new literature which suggests that states' spatial unevenness reflects the geographical distribution of historical socio-political *cleavage structures* that divide societies during critical periods of institutional change (Sánchez-Talanquer 2017). By connecting this specific theory with other society-centric accounts of state-formation, I constructed an extended theoretical framework to investigate how the nature of state-society relations during the Revolutionary period (1944-1954) in Guatemala have affected the internal strength of the contemporary state.

I have argued that the most salient political cleavage dividing Guatemalan society during this period was class-based, while providing historical evidence that this division was clearly embedded in the construction of the modern Guatemalan state. Whereas previous administrations contributed to the consolidation of servile labour relations to the benefit of the agrarian bourgeoisie, state-building under the critical Revolutionary Decade conversely served to empower rural workers and peasants – to the vehement vexation of the country's traditional regional power base. Considering that previous research specifically has pointed at local elite resistance as a crucial factor behind state-building failure, it was hypothesized that contemporary levels of state capacity would be lower in municipalities where the Guatemalan landholding class was particularly strong.

This hypothesis was rejected in the empirical investigation, which yielded no evidence that the central state would have become weaker in these areas. It nevertheless turned out that municipalities where many estate-owners were expropriated from their lands under the 1952

agrarian reform exhibit higher *local* fiscal capacity today. Based on the empirical evidence at hand, it is however difficult to draw any robust conclusions about this puzzling finding. One possible explanation could be that government-led expropriations, along with the expansion of other local administrative capabilities, were facilitated in areas where politically organized labour movements were strong enough to ward off elite resistance. Circumstances that point towards such a mechanism is that coffee workers appear to have been particularly involved in the Revolutionary cause (Grandin 2000), and that local fiscal capacity indeed was significantly stronger in coffee-producing municipalities.

Having said that, the overall results admittedly contradict previous empirical evidence from Mexico and Colombia, which indicates a significant negative effect of historical-political conflicts on subnational levels of state strength. There are several possible explanations for why the pattern does not seem to go along in the case of Guatemala. One could simply be that the progressive institutional trajectory that was set on by the October Revolution in 1944 was substituted too abruptly by a new critical juncture – the counterrevolutionary *coup d'état* in 1954 – to have any persistent effects on subsequent state development. Yet, the general scholarly consensus holds that the reformist policies during the Revolutionary Decade were comprehensive enough to rock the very social structure upon which the Guatemalan state was built.

Another possibility could therefore be that the *nature* of the political cleavage was distinct from those that structured state-building in mid twentieth-century Colombia and Mexico. The peasant-landowner conflict in Guatemala was not (with some exceptions) directly manifested through violent popular contention, a circumstance that might have facilitated for rural elites to suppress peasant mobilization and state centralization. But neither was the partisan conflict in Colombia characterized by violent upheaval. And apart from the fact that the conflicts in Mexico and Colombia pitted large popular groups against each other, this study has adopted the same theoretical criteria to determine which, among other potential cleavages, on which to focus. This indicates that there have to be other explanations for the non-significant result in the Guatemalan case. Historical literature about the nature of state-society relations during the Revolutionary Decade suggests that government policies certainly contributed to alter traditional power bases,

yet simultaneously had unintended effects that may have thwarted the furthering of state-building policies. For instance, formerly excluded groups often took advantage of new-found avenues of formal political participation to favour particularist community interests. And although indigenous and Ladino peasants alike largely embraced the Revolutionary project, they mainly did so separately from each other. Indeed, the importance of ethnicity in explaining the failure of Revolutionary state-building cannot be neglected, as the fear of “Indian revolt” strongly contributed to soak government support on behalf of the middle-classes.

Taken together, it seems as if the fragmentation of old-age ethnic and community-based social conflicts largely inhibited the “Revolutionary fraternity” that might have been necessary to fundamentally challenge the power of Guatemala’s traditional economic power base. This does not entail that the cleavage structures theory should be entirely dismissed. Rather, this paper has provided insights about the possible conditionality of the argument that states’ territorial strength is shaped by the geography of past socio-political conflicts. The Guatemalan example suggests that the nature of the main political conflict structuring state-building and the degree to which it trumps parallel and underlying social tensions may be key conditional factors behind the fate of state-building efforts.

Avenues for future research

The methodological rationale behind this study has been to compare subnational units within the *same* political system in order to hold certain structural factors constant and thereby facilitate the identification of causal mechanisms. Yet, as pointed out by Snyder (2001: 96), it is not uncommon that there are more similarities between regions in two neighbouring countries than within the countries themselves. Future attempts to explain states’ uneven spatial strength could certainly benefit from complementing within-country analyses with between-country subnational research designs. Not only could such approaches contribute to strengthened causal claims; they could also enhance the possibilities for generalization.

Another suggestion for future research is to further explore the causal relationships between different dimensions of state infrastructural power, as well as the importance of institutional

sequencing. For instance, do some dimensions of state capacity tend to go hand in hand with each other, and if yes, why so? And does fiscal extraction, to take an example, hinge on effective coercion, in terms of a state's ability of maintaining order and controlling the monopoly over the means of violence? A related issue that has been somewhat underexplored is the relationship between states' territorial unevenness and overall state strength, and, more specifically, the direction of causality between these dimensions. The general state-building scholarship would benefit from deepened insights about whether central states' inability to establish authority in parts of their territory *per se* may have consequences for overall state strength, or whether low territorial unevenness simply reflects that a state was strong enough to overcome hurdles of extending authority *prior to* undertaking such attempts.

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Appendices

Appendix I: Descriptive statistics

Univariate statistics from dataset on political conflict and state capacity (raw data)

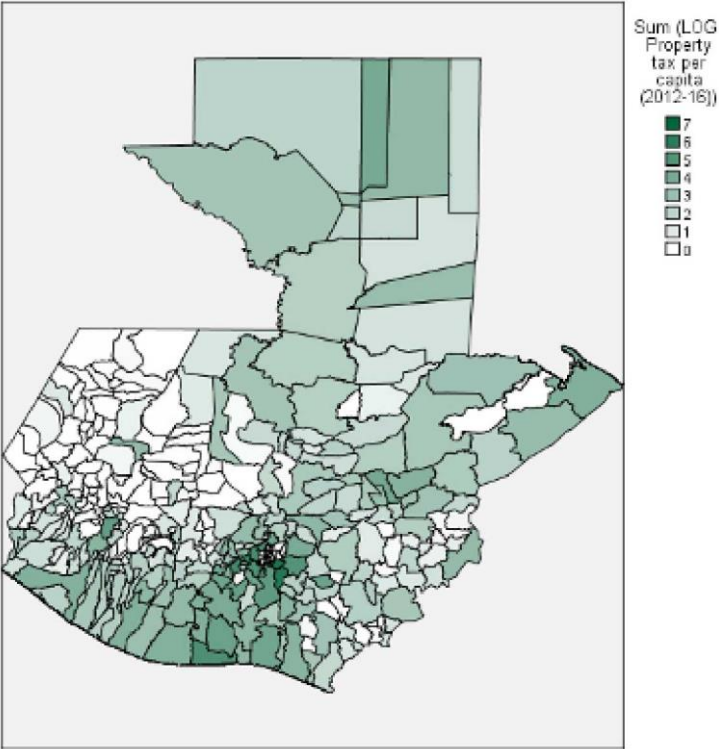
	Obs	M	SD	Min	Max
<i>Dependent variables</i>					
Taxpayers, percent of population (average 2013-2017)	340	1,94	0,67	0,36	3,94
Per capita property tax revenues (average 2012-2016)	340	17,18	53,43	0	540,61
Educational density index (2010)	336	30,02	7,59	9	60
<i>Independent variables</i>					
Expropriations (1952-1954)	337	1,74	3,540	0	29
Population density (1950)	337	72,45	110,41	0,17	1600,08
Agricultural potential of the soil	340	2,85	1,05	1	5
Rural population (percent of total population, 1950)	337	87,10	23,34	0	100
Indigenous population (percent of total population, 1950)	337	57,35	35,53	0	99,97
Coffee production (<i>quintales of cereza</i> , 1950)	337	16 117,37	50 423,80	0	532 940

Correlation matrix of independent variables

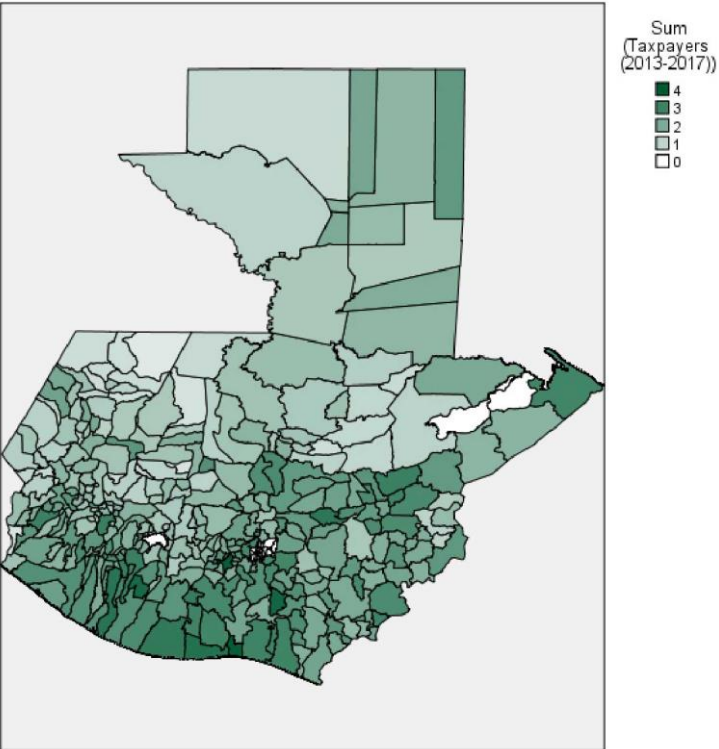
	Exprop-riations	Department capital	Population density	Soil potential	Rural population	Indigenous population	Coffee production
Expropriations	-	0,140**	-0,58	0,120*	-0,67	-0,157**	0,260**
Department capital	0,140**	-	0,232**	0,046	-0,327**	-0,141**	0,017
Population density	-0,058	0,232**	-	-0,005	-0,330**	0,005	0,085
Soil potential	0,120*	0,046	-0,005	-	-0,065	-0,261**	0,146**
Rural population	-0,067	-0,327**	-0,330**	-0,065	-	0,039	-0,068
Indigenous population	-0,157**	-0,141**	0,005	-0,261**	0,039	-	0,004
Coffee production	0,260**	0,017	0,085	0,146**	-0,068	0,004	-

Notes: * p<0.05 ** p<0.01 *** p<0.001

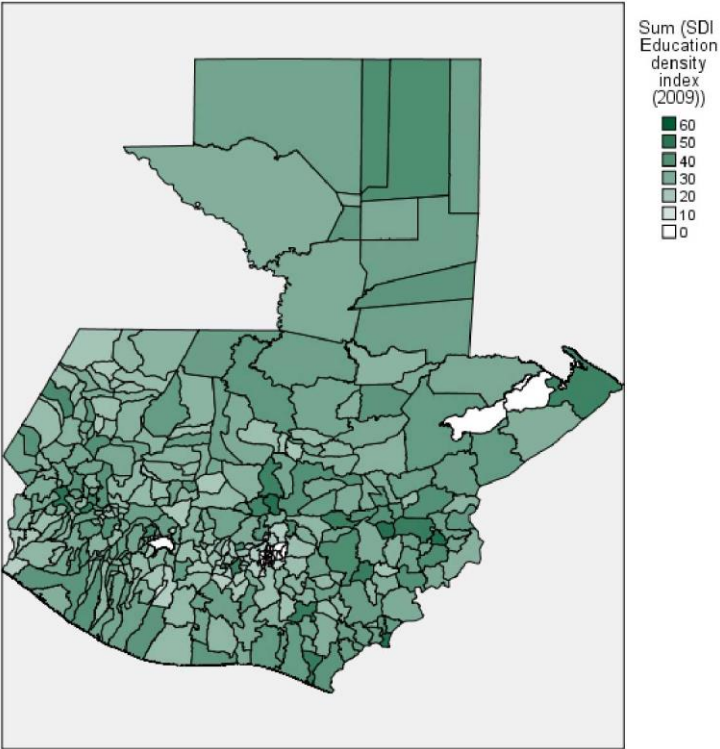
Geographical distribution of log per capita property tax revenues (municipal borders in black)



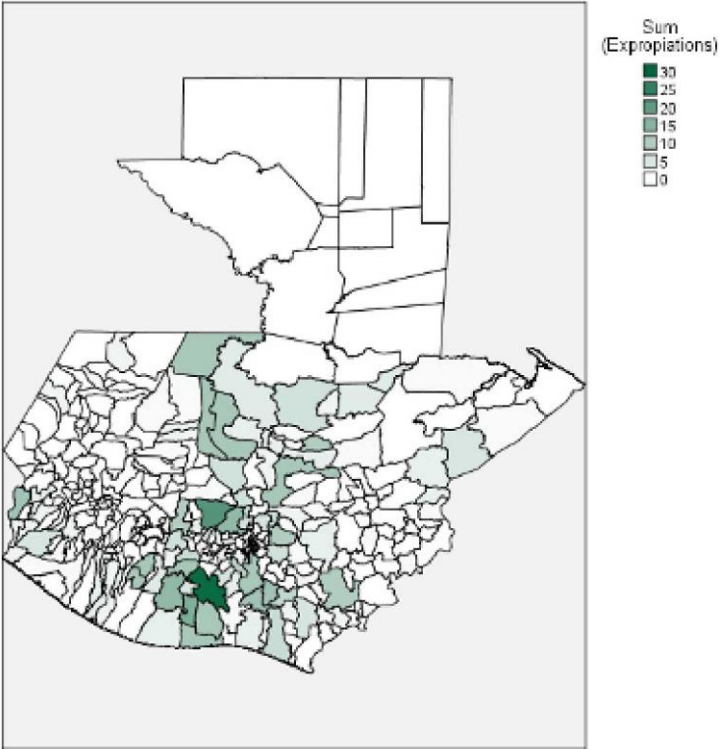
Geographical distribution of taxpayers per capita (municipal borders in black)



Geographical distribution of educational state density (municipal borders in black)



Geographical distribution of expropriations under the agrarian reform (municipal borders in black)



Appendix II: Empirical data sources

Variable	Source
Taxpayers	Superintendencia de Administración Tributaria (2018). <i>UIPSAT. Reporte del NIT (1991-2018)*</i>
Per capita property tax	Ministerio de Finanzas. (2018). <i>Impuesto Único sobre Inmuebles: Estadísticas 2005-2016*</i>
Educational state density	Programa de las Naciones Unidas para el Desarrollo (2010). <i>Guatemala: hacia un Estado para el desarrollo humano. Informe nacional de desarrollo humano 2009/2010.</i>
Expropriations (1952-1954)	Gobierno de Guatemala (1952-1953; 1953-1954). <i>Recopilación de las leyes de la República de Guatemala, vol. 71; vol 72.</i> Tipografía Nacional.
Agricultural potential of soil	Ministerio de Agricultura, Ganadería y Alimentación. (2005). <i>Sistemas de Información Geográfica: Capacidad de Uso del Suelo.</i>
Population density (1950)	Dirección General de Estadísticas. (1951). <i>VI Censo de Población de Guatemala 1950.</i> Archivo General de Centroamérica, Colección General, caja 4390.
Rural population (1950)	Dirección General de Estadísticas. (1951). <i>VI Censo de Población de Guatemala 1950.</i> Archivo General de Centroamérica, Colección General, caja 4390.
Indigenous population (1950)	Dirección General de Estadísticas. (1951). <i>VI Censo de Población de Guatemala 1950.</i> Archivo General de Centroamérica, Colección General, caja 4390.
Coffee production (1950)	Dirección General de Estadísticas. (1953). <i>Censo Cafetalero 1950. Boletín de la Dirección General de Estadísticas (44-45).</i> Archivo General de Centroamérica, Colección General, caja 5802.

Notes: *Per capita calculations are based on population estimations from the *Instituto Nacional de Estadística* (INE 2008-2020).