Political Cleavages and the Development of Fiscal Capacity: Historical Evidence from Mexico and Colombia

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Abstract

This paper explores the historical origins of within-country variation in states' fiscal capacity. In contrast to prevailing economic and geographic explanations of the reach of the state, I argue that political cleavage structures during decisive periods of state-making have enduring effects on the internal distribution of state power. Fiscal capacity stagnates in geographical areas where state-building coalitions, in their efforts to achieve institutional and ideological supremacy, exclude or antagonize salient interests and values along a politically salient cleavage. I test this general argument using comprehensive, hand-collected, municipal-level historical datasets on the construction of state capacity in Mexico and Colombia, derived from previously untapped archival sources. The analysis documents a significant negative relationship between the incidence of Catholic insurgent activity against post-revolutionary state-building in Mexico, and the state's subsequent ability to collect tax revenues, deploy tax collectors, and broaden the tax base. The effects span both central and local governments and are observable to this day. I also present systematic evidence that deep-seated cleavages mapped onto geographic patterns of tax extraction in Colombia. While fiscal capacity grew considerably under Liberal administrations in a crucial historical period in the first half of the twentieth century, tax revenues stagnated in areas where support for the Conservative Party was higher. These political factors have robust explanatory power even after accounting for differences in socioeconomic development, geography, and preexisting levels of state capacity. The findings trace the political roots of institutional weakness and provide new insight into the process of state-building across geographic space.

Introduction

A claim to uniform authority over territory and individuals within its borders is a defining feature of the modern state. Strong states subject their populations to abstract laws and regulations throughout their territories, producing a "universality to life within their borders" (Migdal 2001, 232). Extensive state power is a precursor of economic development (Acemoglu et al. 2015), reduces the likelihood of civil conflict (Goodwin 2001), and lies at the very base of modern democratic citizenship. Indeed, the ability of citizens to equally and effectively exercise rights of all types is premised on the state's infrastructural power, or the institutional capacity to enforce rules.[1] No meaningful universality to life, rights, and protections can exist if the state fails to impose its authority uniformly in the territory it claims to govern.

Yet many contemporary states lack such ability to cast their nets far and wide. Unlike Leviathans, they are relatively capable in some geographical zones, but large "brown areas" (O'Donnell 1993) escape their grip or suffer from chronic under-provision of public goods. Weak capacities prevent them from eliciting compliance and performing even the law and order tasks of a minimal night-watchman state; in parts of the territory, their authority is often *de facto* nullified by unofficial sovereigns (Arjona 2016). As a result, wide differences exist within countries in the prospects for "peaceable, sociable, and comfortable living" that are supposed to go with—and authorize—the modern state (Hobbes 1996, 111).

What explains the uneven power of the modern state? Why do states develop more effective authority in some parts of their territory and domains of governance than in others? In

[1] The concept of infrastructural power comes from Mann (2012) and has come to dominate recent scholarship on state capacity. See Soifer (2008) and Soifer and Vom Hau (2008) for important contributions. I adopt this understanding of state strength as infrastructural power—namely, the institutional capacity of state structures to guide behavior in desired ways and implement decisions throughout the realm.

this paper, I study historical internal variation in the capacity of the state to extract fiscal revenue in two Latin American countries, Mexico and Colombia, to provide insight into these longstanding puzzles of state development. Although to different degrees, both countries have historically been characterized by substantial internal variation in state strength. These differences have conditioned the ability of governments to control internal violence, finance public goods, and address inequalities to integrate their populations into coherent political units. Insofar as minimal security and a basic equality in rights are lacking, their contemporary regimes approximate "democracies without citizenship" (Pinheiro 1996; Yashar 2011).

The conventional wisdom holds that economic structure, levels of development, geographic obstacles, and population densities shape both the intensity and success of institutional investments throughout territory, and hence the internal distribution of state power (Boone 2003; Fearon and Laitin 2003; Herbst 2000; Scott 2009). Without denying the importance of these factors in driving the uneven reach of the state, I suggest that these explanations miss the systematic effect of politics in the construction of state institutions across territory, and leave meaningful variation unaccounted for in the countries studied in this paper. Without a model of how domestic political divisions shape the spatial outcomes of state-building, our understanding of the determinants of fiscal and state (in)capacity is incomplete.

On this basis, I propose a general theoretical framework to explain internal variation in the state's ability to tax that centers on the impact of cleavage structures, or the political conflicts that divide societies during decisive historical periods of state formation. Specifically, the ability to extract stagnates in geographical areas where the ideologies and policies advanced by state-building projects exclude or deeply antagonize political interests and values along a salient line of cleavage. In these areas, emerging states under-invest in institutional capacity and struggle to

elicit compliance or forge cooperative linkages with society, which conditions subsequent state performance. The geographic manifestation of political cleavages during critical historical moments, then, provides a key to understand the patterns of domestic variation in state strength observed in a given country.

I then put flesh on this general argument by evaluating the impact of political cleavage structures on the development of fiscal capacity within Mexico and Colombia during the first half of the twentieth century, two cases in which state-building processes produced substantive internal variation in "stateness" (Nettl 1968), but that were otherwise different with respect to the nature of the cleavages structuring state-building, regime type, legal-constitutional design, and other potentially relevant factors.[2] I test the argument in these different contexts using original, hand-collected, municipal-level historical datasets on the internal distribution of state capacity in each country, which were compiled through extensive archival research. Focusing on taxation as a crucial dimension of state power, I show that in both countries the spatial patterns of state capacity that emerged from formative historical periods mirrored underlying political cleavages.

In Mexico, the winning faction of the Mexican Revolution (1910-1917) embarked on an ambitious project of state reconstruction (1920-1940), nation-building and modernization dominated by middle-class, secular, northern interests and values, in alliance with popular groups pressing for land reform and worker benefits. The post-revolutionary state, however, faced intense defensive reactions to its attempts to consolidate control and reshape society, most prominently a Catholic popular insurgency during the bloody Cristero War (1926-1929). Resistance emerged as a response to state-building policies that reflected interests and values predominant in some regions of the country, but posed a direct threat to others. Based on new

[2] In other words, my two within-country analyses are embedded in a most-different-systems type of design, which allows me to identify common factors behind state unevenness in diverse settings and provides evidence of the portability of my general argument.

comprehensive, hand-collected data on the geography of violence and national tax extraction, I show that patterns of contention, in this case in the form of civil conflict, strongly shaped the depth and effectiveness of state authority in different regions.

Although the state's fiscal strength increased significantly on a national scale during these formative years, the capacity to extract revenue lagged behind in regions that rebelled during the Cristero War. Differences in fiscal performance between peaceful and insurgent regions were apparent long after the conflict had ended, and I present evidence that suggests that this legacy extends to the present time. Critically, the evidence suggests that the association between conflict zones and lower fiscal capacity is not an artifact of selection or a reflection of more fundamental differences in economic development, geographic factors, prior levels of state capacity, or variation in the incidence of violence during past conflicts.

In Colombia, a period of substantial institution-building occurred under the so-called "Liberal Republic" (1930-1946), when the Liberal Party returned to national office after nine national-scale civil wars between Liberals and Conservatives in the nineteenth century and more than four decades of Conservative Party rule. Although intense partisan rivalries persisted and sometimes produced violent outbreaks, the presence and infrastructural capacities of the Colombian state reached unprecedented levels in this period, before a new major descent into violence in the mid-twentieth century, in the civil war known as La Violencia (1946-1962). As in the case of Mexico, I argue that this process of state strengthening was territorially uneven and that regional variations responded to the structure of political conflict between state-builders and their rivals, in this case reflected in deep-seated partisan divisions.

A major increase in the ability to raise internal tax revenues occurred during a period in which Liberals dominated the state (1930-1946), after several decades of Conservative

hegemony. I show that partisan cleavages had important implications for the development of state fiscal capacity. Using original historical data on national tax revenues down to the municipality level, I find that at the conclusion of the major phase of state-building in the mid-twentieth century, the state performed better fiscally in Liberal areas than in more Conservative regions. This result is robust to controlling for factors that could jointly influence the partisan profile of municipalities and patterns of fiscal capacity, including differences in socioeconomic development, geographic variables, and historical levels of state presence.

Overall, the evidence from both countries is consistent with the general argument that internal institutional capacity outcomes are rooted in different regional responses to state efforts during defining historical periods of state formation. These regional patterns of compliance and contention, in turn, emerge from the configuration of interests, preferences, and values driving state-building policies, or the cleavage structure on which the state is built.

The paper makes three main contributions. First, it proposes a general argument to understand internal differences in state development that is potentially exportable to other settings, and presents historically-grounded explanations about the sources of variation in fiscal capacity in Mexico and Colombia, two countries where the state's fiscal weakness and uneven performance are pressing issues to this day. My argument brings the attention back to the political and ideological dimensions of state-building and draws explicit connections between relevant fields of study in the social sciences: state-building, political cleavages, and contentious politics. Theoretically, it also contributes to our understanding of the sources of "state-building failure" (Soifer 2015). Existing research has identified several factors that explain political elites' unwillingness to launch state-building projects (Herbst 2000; Kurtz 2013), but as Soifer notes

few studies explain systematically why these efforts succeed in some cases but not others once they take place.

Second, the paper provides novel empirical ground to the literature on the origins of state (in)capacity and addresses important puzzles of state development using original, territorially-disaggregated, and comprehensive historical data drawn from multiple archival and secondary sources. This rich empirical base allows me to systematically document and investigate the determinants of the highly consequential yet under-studied internal variation in states' ability to perform essential functions. While the literature has greatly advanced our understanding of the emergence of capable states (Tilly 1992) and their different institutional forms (Ertman 1997), methodologically it has relied mainly on macro-level comparisons that do not account for variation *within* borders. Given that state formation is a process of political institution-building that unfolds in geographic space, it demands within-country designs.

Third, this paper contributes to the emerging scholarship on state capacity in Latin America (Kurtz 2013; Saylor 2014; Soifer 2015) and to the literature on the modern Mexican and Colombian states. As Centeno explains, Latin America presents the puzzle of relatively old states that have managed to endure without developing substantial infrastructural capacities (Centeno 2002, 3). I suggest that uneven institutional capacity helps explain this paradox. While state authority is reasonably strong and uncontested in parts of the territory, allowing for its reproduction, its radius of effective action extends so irregularly that major failures emerge even in core functions.

The paper also embeds the study of contemporary institutional fragilities in Mexico and Colombia into a historically informed perspective. I present novel systematic evidence of the uneven penetration of the Mexican post-revolutionary state and show that religious contention

profoundly shaped its ability to implement policies and transform society. My findings extend and substantiate recent qualitative historical work that argues that Catholic resistance left a stronger imprint in the process of state formation than previously recognized (Fallaw 2013; Smith 2012). They also contribute to an ongoing scholarly reappraisal of the Mexican state (Gillingham and Smith 2014), traditionally characterized—like other revolutionary states (Skocpol 1979)—as a powerful "modern Leviathan" that "swallowed up regional political configurations" (Joseph and Nugent 1994b, 7).[3] In the case of Colombia, the paper provides new evidence about the relationship between the oligarchic two-party system and the evolution of state structures, as well as on the conditions leading to the long-lasting civil conflict that has affected the country since the middle of the twentieth century (González 2014; Oquist 1980).

The rest of this paper is organized as follows. I first present a general theoretical framework about the political sources of variation in state capacity within countries. I then provide a brief historical overview of the relevant periods of state formation in Mexico and Colombia from the standpoint of taxation, highlighting the state's uneven power across territory. The next two sections present the argument and empirical analysis for each country. The final section concludes.

Political Cleavages and Internal Variation in State Capacity

This section presents a theoretical argument about the relationship between cleavage structures during formative periods of institution-building and states' subsequent ability to

[3] The Mexican state has often been portrayed as strong by virtue of the durability of the postrevolutionary authoritarian regime and the strength of the dominant party. My findings point to the importance of drawing clear conceptual distinctions between states and the regimes and governments that run them. Despite recent work positing a link between state strength and authoritarian regime durability (see Slater and Fenner 2011), they also suggest that both authoritarian (Mexico) and democratic (Colombia) regimes can endure for long periods of time in the context of a relatively weak state apparatus. For an informative discussion of the infrastructural capabilities and limitations of the Mexican state in the twentieth century, see Knight (2002).

govern infrastructurally across territory. Existing work highlights the role of demographic, topographical, and climatic variables in shaping the contours of state power. In this view, difficult geography, low population densities, and remoteness hinder institutional development by discouraging or complicating the construction of state infrastructures, reducing its potential returns, and lowering the effectiveness of states' cognitive efforts.

Herbst, for example, argues that extensive and sparsely-populated "inhospitable territories" discouraged African state-builders from broadcasting power and consolidating authority within boundaries defined by colonial powers (Herbst 2000, 11). As a result, state control decreases as distance from the center of power increases. Fearon and Laitin identified "rough terrain" at a "distance from the centers of state power" as one of the best predictors of insurgency, arguing that it allows rebels to hide from the state (2003, 80). The impact of geography has become a well-established finding in empirical studies of conflict, with the uneven reach of the state playing at least an enabling role (Buhaug et al. 2009). Similarly, for Scott "friction-of-terrain remoteness" is one of the state-thwarting strategies deployed by recalcitrant groups that try to elude the inconveniences of incorporation into central states (Scott 2009, 279).

It is unquestionable that geography can constrain state-building in important ways, a problem that historically was only aggravated by technological limitations. As scholars have argued, extensive territories, terrain ruggedness, and the like hinder transportation and most productive activities; bring protection to state enemies; reduce the efficacy of state standardization and legibility strategies; complicate economic, physical, and cultural integration; and generally make state penetration via the deployment and transportation of state agents challenging.

Yet arguments based on the effects of natural barriers and geographic remoteness suffer from problems of structural determinism and leave meaningful spatial and temporal variation unexplained. They fail to account for differences in state capacities across similarly-situated regions, inter-temporal changes, and institutional fragilities in areas that, in principle, states should be able to control with relative ease. I argue that explaining the incidence of state capacity requires bringing the *politics* of state-building to the center of the analysis. The main proposition is that the structure of political conflict during decisive periods of state-building and associated regional patterns of contention have important implications for the development of institutional capacity across space.

At its core, state-building is a process of political and social transformation involving intense struggles over power and obedience. In this process, a portion of the body politic aims to achieve institutional and ideological supremacy via the implementation of new policies that privilege the interests and values of specific sectors of society at the expense of others. What are pursued as consensual "national" priorities are often the reflection of the preferences, goals, and ideas of particular political actors or social groups. Therefore, in their attempts to extend state authority, state-builders unsettle existing lifestyles (Scott 1998, 2009; Weber 1976) and relationships of domination (Migdal 1988); this, in turn, activates conflicts and strategies of resistance that may enduringly shape the functioning of emerging state institutions themselves.

Building on existing comparative work on Western European cases (Hechter 1999; Ziblatt 2006), I argue that to understand domestic variation in state strength it is essential to look at the sociopolitical divisions in which the state-building process is embedded, especially during critical historical periods of institutional change. While not focused on explaining state capacity outcomes like this paper, these authors suggest that the subordination of some regions and social

groups within a polity by others during state formation affects the development of state apparatuses. In fact, we can find the foundations of such a power-distributional view (Mahoney and Thelen 2010) of the process of state-building and its outcomes in the very work of Michael Mann on the infrastructural power of the state. In his words, we must ask "who this Leviathan is: Who controls it? Who is doing what to whom?" (Mann 2012, 359).

Put differently, we must understand what political cleavages structure the process of state formation in a given country, and on which side of those cleavages the emerging Leviathan is. I attempt to show that the answers to Mann's questions help to systematically account for internal variation in the outcomes of state-building across territory, specifically, in the ability to perform infrastructural tasks like extracting tax revenues effectively. Which social and political groups build the state, and how the political struggles over the policies they promote play out in different regions, has crucial implications for the reach of the state.

This form of conceiving the process of state formation suggests that two closely related factors shape state capacity development in a given region or geographic space: the degree to which its interests and preferences are politically included in the state-building coalition, and the associated level of resistance against state efforts.[4] Both factors vary within countries during critical periods of state-building and, I argue, are likely to leave an imprint on state performance for two main reasons.

First, political groups that gain control over the state and seek to expand its power make strategic political calculations about the building of ruling institutions across territory. Where state penetration is more likely to instigate unrest, or investments in fiscal capacity are likely to yield lower returns due to widespread social opposition, political elites make less effort to build

[4] My theoretical argument draws upon scholarship that emphasizes the importance of elite coalitional politics to state development (Kurtz 2013; Saylor 2014; Slater 2010), but it attributes a greater role to popular contention in ultimately determining levels of state capacity than elite-based arguments tend to do.

up state infrastructure. Second, the contradiction between the specific political interests and ideologies of state-builders and those of local populations along a salient cleavage hinders the formation of social norms of compliance, instead fueling, at the very onset of state-building, a culture of suspicion and resistance to state authority that tends to persist over time.

My framework predicts, then, that institutional development and subsequent indicators of state capacity will lag behind in geographical areas where the set of interests and values that dominate the state-building project antagonize local populations situated, in political terms, on the opposite side of an overriding cleavage. In the fiscal arena, I expect the resource demands of the state to be less successful, and thus result in lower tax revenues, in parts of the territory where the specific politics of state-builders during periods of institutional genesis were not shared. In short, territorial patterns of fiscal capacity will reflect the lines of political cleavage structuring the process of state formation.

Three points deserve further elaboration. First, the interests, ideas, and preferences predominant in a specific spatial unit may be dictated by demands for regional autonomy and similar claims, but the argument is not restricted to regional cleavages in this narrow sense. The theoretical point is about the spatial concentration of interests and ideological preferences and the extent to which these are reflected in state-building projects, independent of the type of cleavage that animates them. Divergent "regional" interests and values may be rooted, for instance, in sociocultural divides, differences in economic structure, or preexisting partisan rivalries. Put differently, once state-building efforts begin, the relative weight of rival interests and preferences in the state-building coalition is expected to affect the geographic development of state infrastructural power insofar as those interests and preferences are unevenly distributed

across subnational units. Where state efforts antagonize excluded interests during periods of institutional formation, future state capacity outcomes are likely to be poorer.

Second, the argument rests on a subtle but important point about historical sequence. Although some authors, particularly in the cultural approach, conceive a continuous process of state and nation-making (Joseph and Nugent 1994a), it is well-established that state formation is characterized by relatively short, crucial periods of rapid institutional change followed by longer periods of institutional continuity (see Soifer 2016). The theoretical framework outlined in this section holds that the preexisting geographic distribution of sociopolitical interests and values conditions the construction of state infrastructures during critical historical moments, and thereby affects subsequent state capacity outcomes like extraction. The underlying assumption is that the origin of such a distribution of interests and values lies in a combination of systematic and idiosyncratic factors that is not reducible to prior levels of state capacity, which clarifies why the explanation is not tautological.[5]

Finally, as the literature on contentious politics makes clear, organized forms of resistance do not follow mechanically from grievances or, in this case, from the contradiction between societal interests and state measures (McAdam et al. 2001). Determining the theoretical conditions under which state incursions generate specific state-thwarting strategies on the part of societal actors is beyond the purpose of this paper. Instead, the following sections empirically examine decisive periods of state formation in twentieth-century Mexico and Colombia to show how the interplay between state and society along political cleavage lines produced internal heterogeneity in the ability to penetrate territory infrastructurally and extract resources. Despite the vast differences in political regime type, cleavage structures, and constitutional state design

[5] In others words, I contend that the way social and political interests are spatially distributed in a given country prior to the onset of major periods of state-building is a complex outcome affected by a number of historical factors, and thus can be reasonably treated as conceptually distinct from state capacity itself.

between these cases in the periods under study, I provide evidence of spatial unevenness in fiscal capacity that is consistent with the theoretical framework presented in this section.

State-Building and Uneven Fiscal Capacity in Mexico and Colombia

This section explains why periods in the first half of the twentieth century are relevant state-building junctures to examine the spatially uneven development of state capacity in both Mexico and Colombia, and highlights the internal variation that these formative moments produced. My examination of state capacity centers on taxation. There is perhaps no better manifestation of stateness than the ability to extract revenue from society.[6] In some definitions, the very boundaries of the state are determined by the power to tax constituents (North 1981, 21).[7] There are at least three reasons that make taxation a privileged window into state power.

First, states face considerable administrative, logistical, and cognitive challenges in raising compulsory payments from their populations. To overcome them, they must build a far-reaching institutional apparatus (Weber's "material implements" of rule and administrative staff), address the principal-agent problems inherent to any organization, and develop technical and administrative capabilities to register, measure, and ultimately render society "legible," which lie at the core of modern infrastructural forms of political rule (Mann 2012; Scott 1998).[8]

Second, although the capacity to organize compulsion ultimately underpins the state's fiscal demands, resource extraction rests heavily on "quasi-voluntary" compliance on the part of citizens (Levi 1988). Because the sole threat of coercion is an impractical foundation for an effective tax system (Lieberman 2003), the level and origin of fiscal revenues speak to the depth of state roots in society and the ability to cultivate at least a thin form of legitimacy.

[6] As Levi writes, "the history of state revenue production is the history of the evolution of the state" (Levi 1988, 1).
[7] North defines the state as "an organization with a comparative advantage in violence, extending over a geographic area *whose boundaries are determined by its power to tax constituents*."
[8] As Mann notes, it is no coincidence that the term "statistics" itself emerged at the end of the 18th century with the expansion of infrastructural capacities, as meaning "data pertaining to the state" (Mann 2012, 361).

Third, fiscal capacity underlies every other dimension of state power. Although the intra-country incidence of state capacity in different domains of governance does not co-vary as strongly as often assumed, as I show elsewhere,[9] the capacity to extract directly conditions the state's overall ability to undertake other governance tasks. In this sense, fiscal capacity is a precondition of effective state power across functional realms, including the maintenance of civil order and the provision of other growth-promoting public goods (Besley and Persson 2011).

Mexico

The Mexican Revolution (1910-1917) brought a new era in the fiscal history of the state in at least two respects. First, the decade of war left a legacy of higher extraction. While total tax revenue as a share of GDP averaged 3.3% during the last five years of the Porfirian dictatorship (1876-1911), by the mid-1920s the new national state extracted around 4.5% of economic output.[10] Second, the conflict produced a decisive shift in the composition of taxation. Along with revenue levels, the structure of taxes reveals the capacity of the state to exert effective authority over territory and people (Lieberman 2002). While customs duties can be collected simply by controlling ports and border cities, internal indirect taxes demand greater territorial presence and administrative capacity. Indirect levies are nevertheless easier to collect than direct taxes, which are the most visible, require far greater knowledge of society and legitimacy, and fall disproportionately on powerful economic interests.

In this sense, the Revolution marked a clear break with the past. Customs duties were the main source of state revenue for the entire nineteenth century, a reflection of the state's shallow

[9] In a paper in progress, I examine the relationship between state capacity indicators in different core dimensions of state power (coercion, extraction, justice administration, and public service provision) and show that, at the sub-national level, states can be relatively strong in a given domain but weak in others. This highlights the need of analyzing the specific politics behind the construction of different types of state capacities and apparatuses.
[10] All figures in this section are author calculations based on INEGI (2015) and *Estadísticas Económicas del Porfiriato* (1965).

infrastructural roots throughout territory.[11] The first available figure for the post-revolutionary period (1923), in contrast, situates domestic indirect taxes as the main source of fiscal revenue for the first time in Mexican independent history.

The Revolution also ushered in a marked period of state- and nation-making that took the size, scope, and capacities of the central state to previously unseen levels. Indeed, the two decades between 1920 and 1940 represent the formative period of the modern Mexican state (Aguilar Camín and Meyer 1993). In fiscal terms, post-revolutionary state-building involved a substantial expansion of the fiscal bureaucracy, the adoption of new taxes—most prominently the income tax in 1924, and a contentious process of tax centralization (Díaz Cayeros 2006).

Tax personnel in domestic tax collection offices, for instance, more than doubled between the late 1920s and the late 30s.[12] By the early 1940s, the national tax/GDP ratio had increased to 6% and newly adopted direct taxes represented a higher proportion of the state's fiscal income than ever before. Considering the growth of the economy over the period, this represented a significant increase in the resources at the disposal of the national government.

However, crucial for this paper, the substantial national-level expansion of state infrastructural power in the aftermath of the Revolution conceals great heterogeneity in the ability of the state to perform its functions at the subnational level. As a "country of regions," the

[11] The capacity to collect domestic indirect taxes improved in the last decades of the nineteenth century and throughout the Porfiriato (Carmagnani 1989), without replacing customs duties as the main source of revenue. By 1910, internal indirect taxes represented some 30% of total national tax revenues; direct taxes came close to 8%. All figures in this section are author calculations based on INEGI (2015) and *Estadísticas Económicas del Porfiriato* (1965).

[12] Data on tax personnel, offices, and their collected revenues come from research conducted in the Archivo General de la Nación (AGN) and the Archivo Histórico de la Secretaría de Hacienda y Crédito Público (SHCP). Specific sources are: Dirección General de Inspección Fiscal (1939); Boletín de Inspección Fiscal 1939-1946*;* AGN, Obregón-Calles, 121-H-H-37; AGN, Abelardo Rodríguez, caja 226, exp. 650/3; AGN, Lázaro Cárdenas, caja 1062, exp. 566.1.

incursions of the central state were received in different ways throughout the national territory.[13] The most comprehensive study of the fiscal system suggests that the central government issued a blanket "fiscal pardon" to the provinces, drawing the vast majority of its fiscal income from Mexico City (Aboites 2003, 53–54). However, issues of data availability prevented the author from reaching more detailed conclusions about the territorial distribution of taxation.[14]

My data, drawn from previously untapped archival sources, allows for a deeper understanding of the regional variance in the central state's fiscal strength. To my knowledge, this is the first study to present systematic subnational data on national tax revenues for this crucial historical period. Based on estimations of state-level GDP by economic historians (Esquivel 1999; Germán-Soto 2005), I calculated the national tax revenue/GDP ratio for all Mexican states in the mid-1940s. Federal domestic taxes were collected by centrally-controlled tax offices throughout the country, whose number oscillated between 62 in 1925 and 98 in 1945.

The territorial jurisdiction of several tax offices crossed state boundaries, and therefore state-level figures are estimated with error. The empirical analysis in later sections is performed at a more disaggregated level to avoid this problem, but state-level estimates are nevertheless informative of the considerable unevenness in the central state's fiscal capabilities. In the early 1940s, the federal government collected less than 1% of state GDP in national taxes in seven out of 31 states, and less than 2% in thirteen. In contrast, extraction surpassed 4% in northern states like Sonora and Chihuahua and reached 8% in Nuevo León. It took the state some thirty

[13] The historical literature on the regional variations of post-revolutionary state formation is enormous but has privileged issues like land reform and the cultural aspects of nation-making (see Joseph and Nugent 1994), to the neglect of core state activities like taxation. See Smith (2014) for a similar critique. Relevant anthologies on the process of state formation in different regions include Benjamin and Wasserman (1990), Brading (1980), Buchenau and Beezley (2009), and Van Young (1992).

[14] Aboites presents evidence that central elites considered the geographic origin of federal tax collection an important issue, but the lack of available data leads him to speculate that the information remained confidential (p.395). The data I uncovered in the archive of the Secretaría de Hacienda y Crédito Público thus constitute an important contribution to the specialized literature.

additional years to extract that proportion at the national level. For reference, federal tax collection in Mexico averaged 9% of GDP over the last decade.

In significant parts of the country, then, the postrevolutionary state exercised little fiscal authority. The negligible tax contributions of several regions betray the state's inability to forge uniform links to society and develop consistent administrative and cognitive capacities. Although the state clearly became stronger and more centralized in the decades following the Revolution, its ability to extract was highly irregular throughout territory and therefore mediocre even by Latin American standards.

The uneven development of fiscal capacity in this crucial period of institutional reconstruction had major implications for the effectiveness of the state in other realms, and it locked in a vicious circle of low fiscal income and poor public goods provision that persists to this day (Flores-Macías and Sánchez-Talanquer 2016). It also contributed to the consolidation of regionally divergent patterns of authority, resulting in periodic "despotic" interventions by the center where infrastructural power was lacking (Mann 2012).[15] It is this inconsistent development of fiscal authority that I subject to systematic comparative analysis below.

Colombia

As in Mexico, customs revenues were the main source of public funds in Colombia throughout the nineteenth century, exposing the state to the fluctuations of world markets. But Colombia's trade volume was comparatively lower and the economy poorer (Safford and Palacios 2002). As a result, the state possessed even more limited extractive and spending capacities than in Mexico (Deas 1982). The Colombian state's heavy dependence on taxes on

[15] See for example Rath (2013) for a recent revisionist account that demonstrates the continuous reliance on the military to control the countryside, especially in parts of the center-south.

foreign trade remained well into the twentieth century. Up until the late 1920s, taxes on foreign trade represented more than 80% of total national government fiscal revenue.

The structure of fiscal revenue and the capacities of the state, however, would change dramatically starting in the 1930s. The 1930 elections, held in the context of the Great Depression, put an end to over three decades of Conservative Party hegemony and initiated a decisive historical era known as the "Liberal Republic" (1930-46). Liberal administrations implemented a series of state-building measures that substantially strengthened the Colombian state and expanded its weight in social life (Roldán 2002). The main increase in fiscal capacity initiated in the mid-1930s, when the Liberal administration of López Pumarejo adopted measures to consolidate the income tax—adopted in 1918—and other direct taxes on property and income (Junguito and Rincón 2007).

It is difficult to overstate the expansion of infrastructural power signaled by the ensuing shift in the structure of taxation. On average, direct taxes represented less than 7% of national government revenues between 1923 and 1934; by the mid-1940s, they comprised more than half of fiscal state revenue. In other words, the Colombian state overturned more than a century of fiscal history in just a decade, going from an almost complete reliance on customs revenues to deriving the majority of its income from direct taxes, the most visible, politically sensitive, and infrastructurally demanding.

Yet as in the case of Mexico, these aggregate national-level figures are insufficient to properly characterize the process of state-building, as they mask substantial territorial unevenness. Regional differences in stateness of course existed prior to this period (Acemoglu et al. 2015), but the overwhelming dominance of taxation on foreign trade reveals a pervasive inability to infrastructurally penetrate territory and society. With the sudden shift to internal

taxation observed during twentieth-century state-building, however, within-country variations deepen and become more substantially important.

By the end of the Liberal Republic in 1946, for example, direct national tax revenue *per capita* in the department of Cundinamarca (including the capital Bogotá) was 200 times larger than in the neighboring department of Boyacá. The income tax and other direct taxes produced 50 times more per person in the department of Atlántico than in Huila or Cauca, 21 times more in Antioquia than in Magdalena, and 9 times more in Valle del Cauca than in Tolima. The average contribution in the country was 7.44 Colombian pesos, again considering only direct taxes; comparing departments yields a standard deviation of 8.26.[16]

To be sure, these differences reflect the fact that some regions were considerably wealthier. There are no disaggregated data on per capita GDP for this historical period, but it is important to note that state capacity is itself a strong determinant of economic outcomes (Dincecco and Katz 2016). In the empirical sections below, I show that variation in state capacity is not simply explained by levels of economic development and that political cleavage structures play an important independent role in explaining why the state gained greater ability to generate tax revenues in some places than in others.

As will become clear, these cleavage structures—the deep causal factor driving sub-national variation in states' fiscal capacities—manifested themselves differently in Mexico and Colombia during the relevant periods of state-building. In the former case, armed conflict emerged around a sharp, predominantly religious divide, with the authoritarian post-revolutionary state anchoring the anticlerical side. In Colombia's democracy, the salient line of conflict divided Liberals and Conservatives, a cleavage rooted in the partisan wars of the

[16] Own calculations based on Contraloría General de la República (1951, 59). Population figures for 1946 were obtained by linearly interpolating data from the two most proximate censuses (1938 and 1951).

nineteenth century. While the Liberal state-building period itself was relatively pacific, especially compared to the past and what would follow—a new civil war between the parties starting in the mid-1940s, this cleavage profoundly shaped the contours of state power across territory, as religious insurgency did in Mexico.

Insurgency and Uneven State-Building in Post-Revolutionary Mexico

The politics of the post-revolutionary state in Mexico were determined by the outcome of civil war. After winning the Revolution, a coalition dominated by northern actors set out to reestablish political order and transform society through a more powerful state. In materializing specific political ideas and ambitions, their policies elicited considerable resistance from vast sectors of Mexican society. This section tests the link between this contention and the development of fiscal capacity. While comprehensively evaluating the effects of the innumerable instances of political contention on state-building outcomes would be an intractable task, I focus on the single most important challenge faced by post-revolutionary state-builders: the so-called Cristero War, a Catholic insurgency that broke out at the end of the 1920s in response to state anti-clericalism.[17]

The Cristero War and the politics of post-revolutionary state-building

After the military defeat of the federal army in 1914, the Mexican Revolution turned into a bloody civil war between revolutionary factions. The main cleavage pitted the Constitutionalist army, which emerged from an alliance between the northern states of Sonora and Coahuila, against the forces of Francisco Villa and Emiliano Zapata, whose bastions were the states of Chihuahua and Morelos, respectively. The northern Constitutionalists, possessing the most

[17] Insurgents took up arms to the cry of "Long live Christ the King", which gives the Cristero War its name.

professionalized army, ultimately prevailed. What followed were political and military campaigns to impose Constitutionalist rule throughout a fractionalized country.[18]

In a pattern reminiscent of the Italian experience of national unification (Tarrow 1996; Ziblatt 2006), the victorious northerners conquered regions that had either supported rival movements or remained quiescent. Carranza, former governor of Coahuila and Constitutionalist leader, relied on "proconsuls who, like him, were keen to incorporate the benighted, provincial south into Constitutionalism" to conduct military invasions and install new provincial and local governments (Knight 1986, 236–37). Constitutionalists purged bureaucracies at all levels, imposed harsh reprisals and centralizing policies, and frequently engaged in outright predatory rule. Local populations in colonized regions deployed various forms of resistance against "the occupying Carrancistas", who "seemed as foreign as American troops" (Womack 1969, 258).

Between 1915 and 1920, northern occupation and carpetbagging stimulated defensive rebellions in several southern states (Benjamin 1996; Garner 1984; LaFrance 2003). Although these provincial movements did not escalate into a national existential threat, the practices of this northern-turned-national elite left in many regions a residue of hostility to the emerging state. Opposition to Constitutionalist invasion and policies was rife in the south and southeast, which had remained relatively quiet during the Revolution; however, it also extended to Villista and Zapatista strongholds and various west- and north-central states (Falcón 1984, 116–22).

The core of the post-revolutionary state was constructed during Carrancista rule and the so-called Sonoran Dynasty (1920-1935). As argued above, it is crucial to understand what was at stake in the policies adopted by state builders, and this requires attention to the political views and motivations that dominated their coalition. Though often portrayed as a "petty bourgeoisie," more than purely material class interests divided northern state builders and their social bases

[18] These paragraphs draw heavily on Knight (1986), especially pages 235-251, 384-392, 435-456.

from other segments of society. To be sure, some of their political preferences reflected their rising middle-class status, which pitted them against the old Porfirian oligarchy and led to pragmatic alliances with mobilized peasants and workers. However, the term is best understood as "a bundle of cultural attributes" which, though linked to class, "relate to education, religion, place of origin, and location within the revolutionary process" (Knight 1986, 230).

Indeed, northern revolutionaries shared a more urban, entrepreneurial, developmentalist, and secular—when not outright anticlerical—political outlook than was typical in other regions (Aguilar Camín 1999). Their middle-class status, national aspirations, and inclination for bureaucratic rule contrasted with the deeper lower-class character of southern agrarian movements, but also with what they saw as a backward traditional culture dominated by Catholic "fanaticism," parochial interests, and a poor work ethic. The sense of cultural superiority, infused with racial overtones, was only reinforced by their military victory. This comprehensive political ideology ran through the policies adopted by the new elite and set its stamp upon post-revolutionary state-building. In some regions, citizens complied and embraced federal schooling, land reform, and other policies; in others, however, state efforts precipitated strong resistance.

The most violent reaction against state incursions came with the Cristero Rebellion (1926-1929), the last full-scale civil war fought in Mexican territory. Revolutionary governments adopted a series of anticlerical measures that included restrictions on the number of priests and Catholic education, the registration of Church property, and direct state supervision over religious affairs (Bailey 1974; Meyer 1994). For revolutionary social engineers, the Church's influence represented one of the root causes of social and economic backwardness, a heavy deadweight to be counteracted through the promotion of productive activities, secular education,

and new civic rituals. Federal teachers were thus deployed as a revolutionary vanguard, in charge of transforming the countryside and replacing priests as the regulators of local life.

Catholic resistance to state anticlericalism escalated into a three-year rebellion that caused between 70,000 and 85,000 battle deaths, some 60% on the side of the federal army (Meyer 1995, 260–66). The war involved massive displacement, the bombing of entire communities, and several major battles. The Bajío region in the center-west was the epicenter of the insurgency, but armed conflict spread to other areas in north-central and southern Mexico. At its peak, around 50,000 Cristeros were up in arms fighting the federal government, about half in large organized regiments and the rest in scattered rebel bands of various sizes (Meyer 1976, 49). The Cristero forces were deeply embedded in local society, forming "a federation of republics, of communities in arms" (Meyer 1995, 7). Broad popular support allowed rebels to successfully sustain guerrilla warfare, and in areas of the center and center-west that fell out of state control they developed sophisticated governance institutions.

Religious violence provided an umbrella for other interests affected by state policy, especially by centralization and agrarian reform. Most clearly in pockets of the south, conservative coalitions of landlords and displaced local political elites emerged to support the Church and lay believers, not necessarily out of religious conviction. However, there is a broad scholarly consensus that the rebellion was a genuinely grassroots cross-class movement, fought by peasants in defense of faith and local cultures that were deeply rooted in Catholic tradition (Bailey 1974; Knight 1994; Meyer 1994). The rebellion ended not by military defeat but after a set of agreements between the state and the institutional church; predictably, suspicion of the

state did not disappear.[19] As I show below, Catholic insurgency during the Cristero War conditioned state development in important ways.

Data

To evaluate the relationship between religious popular insurgency and the development of fiscal capacity, I constructed a new dataset on the incidence of rebellious activity between 1926 and 1929 at the municipality level. The main measure is a binary variable that indicates the presence of insurgency in a municipality. The data were compiled based on multiple secondary sources, including Meyer's classic work on the topic (1994, 1995). Meyer provides detailed information on the areas of rebel activity and the location of violent events, even at the village level. This source was complemented with various regional and local histories to code each municipality.

All municipalities to which I could reliably assign violent incidents or direct participation in the rebellion, either through armed mobilization or sustained collaboration with the rebels, were classified as having insurgent activity and took the value of one. Municipalities where no violent events occurred, citizens did not participate in the insurgency, or rebels did not assert control received the value of zero. Overall, violence and rebel activity could be traced in approximately a quarter of all municipalities existing at the time. While quantifying a complex historical process with a dummy variable has obvious limitations, this approach nevertheless allows me to conduct systematic comparative analysis for units with and without insurgency and comprehensively test the connection between historical events and relevant state outcomes. The dataset is the most disaggregated and precisely identified source on the geographic distribution

[19] Similar tensions reemerged in the 1930s with the implementation of socialist education and land reform under President Cárdenas, even producing a second insurgency, which was nevertheless considerably less violent and widespread (Fallaw 2013).

of the Cristero War to date. A map depicting the geographic distribution of insurgency at the municipality level appears below as Figure 1.

The second main type of data are measures of fiscal capacity. Based on archival research, I collected territorially-disaggregated data on federal tax revenues and the density of the national fiscal bureaucracy for the postrevolutionary period.[20] Focusing on the federal government is appropriate given my argument and because it collected the vast majority of taxes (Aboites 2003). As mentioned above, historians typically consider the 1920s and 1930s as the critical decades of state formation. From then on, institutional continuity and political stability under the dominant party authoritarian regime were the norm. I therefore rely on measures for 1940, about a decade after the end of the Cristero War.[21]

Figure 1. Geography of the Cristero War (1926-1929)

Note: For clarity, municipal boundaries are not shown. Dark areas depict municipalities that experienced insurgency. Municipalities that did not exist at the time of the Cristero War appear in white.

[20] See footnote 12 above for detailed sources.

[21] I collected data through 1945. As I explain, I choose 1940 because for this year detailed information about the territorial jurisdiction of each tax office is available. However, the inter-temporal correlations (post-1940) are strong when data are aggregated at the state level, which suggests observed patterns tended to persist.

Domestic federal taxes—including direct and indirect levies—were collected by tax offices throughout the country, which totaled 59 in 1940, including 4 in Mexico City. Each office was in charge of a given geographic area that could cross state boundaries. The tax office is the most disaggregated level at which data on national taxes are available, and for this reason the statistical analysis is conducted at this level. Other municipality-level measures were aggregated into relevant quantities at the federal tax office-level.[22] For example, the main explanatory variable is calculated as the share of municipalities that experienced insurgency. Although the sample size is relatively small, then, it should be noticed that all other variables in the models contain detailed information about the municipalities within each tax office. For each unit, I calculated two fiscal indicators: *per capita* domestic tax revenues, and the number of personnel dedicated to raising domestic taxes per 10,000 citizens.

In addition to these explanatory and dependent variables, I include other measures to control for possible confounders, that is, factors that could jointly determine fiscal capacity and the incidence of violence. The first is the level of socioeconomic development although, as discussed, this itself depends on state capacity. To account for differences in economic wealth across units, I use the share of the population in the industrial and commercial sectors of the economy. I obtained data for each municipality from the 1940 census and then calculated the respective population share for each tax office. This measure is strongly correlated with available GDP estimates at the state level (0.8), which confirms it is a good proxy.

I also consider the potential impact of population density and rough terrain, which as explained above, have been argued to influence state activities and the probability of insurgency. Population density was calculated using the 1940 census and data on the surface area of municipalities, obtained from INEGI. To precisely assess the impact of geography, I collected

[22] Every municipality was assigned to a federal tax office based on Dirección General de Inspección Fiscal (1939).

data on the altitude of the city or town serving as the seat of government in each municipality, and then calculated the standard deviation for municipalities within each tax office. As a measure of variability, this indicator captures topographic roughness in a given area better than alternative measures, like average or maximum elevation.

An important concern in estimating the relationship between armed resistance to postrevolutionary state efforts and fiscal power is that both variables might be determined by preexisting levels of state capacity. Several important works on Latin American state-building trace cross-country variation to the nineteenth century (Soifer 2015), observing that the ranking of states remained largely constant thereafter. Following this logic, internal patterns of state capacity might have also been definitively established in this historical period. It is thus reasonable to worry that both the geography of insurgency and fiscal performance stem from this underlying, longstanding variation. In this scenario, the conflicts of state reconstruction have no independent effect on levels of state capacity, which are a legacy of the prerevolutionary period despite the seeming rupture of 1910-1917. To address this concern about potential reverse causation, I obtained data on the number of government officials under the Porfirian dictatorship in each municipality, using the 1900 census. As a measure of preexisting state capacity, I calculated the density of bureaucrats per 1,000 people in the area covered by tax collection offices in 1940.

A final concern about potential endogeneity or selection is that variation in state fiscal capacity responded to prior and more consequential instances of violence or insurgency, which in turn are also associated to the incidence of Cristero resistance to the postrevolutionary state. Dell shows a systematic negative association between insurgency in the period 1910-1918 and both long-run economic development and alternations in power between different parties, suggesting

that higher levels of land redistribution in the form of communal *ejidos* explain the connection (2012). This finding suggests that revolutionary violence might have had important implications for the development of state capacity. If violence also tended to recur in the same spatial locations, contention during the state-building period—as captured by my measure of Cristero insurgency—could be secondary to the effects of the armed phase of the Revolution.

To untangle the relationship between these two episodes of conflict and the psotrevolutionary state's fiscal capacity, I extend Dell's dataset on the incidence of violence during the Revolution. The relevant measure is a dummy variable equal to one if the municipality experienced insurgent activity and zero otherwise.[23] Dell coded 217 municipalities for which data on rainfall was available. Based on multiple national, regional, and local histories of the Revolution, I extend the dataset to cover more than two thousand municipalities, which constitutes almost the full universe of cases.[24] To my knowledge, this dataset represents the most comprehensive quantitative source on the geography of violence and rebellion during the Mexican Revolution.

Local state capacity and long-term effects

In addition to testing the association between religious armed resistance and national state fiscal capacity, I perform two additional empirical exercises. To investigate if Cristero insurgency is also associated with the extractive capacity of local governments, and as a robustness check, I estimate models with municipal fiscal performance as the dependent variable.

[23] Following Dell's definition, a municipality is considered to have insurgent activity if "its citizens used violent force in a sustained attempt to subvert representatives of the Mexican government (i.e. local authorities and the military) or to confiscate others' property."

[24] Information could not be traced for approximately 200 municipalities. For all other cases, a detailed list with information for each municipality that was coded as having experienced violence or insurgent activity, as well as the relevant source, is available from the author. I thank Ana Paula Peñalva for excellent research assistance in compiling this dataset.

Based on archival research in the National Archive (AGN), I obtained exhaustive data on municipal tax revenues in 1945.[25] A map displaying the variation in local fiscal capacity appears in the appendix. I use these data to calculate two indicators: per capita municipal government revenue, net of federal and state transfers; and per capita property tax revenue.

Finally, I investigate whether resistance to postrevolutionary state-building is systematically correlated with national government fiscal performance in the contemporary period. Like with the historical data, this part of the analysis is conducted at the federal tax office level, which is the lowest layer at which data are available. Other variables measured at the municipality level were added to represent relevant quantities at this level of analysis. I obtained data from the Mexican tax administration department (SAT) to calculate two indicators of the state's capacity to fiscally penetrate society: per capita income tax revenue in 2000; and the number of people registered as taxpayers ("personas físicas"), as a share of the total population living within the geographic jurisdiction of a given tax office. The latter indicator is calculated as an average for the 2008-2011 period and represents a good measure of both the fiscal and "cognitive" capabilities of the state. To control for differences in development, GDP per capita figures were calculated based on municipal estimates from INAFED for 2005.

Descriptive statistics for all variables are included in the appendix.

Empirical Results

I start the empirical analysis by estimating a series of ordinary-least-squares models of the form:

$$revenue_i = \gamma_0 + \gamma_1 insurgency_i + \boldsymbol{X}_i'\beta + \varepsilon_i ,$$

[25] Data are available for municipalities in which local government income exceeded MX $2,000 at the time. They were obtained from the following archival records: AGN, Ávila Camacho, 522.1/1 ; AGN, Alemán Valdés, 522.1/1.

where $revenue_i$ is the natural log of per capita tax revenue in tax office i in 1940. $insurgency_i$ measures the share of municipalities within office i where rebellion occurred during the Cristero War. X_i is a vector of control variables, and γ_1 is the coefficient of interest.

Table 1 presents the results. Models include all 55 federal tax offices in the country, excluding those in Mexico City.[26] Column 1 reports the unconditional relationship between the share of municipalities that experienced insurgency during the Cristero War and state fiscal capacity a decade later. The coefficient is statistically different from zero at standard levels and indicates that, on average, tax revenues per head were lower in areas where rebellion had been more prevalent. In the next two columns I include other covariates to check the robustness of this result. Column 2 adds the measures of socioeconomic development and the roughness of terrain.

Column 3 reports an extended specification that includes controls for population density, preexisting levels of state capacity as measured by the 1900 density of public employees, and the share of municipalities that experienced violence during the armed phase of the Revolution.

Both the estimated coefficient for the Cristero insurgency variable and the standard error remain stable across specifications. The coefficients imply that for every percentage point increase in the share of municipalities that experienced insurgency, national government revenues per head decrease by 1.1%. To help appreciate the substantive importance of this result, a one standard deviation increase in the measure of Cristero resistance is associated with a reduction of approximately 35% in per capita tax revenues. Controlling for potential confounding factors does not change this result.

[26] The Federal District was not administratively divided into municipalities and therefore data is unavailable for most of the variables. Since the argument concerns the reach of the state, focusing on extraction without considering the capital is also appropriate from a theoretical standpoint. That said, adding tax collection for the four offices in Mexico City and introducing them in the models as a single unit does not change the results.

Table 1. Linear Models of Fiscal Capacity in Mexico

	Dependent variable: Ln per capita domestic federal tax revenues 1940			DV: tax collectors per 1,000 citizens 1940	DV: Ln per capita municipal tax revenues 1945	DV: per capita mun property tax revenues 1945	DV: Ln per capita income tax 2000	DV: taxpayers, % pop (2008-2011)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Cristero insurgency[a]	-0.011*	-0.011***	-0.011***	-0.008**	-0.12**	-0.16***	-0.005	-0.031*
	(-2.37)	(-4.24)	(-3.88)	(-2.68)	(-2.8)	(-7.28)	(-1.93)	(-2.09)
Pop industry and commerce (% 1940)		0.36***	0.35***	0.061	0.13***	0.005		
		(9.24)	(7.26)	(1.14)	(10.86)	(0.67)		
Terrain roughness[b]		-0.001*	-0.001*	-0.001	-0.0002***	-0.00009***	-0.0003	-0.003
		(-2.49)	(-2.10)	(-1.75)	(-9.0)	(-5.03)	(-0.86)	(-0.97)
Population density[c]			-0.005	-0.01	0.0001	0.0008*	0.0006	-0.011
			(-1.05)	(-1.45)	(0.52)	(1.56)	(0.69)	(-1.41)
Bureaucrats per 1,000 (1900)			0.011	0.22***	0.09***	0.062*	-0.043*	-0.076
			(0.37)	(4.45)	(7.47)	(2.56)	(-2.08)	(-0.50)
Revolution insurgency[a]			-0.0005	-0.19	0.13**	0.05	0.003	0.053
			(-0.14)	(-0.37)	(3.1)	(1.83)	(0.99)	(1.97)
Ln GDP per capita (2005)							2.34***	18.5***
							(6.53)	(7.87)
Constant	2.07***	0.68*	0.77*	1.80**	0.071	0.18***	-19.0***	-181.1***
	(10.84)	(2.38)	(2.14)	(3.23)	(1.48)	(4.5)	(-4.76)	(-6.85)
R^2	0.12	0.71	0.71	0.52	0.38	0.17	0.6	0.64
Observations	55	55	55	55	1, 251	1, 251	52	52

Each model is an OLS regression with heteroscedasticity-robust standard errors. The parentheses contain t statistics.

[a] In models 1-4 and 7-8, it represents the share of municipalities that experienced insurgency. In models 5 and 6 it is a dummy variable.

[b] In models 5 and 6 represents the altitude of the city or town serving as the seat of government. In all other models it is a measure of variability of terrain. See text for details.

[c] Data for 1940 in models 1-4; 1945 in models 5-6; 2010 in models 7-8.

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

The most consistently significant control variables are the levels of socioeconomic development and terrain roughness. As expected, the state extracts more per head in wealthier regions. Difficult terrain is negatively associated with the state's fiscal performance, which lends support to geographic arguments. The estimated coefficients for population density, levels of state capacity prior to the Revolution, and revolutionary insurgency are not statistically different from zero.

The results in columns 1-3 support the argument that patterns of popular resistance to the ideologies and policies of postrevolutionary state builders shaped the internal development of extractive capacity. However, as an output-based measure, per capita tax revenue reflects both qualities of state infrastructure as well as society's willingness to comply (Fukuyama 2013). From this result it is unclear whether insurgency affected state investments in fiscal and administrative capabilities, or instead the state made uniform efforts throughout territory but these resulted in uneven outcomes.

To gain more insight into the state's intentions and infrastructural resources to implement tax policy, column 4 replicates the specification in column 3 but with the number of tax collectors per 10,000 citizens as the dependent variable. The coefficient for the prevalence of Cristero insurgency is negative and precisely estimated. A one standard deviation increase in this variable is associated with a decrease in the density of tax collectors per population of 0.27. One possibility is that the state deliberately maintained a thinner fiscal presence in areas that had rebelled, anticipating poorer returns to fiscal efforts and/or in an attempt to buy popular quiescence. The result is also consistent with rebellion affecting initial patterns of state presence that then tend to persist due to administrative continuity, for example in the formulation of budgets. Interestingly, the number of public employees per 1,000 in 1900 is positively correlated

with the density of tax personnel in 1940, suggesting relative stability in patterns of bureaucratic deployment between the pre- and post-revolutionary periods.

Next, columns 5 and 6 in Table 1 examine the relationship between the Cristero Rebellion and local state capacity in the mid-1940s. Municipal governments accounted for less than 5% of total government expenditures in 1945. Despite their poverty, they were responsible for important state functions, including public safety, sanitation, and other public goods. This part of the analysis tests if armed resistance shaped fiscal performance at the local level and serves as a robustness check. The sample size increases to 1,250 observations for which data are available. The main independent variable is a dummy variable that takes the value of one if the municipality experienced insurgency between 1926 and 1929.

The coefficients for both (log) municipal revenues per capita and absolute property tax revenues per head[27] are negative and significant at conventional levels, after controlling for potential confounders. This suggests that local extractive capacity, like national state fiscal prowess, tended to lag behind in areas that experienced greater armed mobilization. The effects are large, as per capita municipal revenues were 12% lower on average in municipalities that participated in the Cristero War.

Long-term effects

As a final exercise, I investigate whether historical patterns of contention, as captured by Cristero insurgency, are systematically associated with contemporary fiscal outcomes.[28] Columns

[27] Per capita property tax revenues are not log-transformed because this variable takes on the value of zero for a large number of municipalities.

[28] Tax collection offices in the Mexico City area (Centro DF, Norte DF, Oriente DF, Sur DF, an Naucalpan) are excluded from the analysis. Three tax offices have territorial jurisdiction in the municipality of Guadalajara, the second largest city (Guadalajara, Guadalajara Sur, and Zapopan). Because each municipality needs to be assigned to a single tax office to calculate the independent variables, I merged the Guadalajara municipality data onto the main Guadalajara office and excluded Guadalajara Sur and Zapopan from the analysis. Results are similar regardless of which of the three offices is included in the models.

7 and 8 in Table 1 test for this possibility. As before, the analysis is conducted at the tax office level and models include controls for rough terrain, population density in 2010, differences in state capacity prior to the Revolution and the Cristero War, and the incidence of insurgency during the Revolution. I also control for levels of socioeconomic development, using per capita GDP in 2005 as a proxy. The outcome variable in column 7 is the (log) per capita income tax revenue in 2000, including business and personal income taxes. The coefficient for the Cristero War indicator is negative and statistically different from zero at the 10% level, but not at the 5% level (t score = -1.93). Focusing on the personal income tax exclusively would be a better measure of the ability to fiscally penetrate society, but data are not available.

Column 8 reports results for the model with the average share of the total population that were registered as individual taxpayers between 2008 and 2011. This variable captures the extent to which citizens in a given geographical area "exist" for the state for fiscal purposes, and therefore it is a good indicator of state strength. The Cristero War coefficient is negative and precisely estimated, with a one standard deviation increase in the share of municipalities that experienced rebellion between 1926-1929 associated with a decrease in the share of the population that are registered to pay taxes in the contemporary period, of approximately one percentage point. Although the exact mechanism cannot be investigated from these data, the long-run correlation is suggestive of an entrenched culture of noncompliance in some regions, which dates back to political struggles during the formative years of the state.

Overall, these empirical results are consistent with the argument that the cleavages structuring postrevolutionary state-building, and in particular spatial patterns of societal resistance to the anticlerical policies of the state-building coalition, had important implications for the state's infrastructural capacity to generate fiscal income. The next section examines

subnational patterns of fiscal capacity development in Colombia to show that in that case, too, political cleavages played an important role.

Partisan Conflict and Uneven State-Building in Colombia

This section presents the empirical analysis for the case of Colombia. As discussed above, a profound transformation in the ability of the state to penetrate society for fiscal purposes took place during the 1930s and 1940s, decisively changing the structure of taxation. I present evidence that political alignments vis-à-vis the state-building coalition had important implications for the fiscal reach of the state. I start with a brief discussion of the political divisions that structured Colombian politics during the state-building phase. Next I present my data and empirical strategy, before proceeding to the results.

State Building under Exclusionary Partisan Cultures

The War of the Thousand Days (1899-1902) was the last and most murderous of the frequent civil wars between Liberals and Conservatives during the nineteenth century. The war ended in Conservative victory and, at least temporarily, delegitimized armed conflict as the means to process partisan rivalries.[29] Beginning in 1903, Colombia experienced a period of relative political stability that lasted until the mid-1940s, when partisan polarization and social conflict led to a new phase of violence known precisely as La Violencia.

The wars of the nineteenth century, rooted in oligarchic disputes about federalism, the role of the Church, and later commercial policy, had enduring consequences for the country's political system. Importantly, they prematurely divided the masses along sharply defined party lines before state structures consolidated. The depth of sectarian partisan "subcultures" (Hartlyn

[29] This section draws mainly on Oquist (1980), Roldán (2002), and Safford and Palacios (2002).

1988; Pécaut 2001) made the oligarchic two-party system extraordinarily resilient, and indeed popular pressures associated to the "social question" did not lead to party system transformation in the twentieth century, as it did in most countries in Latin America (Roberts 2014).

The expansion of the state's scope and core infrastructural capacities took place in this context of deeply entrenched partisan loyalties. The vast majority of Colombians "were born Liberal or Conservative" (Oquist 1980), and in any given locality one of the parties tended to exercise hegemony across elections (Pinzón de Lewin 1989). Thus, although the period from 1903 to 1946 was more institutionally constructive than any other in the past, it was nevertheless structured by a deep-seated political cleavage that permeated state institutions. The factional use of the state apparatus made exclusion from power costly, not only for national partisan elites but for local cliques and ordinary citizens who were deeply embedded in partisan clientelistic networks. For Oquist, by the mid-1940s the strengthening of the state had raised the stakes of power holding to such a level that the parties, whose core objective since the nineteenth century had been the construction of "exclusivist political hegemonies," were again willing to engage in armed conflict.

The critical period of state-building came with the return of the Liberal Party to power in 1930, but especially after the more radical faction of the party won the 1934 elections. Indeed, the 1930s were a period of profound social and institutional change. The Great Depression reduced Colombia's reliance on international markets to generate economic growth and state revenues. During the first administration of President López Pumarejo (1934-1938), Liberals encouraged labor organization and expanded the state's social and economic role. As part of the so-called "Revolution on the March," measures were adopted to facilitate peasant access to land, extend rights to the lower classes, and strengthen the state's role as an arbiter of social and

economic relations. Although the reach of this process of popular class incorporation was modest compared to other countries in Latin America, it nevertheless increased partisan and social polarization and triggered considerable resistance from sectors of the elite.

Moreover, Liberal administrations revealed "a formidable centralizing tendency" (Safford and Palacios 2002, 289) that, in the fiscal arena, materialized in efforts to increase national tax revenues. Immediately after taking power, López Pumarejo created new taxes on wealth and excess profits and introduced measures to consolidate the income tax (Junguito and Rincón 2007). As discussed above, this produced a sudden and decisive shift in the structure of taxation, with the weight of direct taxes in national government revenues steadily increasing until the end of the Liberal Republic in 1946.

However, partisan and social groups opposed to the state-building coalition resisted the state's attempts to assert greater fiscal authority. In the city of Medellín, for example, the capital of the predominantly Conservative department of Antioquia, industrialists organized massive demonstrations to resist tax reform. In a politically polarized environment, the Liberal Party nominated a moderate candidate for the 1938-1942 period. However, López Pumarejo remained popular and returned to the presidency in 1942. His term ended prematurely when disgruntled army officers launched a failed military coup in 1944 that led to his resignation in 1945. The Liberal Party, divided between moderates and a populist faction that represented the rise of new social sectors in Colombia's oligarchic two-party system, fielded two candidates in the 1946 presidential elections and lost to the Conservatives. The Liberal defeat and the assassination of Liberal populist leader Jorge Eliécer Gaitán in 1948 mark the beginning of La Violencia.

The unprecedented expansion of the state's infrastructural power during the 1930s and early 1940s, then, emerged as a Liberal project in a political landscape characterized by deeply

rooted partisan allegiances and the sectarian use of state institutions. The results I present below suggest that, as in the case of Mexico, the political and ideological conflicts surrounding the state-building process shaped internal patterns of state capacity development and the state's fiscal performance.

Data

Colombia's exceptional democratic tradition in Latin America offers an opportunity to employ electoral data to analyze how the participation or exclusion of different social and political interests in the state-building coalition during crucial historical moments affect subsequent patterns of state fiscal strength. In this case, the relevant cleavage found clear expression in the electoral arena. The main independent variable in the models below is a measure of political support for the Conservative Party at the municipality level, which I calculated as the average vote share for Conservative candidates in the 1930 and 1946 presidential elections. For 1930, I aggregate the vote share for the two conservative candidates that competed against the Liberal Enrique Olaya. A map of the variation in Conservative Party support across municipalities is provided in the appendix.

I focus on these two elections for several reasons. First, 1930 and 1946 represent the beginning and end of the relevant period of state-building under the Liberal Party. Second, both elections resulted in democratic alternations in power, which indicates that competition was meaningful and pro-incumbent fraud is not a concern. Third, the Conservative Party abstained from running a candidate in the 1934, 1938, and 1942 elections. Similarly, the Liberal Party refused to participate in 1926, while the 1922 elections were full of irregularities (Posada-Carbó 1997). Thus, the 1930 and 1946 elections are the two contests that accurately capture the underlying level of support for the two parties.

As mentioned above, partisan attachments and hence spatial patterns of electoral support were highly persistent. The correlation coefficient between the 1930 and 1946 Conservative Party vote shares is 0.74. Moreover in the majority of the country's municipalities one of the parties exercised electoral hegemony. In 1930, for instance, Liberals or Conservatives obtained more than 70 percent of the vote in 422 of the 687 municipalities for which data are available.

To measure extractive capacity, I constructed a new municipal-level dataset drawing on the annual reports of the Comptroller General (Contraloría General de la República 1941, 1951).[30] My main capacity measure uses per capita income tax revenues in 1950 to proxy for the state's ability to penetrate society and exercise fiscal authority. A map of the variation to be explained is provided in the appendix. By 1950, the share of direct taxes had stabilized after the major expansion of the previous decades, the presidency was under the control of the most doctrinaire wing of the Conservative Party, and the relative stability of the first half of the century had turned into high levels of violence and significant political turmoil. It is an appropriate time, then, to assess the internal patterns of state capacity that emerged from the crucial period of state-building under the Liberal Party.

I focus on the income tax because it was the main source behind the increase in direct taxation and it is a good proxy for the depth of the national state's authority throughout the territory. As discussed previously, direct taxes are a window into the state's ability to register citizens and assess wealth, elicit compliance, and exercise power over elite groups. My municipal-level data makes it possible to study the uneven strength of the state at a very disaggregated level. To calculate the per capita revenues, population figures for 1950 were obtained by linearly interpolating data from the two most proximate censuses (1938 and 1951).

[30] These reports contain disaggregated data on national, departmental, and municipal public finances and are available at the Luis Ángel Arango Library in Bogotá.

I also compiled other indicators of fiscal performance to examine the robustness of the results. In addition to per capita income tax revenues, I use total domestic national tax revenues per head as an alternative that includes all direct and indirect taxes levied by the national government. This is the same indicator used above to capture national government fiscal capacity in the Mexican case.

I also investigate whether partisan allegiances affected the development of local state institutions. In contrast to Mexico, mayors in Colombia's unitary system were appointed by departmental governors, which were in turn appointed by the president. As a measure of local fiscal capacity, I use per capita municipal tax revenues. Taxes collected by municipalities included several indirect taxes and the property tax, which has traditionally been resisted by the country's landed elites. Municipal taxes amounted to approximately 10% of total fiscal intake in the country. Unlike national government tax revenues, data on municipal public finances are also available before 1950. This offers an opportunity to evaluate whether the empirical results are robust to the adoption of a different year to measure fiscal performance. I therefore estimate two models of local fiscal capacity, with data for 1940 and 1950.

The specification that employs data for 1940 also helps address the concern that, whatever the patterns of state capacity developed under Liberal state-building, the results for 1950 are driven by the fact that at the time Conservatives were again in power. It is reasonable to worry, for example, that tax enforcement under Conservative governments was stronger in Liberal municipalities. Observed differences could reflect contingent partisan calculations rather than the underlying strength of state institutions responsible for ensuring compliance with tax obligations. Looking at municipal tax revenues in 1940, when the Liberal Party was still in

power and the state-building process was already on its way, is the best available strategy to address this concern, given data availability.

My inclusion of control variables is guided by the concern that both the distribution of political support for the parties and fiscal capacity could be driven by factors whose omission would bias the estimated relationship. As in the Mexican case, I control for differences in socioeconomic development, geographic and demographic factors, and historical levels state capacity. GDP estimates for the period are not available below the national level. To capture relevant socioeconomic factors I rely on two measures: the proportion of the municipal population living in urban areas, and the literacy rate, which are available from the 1951 census and I obtained from Chacón et al. (2011). My geographic measure is the proportion of municipal land that is classified as mountainous. This indicator is from the Colombian National Geographic Institute and was obtained from Acemoglu et al. (2015).

Unfortunately, indicators of state capacity at the municipal level are not available for the nineteenth or early twentieth centuries. Failing to control for preexisting differences in state capacity would be problematic if these differences determined both partisanship and the distribution of fiscal capacity at the end of the Liberal Republic. Drawing on the specialized literature, Chacón, Robinson, and Torvik make a persuasive argument that multiple factors and idiosyncratic historical events influenced spatial patterns of support for the Colombian parties (2011). Moreover, as explained above, the early politicization of the masses in Colombia meant that party identification in some sense preceded the development of state capacity. This suggests that, in my case, levels of support for the parties can be reasonably treated as independent of the preexisting distribution of state capacity. Yet to further address this concern, I control for a still deeper measure of state presence in the late colonial period. The data are originally from Durán y

Díaz (1794) and are available from Acemoglu and his coauthors (2015). The relevant indicator is the total number of crown employees in the municipality.

As a final strategy to deal with potential endogeneity, some specifications below include departmental fixed effects. Historically, a varied and difficult geography—the Andes branch off into three different mountain ranges as they enter Colombian territory—was a major obstacle to physical, economic, and cultural integration across regions (Safford and Palacios 2002). As a result, Colombian departments developed many different features that could be responsible for the differences in fiscal capacity that I attribute to the structure of support for the parties. By adding fixed effects, coefficients are identified relying only on within-department variation, which accounts for these broader geographic, economic, and cultural differences across Colombian regions.

Results

I test whether partisan differences affected the outcomes of state-building by running a series of ordinary-least-squares regressions of the following form:

$$revenue_i = \gamma_0 + \gamma_1 conservative_i + \boldsymbol{X}_i'\beta + \alpha_{d(i)} + \varepsilon_i \,,$$

where *revenue*$_i$ represents the natural log of per capita fiscal revenues in municipality i. *conservative*$_i$ measures the average proportion of the vote share won by Conservative candidates in the 1930 and 1946 elections in municipality i. X_i is a vector that contains control variables, and and $\alpha_{d(i)}$ is a departmental fixed effect for municipality i located in department d. γ_1 is the coefficient of interest.

Table 2 presents the results. The specifications in columns 1 to 4 use the natural logarithm of per capita income tax revenues as the dependent variable. Column 1 is the baseline

specification, where I include only the measure of Conservative Party support and a dummy variable indicating if the municipality is a department capital. Column 2 adds controls for socioeconomic development and topography. Column 3 further includes population density and the measure of colonial state presence. Column 4 adds a full set of departmental fixed effects.

The main result is that support for the Conservative Party is negatively correlated with per capita income tax revenues. The result is consistent with the argument that the unprecedented development of national state extractive capacity in the 1930s and 1940s lagged behind in more Conservative municipalities. The coefficient is statistically significant at conventional levels in all four specifications. Conditional on departmental fixed effects, preexisting state capacity, and geographic, socioeconomic, and demographic controls, a one standard deviation increase in the proportion of support for the Conservative Party is associated with a 2.7 percent decrease in the revenues generated by the income tax per person.

As could be expected, higher levels of socioeconomic development, and particularly higher urbanization rates, are positively associated with extraction. Municipalities located in more mountainous land, however, are not systematically different from others in terms of the ability of the national government to raise taxes.

Model 5 looks at the relationship between Conservative Party support and collection of all types of national domestic taxes. The results are consistent with those related to the income tax. The relevant coefficient is statistically significant and its magnitude substantive. After accounting for potential confounders and department-specific effects, a one standard deviation increase in average support for the Conservative Party is associated with a 4.4 percent decrease in per capita tax revenues.

Table 2. Linear Models of Fiscal Capacity in Colombia

	Dependent variable: per capita income tax revenues 1950 (log)				DV: ln per capita national domestic tax revenues 1950	DV: per capita municipal tax revenues 1950 (log)	DV: per capita municipal tax revenues 1940 (log)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Conservative Party support	-0.18***	-0.16***	-0.15***	-0.098*	-0.16*	-0.17**	-0.18***
	(-4.98)	(-4.78)	(-4.56)	(-2.51)	(-2.58)	(-3.17)	(-7.21)
Department capital	1.72***	1.37***	1.02***	0.88***	1.59***	0.47***	0.25***
	(6.74)	(6.11)	(6.47)	(12.67)	(13.99)	(4.61)	(5.06)
Urbanization (1951)		0.61***	0.51***	0.64***	1.12***	0.77***	0.46***
		(4.60)	(4.39)	(8.96)	(10.08)	(7.95)	(9.92)
Literacy (1951)		0.37***	0.22*	0.055	0.64***	0.71***	0.37***
		(4.03)	(2.51)	(0.53)	(4.09)	(5.26)	(5.68)
Mountain land		0.054	0.036	-0.0092	0.12	-0.14*	-0.060*
		(1.15)	(0.89)	(-0.21)	(1.75)	(-2.47)	(-2.14)
Population density (1950)			0.002***	0.002***	0.001***	0.001***	0.001***
			(4.12)	(13.05)	(6.84)	(5.38)	(9.14)
Crown employees (1794)			0.0002	0.0002*	0.0002	0.0002	0.00002
			(1.59)	(2.35)	(1.77)	(1.73)	(0.38)
Constant	0.25***	-0.12*	-0.093	-0.033	0.071	0.52***	0.21***
	(10.53)	(-2.06)	(-1.94)	(-0.59)	(0.87)	(7.31)	(6.03)
Departmental fixed effects	No	No	No	Yes	Yes	Yes	Yes
R^2	0.49	0.59	0.66	0.71	0.69	0.61	0.69
Observations	637	630	630	630	685	698	699

Models 1-3 are OLS regressions with heteroscedasticity-robust standard errors. The parentheses contain t statistics.

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

Lastly, Models 6 and 7 examine whether the relationship is also present with local state capacity, measured in 1950 and 1940. Regardless of the party holding national power, Conservative Party support is consistently correlated with lower per capita tax contributions.

These results uncover important new empirical patterns in the relationship between political conflict and the development of state capacity in Colombia. The econometric results complement my historical analysis and support the argument that state-building efforts achieved varying degrees of success as a result of the political cleavages that structured Colombian politics at the time. Although the state's ability to penetrate society and implement fiscal policy clearly expanded beginning in the 1930s, this suggests that partisan conflicts over control of the state during a decisive period of state formation contributed to the territorially uneven patterns of institutional strength that characterize Colombia to this day.

Conclusion

This paper presents new evidence about the historical sources of within-country variation in state capacity. I introduce new, comprehensive, and territorially disaggregated historical datasets on the development of fiscal capacity in Mexico and Colombia, drawn from previously untapped archival sources. Within-case historical analyses and statistical results suggest that patterns of political contention and societal support for the state-building coalition during formative historical periods had important and enduring effects on state development. Despite important differences between the two countries, in both cases the state's ability to raise tax revenues across territory reflected deep-seated cleavages that divided societies as state infrastructures were being built.

In Mexico, postrevolutionary state-building efforts triggered strong defensive reactions from social and political sectors opposed to the interests and ideological views of a ruling

coalition dominated by northern revolutionaries. The most salient of these political responses was the Catholic insurgency that emerged to contest state anticlericalism in the late 1920s. Drawing on novel, hand-coded data on the incidence of conflict, I presented evidence that popular resistance to state projects in this period enduringly undermined the state's ability to infrastructurally penetrate society and extract resources.

In Colombia, a coalition dominated by the Liberal Party embarked in an unprecedented project of state-building in the 1930s, expanding the state's scope and making direct taxes the main source of fiscal revenues, in a country where governments had historically depended on external revenues and lacked the ability to penetrate territory. As in Mexico, however, state-building efforts polarized society and unfolded over the basis of sharp political cleavages. The sectarian partisan political culture that permeated society had important implications for the geography of fiscal capacity. Indeed, support for the Conservative Party during the period of Liberal state-building correlated negatively with the state's subsequent fiscal performance.

These findings have important implications for our understanding of the origins of state capacity and institutional weakness. My argument moves beyond structural and geographic explanations to highlight the political roots of within-country variation in the ability of the state to elicit compliance and perform core functions. The findings suggest that political power configurations during episodes of state-building are crucial to understand the territorially uneven effectiveness of state institutions. They also indicate that in the absence of sustained external pressures—like the once faced by Western European states—that silence domestic political cleavages, these divisions are likely to systematically affect the development of state capacity. Finally, the evidence I provide suggests that state strength is inherently relational, as it depends on the interplay between states and the societies they rule.

Appendix

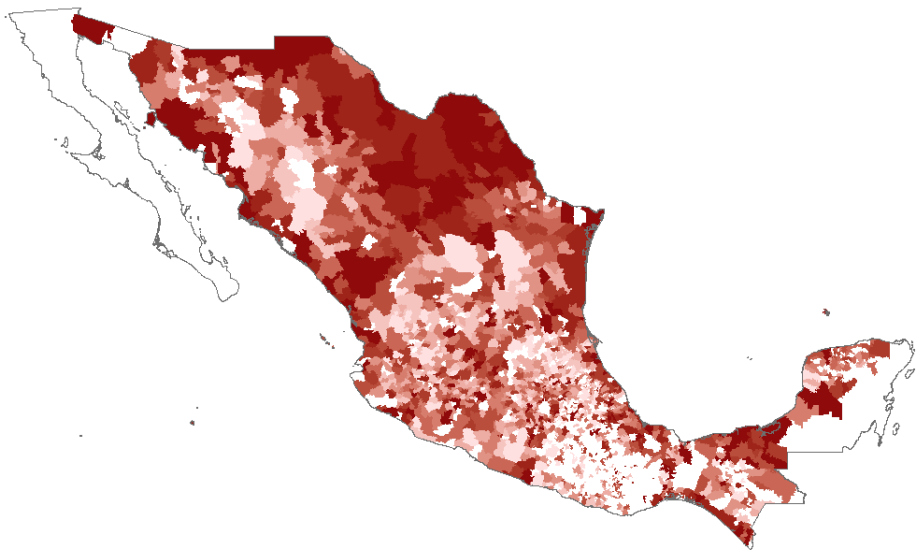
Descriptive statistics from datasets on insurgency and fiscal capacity in Mexico

	Obs	M	SD	Min	Max
Dependent variables					
Per capita federal government domestic tax revenues (1940)	55	9.90	12.67	0.77	73.21
Tax collectors per 1,000 citizens (1940)	55	1.77	1.15	0.45	6.19
Per capita municipal government tax revenues (1945)	1,157	2.06	2.75	0	46.83
Per capita property tax revenues (1945)	1,308	0.15	0.52	0	7.94
Per capita income tax revenues (2000)	63	1,931	2,619	158	17,717
Taxpayers, percent of total population (average 2008-2011)	63	26.04	11.42	11.44	77.01
Independent variables					
Cristero War insurgency, models for 1940 (% of municipalities)	55	27.55	31.98	0	100
Cristero War insurgency, models for 1945 (binary)	2,243	0.25	0.43	0	1
Cristero War insurgency, models for 2000s (% of municipalities)	64	27.10	33.96	0	100
Population in industry and commerce, models for 1940 (%)	55	4.89	1.99	1.67	9.95
Population in industry and commerce, models for 1945 (%)	2,312	2.89	3.7	0	45.32
Terrain roughness, models for 1940	55	352	216	10.22	803
Altitude, models for 1945	2,457	1,273	823	-5	2903
Population density (1940), models for 1940	55	17.77	16.59	0.53	61.17
Population density (1945), models for 1945	2,069	38.67	76.77	0.22	2,037
Population density (2010), models for 2000s	64	272.5	867.9	5.68	5,958
Bureaucrats per 1,000 citizens (1900), models for 1940	55	2.32	2.36	0.43	15.69
Bureaucrats per 1,000 citizens (1900), models for 1945	1,983	1.21	2.15	0	25.1
Bureaucrats per 1,000 citizens (1900), model for 2000s	59	3.29	4.30	0.55	19.93
Mexican Revolution insurgency, models for 1940 (% of municipalities)	55	42.14	25.71	4.17	100
Mexican Revolution insurgency, models for 1945 (binary)	2,061	0.36	0.48	0	1
Mexican Revolution insurgency, models for 2000s (% of municipalities)	63	45.54	31.03	0	100
GDP per capita (pesos 2005), models for 2000s	64	74,796	22,754	38,111	147,263

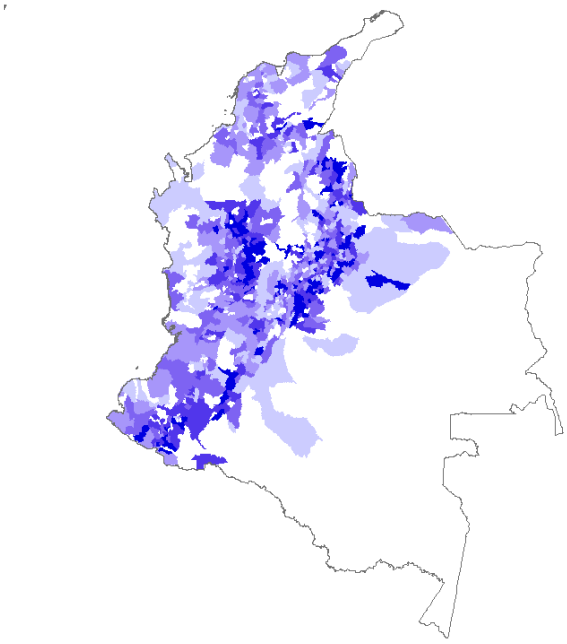
Descriptive statistics from dataset on partisan cleavages and fiscal capacity in Colombia

	Obs	M	SD	Min	Max
Dependent variables					
Per capita income tax revenues (1950)	643	0.62	4.52	0	93.64
Per capita national government tax revenues (1950	698	2.70	11.81	0	199.80
Per capita municipal government tax revenues (1940)	712	0.61	0.70	0	8.27
Per capita municipal government tax revenues (1950)	712	2.08	2.73	0	29.17
Independent variables					
Conservative Party support (average vote share, 1930 and 1946)	813	47.05	27.36	0	142.49
Urbanization rate (1951)	756	24.32	20.77	0	100
Literacy rate (1951)	756	49.12	15.24	2.47	89.07
Land classified as mountain (percent)	1,004	67.70	40.36	0	100
Population density (1950)	728	57.75	97.98	0.34	1,626
Total crown employees (1794)	1,019	5.69	122.86	0	3,844

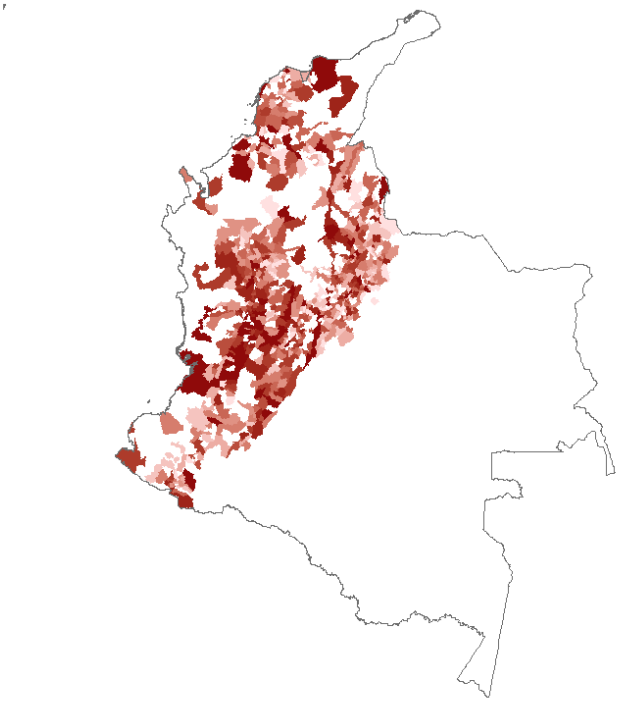
Local fiscal capacity in Mexico. Per capita municipal tax revenues in 1945 (dependent variable in Table 1, column 5).



Conservative Party support in Colombia. Average vote share, 1930 and 1946 (independent variable in Table 2).



Fiscal capacity in Colombia. Per capita income tax revenues in 1950 (dependent variable in Table 2, models 1-4).



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