



Decentralization, historical state capacity and public goods provision in Post-Soviet Russia

Roberto Stefan Foa

University of Cambridge, Department of Politics and International Studies, Alison Richardson Building, 7 West Road, UK



ARTICLE INFO

Article history:
Accepted 24 December 2021

Keywords:

Public goods
State capacity
Decentralization
Russia
Federalism
Historical legacies

ABSTRACT

Democratic decentralization has been widely adopted across the developing world with the goal of improving local accountability and the delivery of public services. However, outcomes have varied widely depending on the degree of local-level elite capture, cohesion, and governing capacity. This article draws on data from one of the most radical recent cases of fiscal and administrative decentralization: post-Soviet Russia from the mid-1990s to the early 2000s. Drawing upon detailed demographic, survey, and time-series public goods data from each of 83 districts, this article documents growing inequality in service provision over time and shows via a series of spatial regressions that a strong predictor of success in maintaining public goods delivery was the degree of historically accumulated state capacity. This effect is independent of the degree of local ethnic fractionalization, economic development, or civic association. A detailed examination of two case studies at similar levels of ethnic diversity and baseline development – Tatarstan and Buryatia – suggests that legacies of historical state formation established indigenous elites and bureaucratic capacity, resulting in stronger elite-citizen ties and accountability to local actors and concerns. The wide variation of post-decentralization trajectories in Russia, and the eventual push to recentralize control, suggests an important concern for policymakers promoting devolved governance in polities with divergent subnational legacies of historical state development. Where decentralization occurs in contexts that are not uniformly favorable to its success, both the decentralization and democracy-building aspects of devolution reforms may come under threat from bureaucratic centralism.

© 2021 Elsevier Ltd. All rights reserved.

1. Introduction

Democratic decentralization has been undertaken in scores of countries since the 1980s, typically with the goals of improving local accountability, transparency, and citizen engagement in decision-making processes (Faguet, 2014; Fischer, 2016). In practice, however, the outcomes of decentralization reform have often fallen short of the expectations of donors, aid consultants, and national policymakers (Englebert & Mungongo, 2016; Platteau & Gaspard, 2003). This has generated a rich academic and policy debate on their limitations and the factors that condition its relative success or failure, with prominent examples in each category (Fischer & Ali, 2019; Platteau, 2004).

In seeking to understand the reasons why democratic decentralization reforms either flourish or founder, a dominant strand in the literature has emphasized factors influencing the “demand side” of local democratic practices, such as electoral participation, party membership, and civic protest (Ekiert & Kubik, 1998). These social institutions are assumed to stem from a demand for better

governance, with citizens placing pressure upon local officials to deliver improved public services (Betancourt & Gleason, 2000). Consequently, factors that may reduce the degree of civic engagement, such as pervasive ethnic or religious heterogeneity, status hierarchies, or the lack of shared national or subnational identities, have been identified as leading to greater clientelism and lower provision of universal public goods (Singh, 2011, Singh & Spears, 2017; Robinson and Verdier, 2013).

However, while the incentives to provide public goods can be affected by demand-side factors such as societal heterogeneity or the lack of collective identities, the ability of political leaders to provide such goods frequently depends upon “supply-side” capacity constraints such as the absence of bureaucratic personnel, norms of compliance, and the technical expertise to handle procurement, project management, and implementation (Dahlström & Lapuente, 2017, Charron, Dahlström, & Lapuente, 2012; Ramirez, Yadira, & Juan, 2017; Chhotray, Adhikari, & Bahuguna, 2020). While a motivating goal of democratic decentralization is to facilitate the construction of local capacity, studies show how in practice the formation of such capacity is often path-dependent upon preexisting institutions and resources (Diaz-

E-mail address: rf274@cam.ac.uk

Cayeros, Magaloni, & Euler, 2014, Dasgupta & Kapur, 2020, Fischer & Ali, 2019). In particular, longer legacies of state formation appear to be associated with improved governance outcomes between and within countries, and even the development of civic institutions may be endogenous to state legacies (Jensen & Adam, 2020, Becker, Boeckh, Hainz, & Woessmann, 2016).

This article assesses the relative importance of demand and supply side factors by examining longitudinal changes in public goods provision in one of the most radical recent cases of fiscal and administrative decentralization – the Russian Federation following the collapse of the Soviet Union in the early 1990s to the mid-2000s. At the time of the USSR's formal dissolution in 1991, over three-quarters (76.3 percent) of expenditure was allocated by Moscow, leaving just 11.5 percent for regions and 12.1 percent for local government (Freinkman, Titov, & Treisman, 1998). Yet by the end of the decade, 26.5 percent of Russian budgetary expenditures were being disbursed at the regional level, and a further 18.5 percent locally. These proportions are comparable to federal regimes such as Germany or the United States, making post-Soviet Russia one of the most dramatic examples of administrative and fiscal decentralization. In addition to decentralization of public expenditure, Russia also underwent a wide-ranging decentralization of revenue mobilization, such that by 1999, 24 percent of revenues in the general government budget were raised at the regional level, and 12.3 percent at the local level. For basis of comparison, these are similar to the levels in the United States (25.9 and 15.7 percent, respectively) and Germany (21.3 and 12.6 percent). As own-source revenues accounted for as much as 45 percent of the spending of Russian federal subjects by the end of 1990s, Russia therefore underwent a thorough federalization, both of its spending, and its revenue raising functions (Hale, 2006).

One evident consequence of Russia's fiscal and administrative decentralization was a dramatic widening of public service quality and rule of law between regions. In the Far Eastern region of Chukotka, for example, the homicide rate today is comparable to that in Brazil or South Africa, whereas in Astrakhan, the historical capital of Khazaria, it is lower than Denmark or Sweden (Russian Federal State Statistics Service, 2021, 2021, United Nations Office on Drugs and Crime, 2019).¹ In the former Prussian capital of Kaliningrad, researchers from the World Bank (2012) were able to open a business faster than in Switzerland or Japan, while in the eastern city of Yekaterinburg, the same process took as long as in Nigeria or Nepal.² And in Tomsk, one of the earliest-settled regions of Siberia, the proportion of survey respondents who reported having given a bribe in order to access public services (9 percent) was comparable to the United States (7 percent) or Chile (10 percent), while in Tambov, a central Russian region which acquired city status a century later, the figure was almost four times higher, closer to Indonesia (36 percent) or Bangladesh (39 percent) (Public Opinion Foundation, 2008, Transparency International, 2013).³ Data from the Russian state statistical service shows that such differences in outcomes have largely developed since the mid-1990s, when gaps between regions were relatively narrow; a fact that makes Russia an ideal case study for examining the causes of regional success or failure in handling devolved governance responsibilities (Russian Federal State Statistics Service, 2021).

In order to examine the “supply side” of local governance infrastructure, in terms of the accumulation of subnational state capacity that can be mobilized to deliver service outcomes, this article measures local-level patterns of variation in the territorial contiguity, duration, and autonomy of Russia's early modern political entities. Prior to the formation of the Russian Empire, the territory of what is now the Russian Federation contained a fluid and diversity sea of political units, ranging from Muscovy, to Novgorod, to the Khanates of Kazan or Astrakhan, as well as territories that lacked clear claims of organized state sovereignty (Ostrowski,

2002; 2010). In contrast to theories that focus on how local governments are embedded in social conditions, such as norms of collective action or ethnic heterogeneity, this article argues instead that differences between provinces in the success of democratic decentralization can be linked to pre-existing institutional legacies arising from historical state formation, which pattern the cohesiveness of local elites, their ties to citizens, and governance norms today, and the effect of the latter substantially outweighs any influence of the former (Uslaner & Rothstein, 2016; Singh, 2015; Charnysh, 2019).

The article proceeds by presenting the available data for 83 of Russia's constituent units, both in terms of individual measures of public goods delivery and with respect to independent variables such as subnational large-sample survey data on social capital that is representative for each of these units, and census data on their ethnic composition. It then presents a subnational index of state antiquity at the provincial level for each of Russia's 83 constituent units, which is found to be robustly associated with success at public goods provision following Russia's decentralization, even after controlling for differences in public goods provision at the outset and local-level social capital. As a robustness check, these associations are tested across a range of public goods measures, different categories of decentralized units, and alternative control measures for ethnic fractionalization and polarization, and found to persist across model specifications. Then, in the second section, the focus shifts from the all-Russia econometric models to a paired case comparison between Tatarstan and Buryatia: two autonomous republics of the Russian Federation with very differing post-decentralization trajectories, from which it is possible to attain a deeper understanding of causal mechanisms. Recent studies have shown how historical state development processes affect not only the cohesion of citizens, but also the cohesion of elites (Wilfhart, 2018), and similarly in the context of post-Soviet Russia this research finds local elite cohesion and elite-citizen ties to be demonstrably stronger in districts with deep state histories, as a result of generations of indigenous personnel recruitment and the party-state-populus nexus at the district level. Whereas Tatarstan entered the Russian Empire with a strong Tatar elite inherited from the Kazan Khanate, and in the Soviet period developed an indigenous local bureaucracy staffed by ethnic Tatars, Buryatia entered the Russian polity as a pre-state society whose *nomenklatura* was appointed from Moscow. These differences in historical state capacity had critical implications for the evolution of their governance during the post-Soviet era, as Tatarstan succeeded in mobilizing local revenues and implementing universal welfare and infrastructure investment, whereas Buryatia quickly fell prey to elite capture and resource misuse. Finally, the article concludes with a discussion of the key policy implications of the findings, and their relevance for current debates on democratic decentralization reforms and their risk of reversal.

2. Literature review

Early literature seeking to explain differences in regional performance during Russian decentralization focused primarily upon bargaining strategies with the federal center, which dominated the early period of decentralization during the mid-1990s. Building on the arguments of Solnick (1995) and Kathleen Dowley (1998) that stronger regions would be able to extract greater fiscal concessions from the federal center, Treisman (2000) for example suggested that following the breakup of the Soviet state, stronger regions of Russia were able to engage in “regional fiscal protection”: whereby regional governments colluded with local businesses in order to offer more favorable tax and regulatory treatment. Similarly, Kathryn Stoner-Weiss (2002) has docu-

mented how regions with cohesive local elites were able to deliver better governance outcomes in the 1990s, citing Nizhny Novgorod, founded in the 13th century, as the best performer and Saratov, a region that was settled only comparatively recently, as consistently having poor outcomes; while Yoshiko Herrera (2005) extensive fieldwork has shown how regional demands for greater autonomy were not simply the outcome of economic interests, but instead, a complex interaction with local beliefs and identities. While these outcomes were more than a result of federal bargaining alone, a potential mechanism by which state history may affect fiscal resources available for investment in public goods would be the role that more entrenched regional governments play in yielding gains from the federal center on behalf of local elites (Dowley, 1998).

A second strand of the literature on the legacies of historical states emphasizes how these succeeded in building norms and resources that are conducive to state capacity today, such as regulatory and tax compliance, training and education into impartial norms of public administration, collective identities, or the inheritance of bureaucratic infrastructure such as land cadastres and organizational structures (Weber, 2015; Uslaner & Rothstein, 2016; Foa, 2016; Grosfeld & Zhuravskaya, 2015). D'Arcy and Nistotskaya (2017), D'Arcy and Nistotskaya (2018), document how land cadastre development in early modern European states is associated with contemporary levels of tax mobilization, public goods delivery, and reduced corruption, and in the Russian context, it has been argued that frontier regions with a shorter history of state institutions exhibit a shortfall in security and public order (Foa and Nemirovskaya 2016; 2019; Eisner, 2003). Similarly, recent studies suggest the existence of state institutions supports improvements in social trust and collective action, including local public goods provision, rather than vice-versa, as traditionally argued by social capital theories of governance (Corbacho, Philipp, & Ruiz-Vega, 2015; Herreros & Criado, 2008; Hale, 2002; Nannestad, Svendsen, Dinesen, & Sønderskov, 2014; Sønderskov & Dinesen, 2016). As a result of deep-rooted legacies of historical state formation, it may be therefore that social norms in long-governed areas are more conducive to state capacity in a range of areas including fiscal compliance, adhere to the rule of law, or the propensity to corruption or graft (Rothstein & Stolle, 2008; Levi, 1998).

More recently, theories of institutional persistence that focus on norms and institutions, have been supplemented by a further literature that instead focused on the persistence of elite networks, and their relationship to the populations they govern (Wilfhart, 2018). In the Russian context, for example, Marina Nistotskaya (2009) has also argued that elites that were more secure in office were more likely to maintain and build impartial bureaucratic institutions during decentralization, with the implication that where areas had a longer state history and local elites were more prominent within the Soviet hierarchy, there was a greater incentive to maintain bureaucratic structures. In republics such as Tatarstan and Bashkortostan, which were leaders in the Soviet policy of *korenizatsiia* by which members of the titular minority were promoted through the Soviet army, bureaucracy, and the communist party (Martin, 2001; Hirsch, 2005), it is noticeable that members of the titular minority governed the region already during the communist era, and later went on to win popular election as president of the republic in the post-perestroika era - whereas in other republics, such as Chechnya or Buryatia, this role fell to an ethnic Russian (Souleimanov, 2007). By consequence, areas with a greater domestic state history were endowed with political elites more committed to the advancement of the economic and social interests of their local constituents. A similar argument has also been made in recent studies of state capacity and public goods delivery in post-colonial states, noting the higher performance of indirectly

over directly ruled regions, and the link between precolonial state formation and postcolonial performance on a wide range of positive governance outcomes (Robinson & Parsons, 2006; Bandyopadhyay & Green, 2016; Gennaioli & Rainer, 2007; Foa, 2017; Osafo-Kwaako & Robinson, 2013; Michalopoulos & Papaioannou, 2013; Letsa & Wilfhart, 2020).

3. Empirical strategy

Recent research literature, therefore, suggests a series of potential mechanisms by which historical state formation can persist to contemporary governance outcomes: the inheritance of bureaucratic norms and state infrastructure, the formation of local elites more responsive to local demands, and the capacity and cohesiveness of such elites to engage in bargaining with the federal center. Moreover, the Russian context during the period from 1994, when Russia officially became a federation, to the onset of recentralization reforms in 2004, when Vladimir Putin replaced gubernatorial elections with direct presidential appointments, provides the ideal context for testing such arguments empirically, as local administrations were suddenly and unexpectedly provided with direct responsibilities for revenue raising and spending decisions.

A major objective of such democratic decentralization processes has been to provide better access to local public goods that improve social and economic infrastructure, and the onset of this process in Russia resulted in widely varying outcomes across the country (Kalirajan and Otsuka, 2012). Yet while in many developing country contexts it is difficult to test subnational variation in public goods delivery over time, the Russian Federation benefits from detailed collection of such data at the provincial level, with annual reports published by the Russian Federal State Statistics Service for 83 provincial units since federation in 1994 (Russian Federal State Statistics Service, 2021, 2021). Such official statistics include a wide range of measures of public goods delivery from across Russian provinces, including the proportion of slum dwelling and failing housing stock among all housing stock in the region; the provision of public buses (per 10,000 inhabitants); the proportion of roads that are paved; the proportion of paved roads that have improved road surfacing; the number of inhabitants per doctor, the access of citizens to public museums, and the number of children per 100 educational places, and homicide rates, which serve as a proxy for the efficacy of police services, prevalence of organized crime, and efficacy of judicial means of dispute resolution.⁵ While the range of reported statistics has widened over time, the initial dataset includes a wide range of public goods measures that enable controls for intertemporal endogeneity relative to baseline public service provision.

Accordingly, this article estimates a set of regressions using as the dependent variable individual indicators of public goods provision, and controls for baseline public goods provision by province at the start of Russia's political decentralization. As the Russian experience of decentralization covers the period from 1994, when own-source revenues rose to 45 percent of spending, until the period between 2005 and 2013, when this figure declined sharply, outcome indicators are taken from the years immediately following 2005, in the wake of Russia's decade-long experiment with democratic decentralization yet before the completion of recentralization reform.

The models are estimated by a series of spatial regressions, of the form:

$$Y_{nrt} = \alpha + Y_{\Sigma nrt-1} + \beta_1 S_r + \beta_2 X'_{rt} + \varepsilon_{rt}$$

Where Y_{nrt} refers to one of n metrics of public goods delivery in region r at the present time t , α to the intercept, $Y_{\Sigma nrt-1}$ is an index of public goods delivery in the earlier time period 1994–5, S_r refers

to that region's accumulated state history in the centuries preceding the transition era, X'_{it} refers to a matrix of control vectors for covariant social and economic attributes, such as local social capital or regional income per capita, whose independent association with Y is estimated in the vector of betas β_2 .

As our independent variable of interest, this section measures state history following the method outlined in [Bockstette, Chanda, and Putterman \(2002\)](#) for each of the 83 subjects of the Russian Federation. The index is constructed by taking each fifty-year period from 1000 to 1950 CE, and allocating points to regions if there was i) a government above the tribal level; ii) if that government was locally based rather than that of a foreign empire; and iii) a fractional point to represent the extent of the country's modern territory that was under the control of this earlier government.⁵ Data was compiled by Russian research assistants using Russian language historical sources and following the coding rubric, without alteration by the author; a full list of historical polities and methodology is included in the Online Appendix. To arrive at an index score for each region, the data from the fifty periods is combined. In order to represent the fact that a more recent legacy of state formation is likely to have a greater impact than a relatively more distant one, a discount rate is applied in the aggregation of the scores, as in [Bockstette et al. \(2002\)](#), thereby assigning relatively greater weight to more recent episodes of state history. Areas with a longer history of government of any kind receive a greater score, and a yet higher score still if this government was domestic and was in charge of much of the territory of the contemporary provincial boundaries. For example, the region of Pskov was a self-governing republic from the time between 1000 and 1399, receiving the full score of 50 for each period. After 1399, it was transformed into a viceroyalty of Muscovy, receiving a fractional score of 37.5 to reflect indirect foreign rule: until 1510, when its independence was ended and it became a full vassal of Moscow, receiving 25 points per period after this point, to reflect direct foreign rule. This continues until Muscovy becomes the Russian Empire, after which Pskov is treated as an indigenously ruled region of Russia, and again accumulates state history at 50 per period, resulting in a final score of 0.84 (on a 0–1 scale) in the present day. By contrast, a region such as Chukotka, in the northeast of Siberia, has a more recent history of state formation: traditionally home to the nomadic Chukchi people, no organized state existed in the area until the arrival of Cossacks in the seventeenth century, who fought the Chukchi in a series of battles from 1701 to 47. These prompted a higher degree of political integration among the Chukchi, who in their peace treaty of 1778 secured a tax exemption in exchange for indirect rule of a portion of the oblast's area under suzerainty of the Russian Tsar, resulting in a partial state history score of 11.25. Though the Chukchi remained the predominant inhabitants of the area, Russians, Americans, and Canadians made competing claims to the area until 1923, when Russia expelled all remaining foreign settlers; though as the paramount administrative rulers of the territory, from the late nineteenth century the area is treated as Russian imperial land, with a state history score of 50 per period, resulting in a final state history score of 0.41 (on a 0–1 scale) in the present.⁷ The development of the state antiquity index over time for all Russian regions is shown in [Figure 1](#).

In order to limit intertemporal endogeneity, a control variable is included for the quality of public goods delivery in 1994–5: the point of onset for fiscal and administrative federalism in Russia. Only a reduced subset of public goods variables is available for this earlier time period, but include the number of doctors per 10,000 inhabitants, the volume of surfaced roads, the proportion of hospital beds per 1,000 inhabitants, and the number of annual bus passengers ([Russian Federal State Statistics Service. 2021, 2021](#)). The volume of surfaced road and public bus passengers were normal-

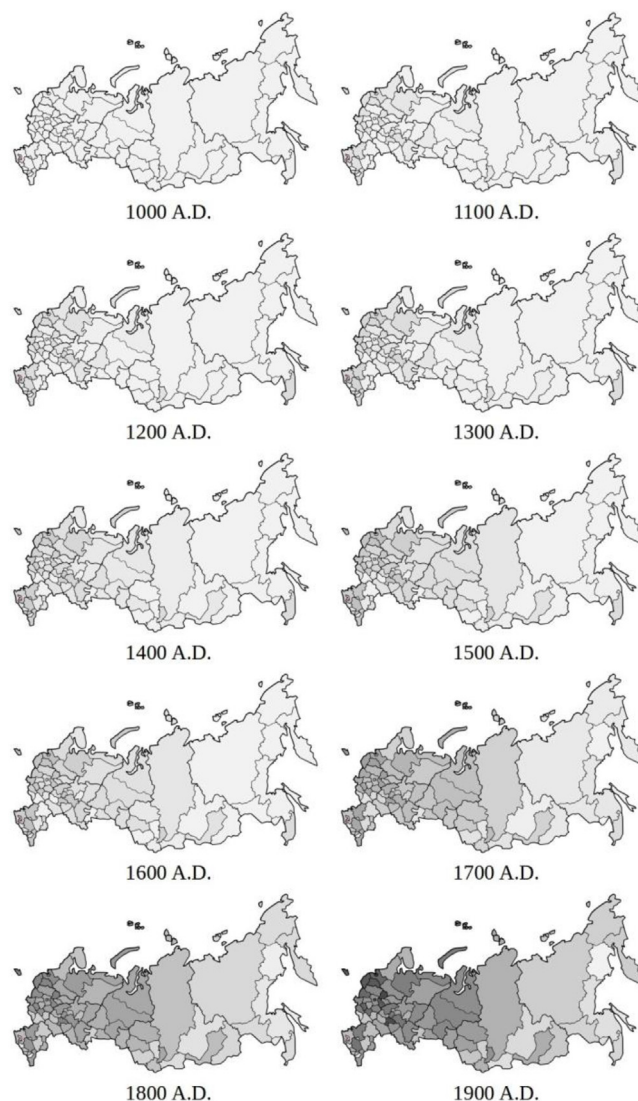


Figure 1. Development of State Anquity Index in Russia, 1000–1900 CE.

ized to population in 1994, and standardized values for each of these four indicators aggregated into an index of public goods provision by province in 1994–5. Observation of the descriptive statistics show that in the mid-1990 s, the pattern of public goods provision across Russia continued to reflect the strategic priorities of the Soviet state, with the best performing regions being the capital, Moscow, plus the Far Eastern provinces to which official Soviet policy was to encourage the flow of migration ([Zaslavskaya, Kalmyk, & Khakhulina, 1989](#)). By contrast, the worst performing regions at this time were the North Caucasus, as they remained two decades later, as well as the Central and Volga regions.

As well as including an index of state history as an independent variable and a baseline control for public goods provision at the start of the federal reform era, several further indicators are included as control measures. First, where funding for public goods provision is calculated based on locally raised revenues, the provision of public goods is likely to be positive affected by a higher level of regional GDP. Accordingly, the models comprise a variable for regional income per capita in purchasing-power-parity terms. Second, a significant body of recent literature has argued that ethnic fractionalization is associated with lower provision of public goods ([Alesina, Devleeschauwer, Easterly, Kurlat, & Wacziarg,](#)

2003; Miguel & Gugerty, 2005). As the Russian Federation contains a wide diversity of ethnic groups, it should provide a good test case for the ethnic heterogeneity and public goods hypothesis, and accordingly a variable for ethnic fractionalization, by subregion, is calculated based on Russian census data. Third, a longstanding literature has argued that social institutions matter for local governance, in particular norms of trust and collective action (Bjørnskov & Méon, 2015; Suebise, 2018; Jones, 2004; for an experimental study in the Russian context, see Gächter, Herrmann, & ChristianThöni., 2004). A variable is therefore included for generalized social trust, following the standard question formulation: “Would you say people can generally be trusted, or that you can’t be too careful who you trust?” (Ananyev & Guriev, 2019).

A first set of results is shown in Table 1. As a check against multicollinearity, a pairwise correlation matrix of the independent variables is included in the appendix; in all cases the correlation is relatively low ($-0.28 < r < 0.24$). Due to geographic clustering across Russian regions with respect to both patterns of historical state formation and public goods outcomes, spatial regression models are estimated using a matrix of geographic distances to adjust for lag autocorrelation, thereby mitigating upwardly biased estimates (Kelly, 2020). Analysis of spatial autocorrelation using Moran’s I for dependent and independent variables reveals such autocorrelation to exist for state antiquity (Moran’s I = 0.197; $p < 0.000$), surfaced roads (0.226; $p < 0.000$), slum housing (0.043; $p < 0.004$), children per education place (0.133; $p < 0.000$); buses per 10,000 (0.036; $p < 0.008$) and access to museums (0.146; $p < 0.000$); though, not for either the log homicide rate (-0.005 ; $p < 0.361$), paved roads (0.017; $p < 0.419$) or inhabitants per doctor (-0.023 , $p < 0.312$).

After account for spatial lag effects, the estimated coefficients indicate that state history is independently associated with the rule of law and with quality of urban infrastructure: areas with a longer legacy of state formation ended the decentralization era with significantly lower homicide rates, a higher proportion of improved surface roads, a lower proportion of slum housing. It is also strongly, significantly, and robustly associated with a greater

numbers of museum visits (relative to population), though the strength of this association may be considered as much a validity check upon the state history index as a measure of public goods delivery in the form of public museums, insofar as the most tangible legacy of early state formation is in leaving a region a greater stock of historical monuments and artifacts. State history is more weakly associated with welfare provision, such as greater access to health or public transportation, though consistent with the argument of Uslaner and Rothstein (2016), is significantly associated with the resourcing of public education. This is consistent with the argument of that historical state formation may serve as a deep determinant of human capital, yet more generally can be considered as consistent with the argument that welfare provision - to a greater extent than the state’s minimal or “nightwatchman” duties to invest in public infrastructure and the rule of law - depends upon social preferences. Such an argument is partially supported by the observation that ethnic fractionalization is weakly associated with greater slum housing and fewer school places, and also, albeit non-significantly, with fewer bus services and available doctors, though the estimated effects are generally smaller than the association with state antiquity (Table 1).

What do these differences mean in practice? The mean score on the state history index of 0.76 with a standard deviation of 0.19 entails that a one-standard deviation increase in state history is associated with a 2.39 per 100,000 reduction in the homicide rate; a difference that is similar to the gap between continental Europe and the United States. Meanwhile a one standard deviation increase in state history is also associated with a 1.1 percent reduction in the proportion of slum housing (the Russian provincial average is 4.49 percent) and a 6 percent increase in the proportion of paved roads with improved road surfacing, where the Russian provincial average is 66 percent. These differences, therefore, are not only of statistical significance, but would be visible to the naive observer. All of the provinces in the top quartile of state history have <10 percent slum housing, over half of roads with quality surfacing, and a homicide rate below 15 per 100,000: relative to other provinces, in these areas the streets are noticeably safer, surfaced,

Table 1
Determinants of public goods provision across Russian federal subjects.

	(1) Homicide Rate (Log)	(2) Paved Roads (%)	(3) Surfaced Roads (%)	(4) % Slum Housing	(5) Persons per doctor	(6) Children per 100 Places	(7) Buses per 10,000	(8) Museum Visits (Log)
Public Goods Provision, 1995	-0.192* (0.081)	-5.074 (3.749)	0.456 (3.261)	-1.704† (0.901)	-54.05*** (11.713)	-4.115* (1.451)	17.39** (6.720)	-0.003 (0.167)
State Antiquity Index, 1950	-0.388* (0.192)	12.26 (8.495)	31.58** (11.21)	-5.625** (2.152)	-5.820 (26.251)	-7.423† (4.852)	12.24 (16.15)	2.057*** (0.309)
GDP per capita (PPP, thousands)	-0.002 (0.002)	-0.130 (0.111)	0.0719 (0.120)	0.022 (0.028)	-0.350 (0.314)	-0.029 (0.050)	1.29*** (0.180)	0.007† (0.004)
Moscow (=1)	-0.463 (0.342)	24.29 (16.29)	15.28 (13.72)	0.144 (3.891)	-25.784 (46.001)	5.812 (6.955)	-37.21 (26.31)	0.404 (0.591)
St Petersburg (=1)	-0.387 (0.320)	18.47 (14.52)	40.97** (13.78)	-2.054 (3.598)	-89.054* (40.222)	5.206 (6.343)	45.37* (22.98)	1.797*** (0.503)
Ethnic Fractionalization	-0.171 (0.180)	-6.061 (7.647)	-11.47 (8.860)	3.489† (2.037)	-8.166 (23.000)	6.363† (3.566)	-5.598 (13.21)	-1.408*** (0.244)
Social Trust	0.010 (0.008)	-0.682† (0.359)	-0.293 (0.411)	0.0343 (0.0914)	-1.660 (1.040)	-0.249 (0.162)	-0.967 (0.599)	0.045*** (0.013)
Constant	0.260 (0.232)	95.55*** (10.75)	25.91† (14.36)	8.608** (2.892)	250.86*** (31.290)	114.7*** (4.991)	39.13* (17.89)	4.025*** (0.403)
Lambda Constant	-0.475*** (0.045)	-0.011 (0.007)	0.054*** (0.016)	-0.091* (0.040)	0.009 (0.009)	0.001 (0.003)	-0.028 (0.033)	-0.004 (0.003)
Sigma Squared	0.098*** (0.015)	194.6*** (30.77)	233.3*** (36.35)	12.37*** (1.922)	1539.5*** (238.98)	38.43*** (5.965)	501.4*** (78.31)	0.233*** (0.0376)
Observations	83	83	83	83	83	83	82	83

Notes: Spatial regression models with spatial lags. Standard errors in parentheses.
† $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

and lined by apartment buildings, rather than makeshift wooden structures. By contrast, in many of the areas with low state history – including a number, which due to resource rents, are now comparatively wealthy – criminality, absence of urban infrastructure, and the presence of shanty housing are apparent.

4. Further analysis

4.1. Evaluating effects at differing levels of state history

The first field post-estimation analysis is to ask which legacies of historical state formation matter: the period of independent principalities, khanates, and kingdoms of the medieval period, for example, or rather the period of Russian imperial state-building of the seventeenth and eighteenth centuries? Rather than use the final estimate for cumulative state antiquity (the score for 1950), it is possible to re-estimate regressions using the variable for state antiquity evaluated at different points in history, taking each 50-year period from 1000 to 1050 (the first period in the sample) to 1950–2000 (the last period), and seeing how the “effect” of historical state formation differs across each. The results of these rolling regressions are reported in Figure 2, which shows the changing effect of state antiquity over time upon four of the variables that were shown to be particularly associated with cumulative state history in the first set of models – the homicide rate, the proportion of roads with improved road surfacing, the proportion of slum housing, and the availability of museums (measured by the number of museum visits).

The estimated effects at different historical “cuts” of the state antiquity index suggest that the effects of state formation in building local political capacity are cumulative over time, and incorporate both the medieval and early modern state-building experiences, including legacies that predate the consolidation of the Russian Empire itself in the seventeenth and eighteenth centuries. Notably, the estimated effect tapers in all cases in the last (1950–2000) estimate for state antiquity: though this may reflect not so much the failure of Soviet state in developing state capacity, as the fact that this state collapsed in 1991. As it is precisely the ability of regions to handle this collapse that is being tested here, this observation is consistent with the theory that longer-term historical experiences of state building were important in generating local state capacity.

4.2. Ethnic fractionalization vs. Polarization

Second, a number of arguments in the literature on ethnic fractionalization have argued that it is not so much ethnic fractionalization, or the diversity of ethnic groups, but rather ethnic polarization – or the existence of large and opposing ethnic “blocs” – that explains the failure of governments to provide public goods (Montalvo & Reynal-Querol, 2005; Churchill & Smyth, 2017). In order to test this alternative hypothesis, the results of Table 1 are re-estimated using ethnic polarization in place of ethnic fractionalization, on the grounds that the main alternative hypothesis for the underperformance of certain regions of Russia in handling the transition to federal autonomy in the 1990s was not the diversity

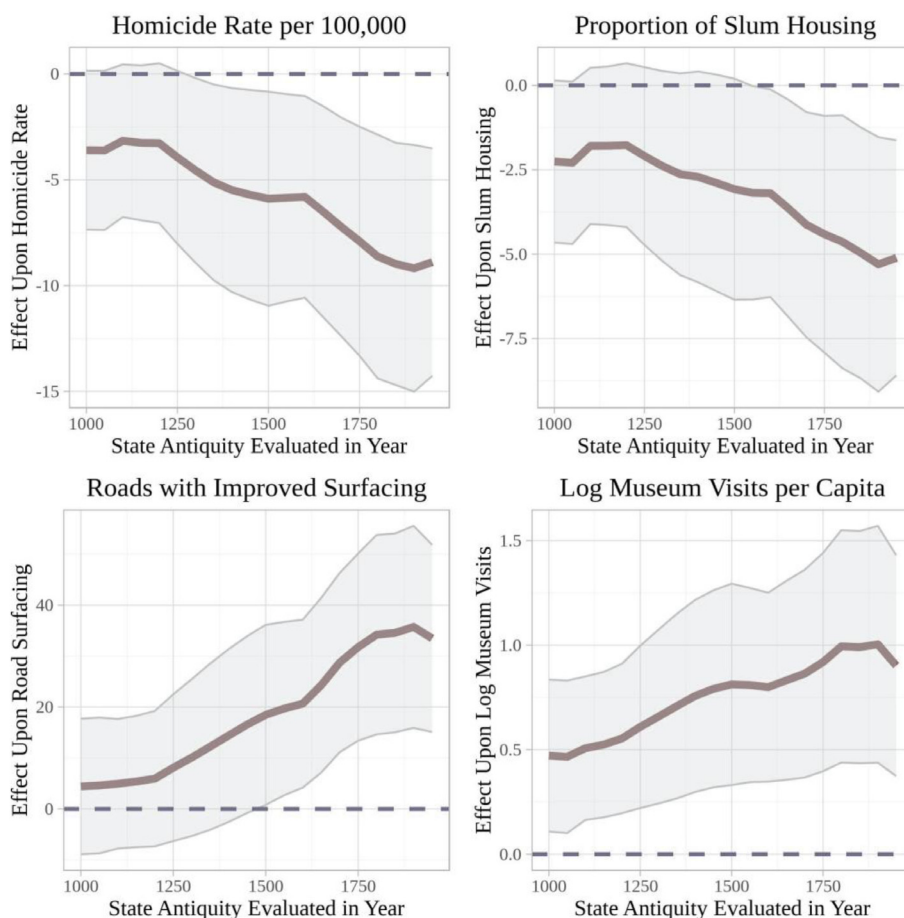


Figure 2. Effect of public goods of state history, evaluated in different years.

Table 2

Additional tests.

	Homicide Rate (Log)	Paved Roads (%)	Surfaced Roads (%)	% Slum Housing	Persons per Doctor	Children per 100 Places	Buses per 10,000	Museum Visits (Log)
Ethnic Polarization Tests								
State Antiquity	−0.380* (0.193)	12.358 (8.416)	30.888** (11.588)	−5.880** (2.181)	−5.385 (26.243)	−7.677† (4.122)	13.661 (16.049)	1.233** (0.40)
Ethnic Polarization	0.080 (0.142)	−5.269 (5.765)	−1.421 (7.656)	1.284 (1.620)	−3.101 (18.055)	3.852 (2.829)	−10.943 (9.866)	−0.618* (0.271)
<i>Notes:</i> Includes controls for GDP per capita (PPP), Public Goods Index in 1994, Social Trust, and dummy variables for Moscow and St Petersburg. Only coefficients for State Antiquity and Ethnic Polarization shown.								
Separating Autonomous Entities Only (n = 26)								
State Antiquity	−0.801 (0.513)	38.581† (19.393)	73.498** (20.76)	−8.499 (6.741)	−63.10 (52.316)	−7.642 (8.544)	−32.167 (39.983)	1.847** (0.811)
Non-Autonomous Entities Only (n = 57)								
State Antiquity	−0.797** (0.262)	−5.235 (10.037)	44.094** (15.211)	−4.784** (1.761)	36.786 (27.108)	−3.023 (4.083)	24.245† (14.329)	1.486*** (0.401)
<i>Notes:</i> Includes controls for Public Goods Index in 1994, GDP per capita (PPP), and social trust.								
Separating the 3 Components of the State Antiquity Index								
Stateness	−0.176 (0.198)	13.257 (8.399)	30.967** (10.499)	−3.106 (2.206)	−10.120 (25.950)	−8.718* (4.007)	2.306 (16.765)	2.020*** (0.313)
Indigeneity	−0.353† (0.199)	16.949* (8.590)	37.331*** (10.724)	−4.705* (2.230)	−16.489 (26.486)	−9.620* (4.083)	15.013 (17.128)	1.856*** (0.335)
Contiguity	−0.283 (0.191)	10.168 (8.386)	26.643* (10.841)	−4.512* (2.131)	−3.103 (25.806)	−6.413 (4.039)	1.704 (15.911)	1.876*** (0.325)

Notes: *** significant at the 0.001 level; significant at the 0.01 level; * significant at the 0.05 level; † significant at the 0.1 level.

or heterogeneity of ethnic groups, but rather, whether constituent units were divided between opposing ethnic blocs in a manner conducive to generate clientelism or simple ethnic conflict.

These coefficients are reported in the first section of Table 2. The State Antiquity variable remains robust as a predictor of lower homicide rates, greater provision of surfaced roads, lower levels of slum housing, and greater access to museums, with similar coefficient magnitudes as in Table 1, while ethnic polarization is only significantly associated with lower museum visits, though is non-significantly related to negative public goods outcomes on every other indicator.

4.3. Estimating separately for autonomous and Non-Autonomous regions

A third concern may be that the results reported for the all-Russia sample of Table 1 reflect the differing degrees of autonomy among Russian federal units, and in particular that units with stronger indigenous political traditions may have been successful in securing political autonomy: both during the Soviet period as Autonomous Soviet Socialist Republics (ASSRs), and more recently, following Yeltsin's call for republics to "take as much sovereignty as you can swallow" leading to the birth of the Russian Federation in 1994. In order to test whether the state antiquity thesis holds between Russian administrative categories, this section re-estimates the regressions reported in Table 1, this time within subsamples of autonomous vs. non-autonomous regions. The Russian Federation is divided into several subclasses of administrative unit, including the Oblast, Krug, Krai, and Republic. All of Russia's 22 constituent republics are designated as autonomous entities, with additional rights as regards fiscal and legislative autonomy; in addition, for historical reasons, several of the Krug and Oblast entities are also accorded an autonomous status, notably the Chukotka, Khanty-Mansi, Nenets, and Yamalo-Nenets okrugs, as well as the Jewish autonomous oblast.

The second section of Table 2 therefore reports separate subsample regressions, firstly for the 26 Russian regions with autonomous status, and secondly for the remaining 57 *Oblasts*, *Krais* and *Krugs*. Due to the low sample size for autonomous regions, in order to preserve degrees of freedom non-significant variables are excluded from the model, leaving controls for public goods provision in 1994–5, social trust, and GDP per capita (PPP). For Russia's autonomous regions and republics, while the reduced sample size ($n = 26$) greatly inflates the standard errors of the estimates, nonetheless a weakly significant ($p < 0.1$) associations is found between state antiquity and the provision of paved roads, with a more significant ($p < 0.01$) association retained with the proportion of surfaced roads and access to public museums. Moreover, the

reduction in p-values is entirely a consequence of reduced sample size; as in terms of effect magnitude, all of the effects except school provision are substantively larger - including that for reduced slum housing, albeit short of significance. Meanwhile, among Russia's Oblasts and Krais, all of the associations reported in Table 1 are largely replicated: demonstrating that the effect of state antiquity upon public goods provision is not simply restricted to those units which attained maximal autonomy in the 1990s.

4.4. Decomposing the effects of the state antiquity index

A further question of interest concerns the relevant aspects of State Antiquity that may explain relative success in public goods provision since Russia's birth as a Federation in 1994. The state antiquity index is composed of three elements, namely the presence of a state, the degree to which that state was indigenous rather than foreign, and the amount of the contemporary territory governed by that state. A natural question arises as to which of these three aspects of state formation is most significant for explaining variation in the current distribution of public goods. The final section of Table 2 therefore shows the results of a series of regressions in which, in place of the combined state history index used in Table 1, each of three separate subindices has been used. These subindices are aggregated for each respective measure (stateness, locality, and contiguity) and rescaled 0–1, whereby 0 represents the minimum possible score and 1, the maximum. As in the regressions reported in Table 1, controls are included for the public goods index in 1994–5, the level of ethnic fractionalization, GDP per capita in 1995, a Moscow and St Petersburg dummy variable and the social trust indicator, though for the sake of parsimony, these coefficients are not reported.

The estimated coefficients show that each of the state history subindices, independently used, explains a similar variation in the public goods distribution; and that no single subindex is responsible for the results. The estimated coefficients are in general somewhat larger for the indigeneity index, i.e. the accumulated time over which a region has been governed within a polity local to that area or its titular majority, yet these estimated effects only surpass a higher significance threshold in a few cases. As both locality and contiguity imply the existence of a state the degree of collinearity between the three subindices is high ($0.86 < r < 0.93$), a potential implication is that it is the extent of historical government, and not the form of this government, which explains the accumulation of local governing capacity.

4.5. Process tracing in Tatarstan and Buryatia

In order to explore these causal mechanisms in greater detail, the rest of this article considers a "paired comparison" of two



Figure 3. Locations of the Republics of Tatarstan and Buryatia within the Russian Federation.

Table 3
Public Order and Institutional Perceptions: Tatarstan, Russia, and Siberia.

	Tatarstan	Russia	Siberia
Feel "very secure" in Neighborhood	24%	7%	8%
Robberies "very frequent" in Area	2%	4%	4%
Alcohol in the streets "very frequent"	26%	31%	43%
Police harassment "very frequent"	1%	2%	3%
Drug sales in street "very frequent"	2%	5%	7%
Confidence in Courts, % Respondents	56%	32%	39%
Confidence in the Police, % Respondents	51%	32%	42%
Never justifiable: Avoiding Fare on Public Transport	40%	29%	37%
Never justifiable: Cheating on Benefits	47%	39%	55%
Never justifiable: Cheating on Taxes	52%	42%	50%

Notes: All items from the World Values Surveys, Wave 6. Tatarstan items from a special subsample survey conducted within Tatarstan of 1,000 respondents; Siberia items from a special subsample conducted in Siberia.

regions in Russia – Tatarstan and Buryatia – that have contrasting performance in public administration since the early 1990s, and also widely differential legacies of historical state formation (Tarrow, 2010). As such, it constitutes a “most similar systems” design, in which two cases are comparable on common systemic characteristics, yet differ on the explanatory and outcome variables of interest (Przeworski & Teune, 1970). While both Tatarstan and Buryatia are wealthy, resource-rich regions populated by a titular minority that shares its territory with a large minority of ethnic Russians, Tatarstan draws upon a long history of independent statehood, while Buryatia has no such legacy (Fig. 3).

The Republic of Tatarstan is one of constituent republics of the Russian Federation, located on the eastern edge of the European continent, and often considered a relative “success story” in the context of Russia’s autonomous regions. The first World Bank sub-national Doing Business Indicators report for Russia, for example, awarded the Tatar capital, Kazan, top place among cities in which to do business in Russia, while a follow-up report three years later ranked it fifth among an expanded sample of 30 cities, citing in particular the ease of “starting a business” and “registering property” (World Bank, 2012). In a survey conducted by the Russian union of journalists Tatarstan ranked 5th among 81 Russian regions for transparency of the executive (Rosa, 2012) and the region is among only one of two in Russia that maintains a triple-A credit rating (Expert RA, 2021). Opinion polls similarly demonstrate that the Tatar government enjoys a high degree of legitimacy among its constituents: in one survey, for example, 76 percent of citizens surveyed said they trusted Tatarstan’s leadership, compared to 35 percent for the Russian federal government (Radio Free Europe; April 11, 2003). Finally, in interviews conducted by the author with policymakers and civil society activists in the region, the high quality of public goods provision was frequently cited as one of the factors explaining the region’s political stability (World Bank, 2013). Unlike other regions, Tatarstan experienced few delays to wages or pension payments, proactive intervention by the authorities to prevent food price spikes, and extensive provision of social housing during the 1990s. This is not to say that corruption and clientelism do not exist in the Tatar Republic, only that these appear less prevalent than in other subjects of the Russian Federation. Some evidence of these differences is reported in Table 3, which shows the difference between Tatarstan and Russia on survey items such as the acceptability of tax avoidance and fare evasion, as well as perceptions of crime and institutional performance.

However beyond its relatively high purchasing-power parity per capita income (of \$23,290, against a national average of \$18,869), Tatarstan does not have the social conditions typically associated with strong and successful political institutions. First, it is highly ethnically polarized: according to the October 2002 census of the Russian Federation, of Tatarstan’s 3,780,000 residents 51.3 percent were titular Tatars, while ethnic Russians account for most (41 percent) of the remainder. As well as being ethnically divided, the region is also religiously split, both between Muslims and Orthodox, and among Islamic denominations. Finally, the region also exhibits low levels of civic engagement. In fact Tatarstan ranks last of all Russia’s 83 regions on the proportion of respondents who had recently engaged in some form of civic activism – with just 16 percent reporting having done so – and fourth last on engagement in voluntary associations (Public Opinion Foundation, 2008).

If we are to understand Tatarstan’s record of political stability and efficiency, explanations other than ethnic structure or “social capital” are required, and the region’s unusual legacy of historical state formation, tracing to the period from 1445 to 1552 when the Khanate of Kazan rivaled Muscovy for domination of the Volga river delta, must be considered a strong candidate. Indeed each of

the four aspects of the link from state history, namely the legitimacy of local elites, norms of vertical accountability, subnationalist mobilization, and regional bargaining strategies, can be derived from Tatarstan’s early state formation. To begin, the existence of an indigenous political elite has its origin in the Khanate of Kazan, whose army and bureaucracy created the first sedentary, urban bourgeoisie. After the Russian victory, members of this Tatar aristocracy were allowed to assimilate into the Russian imperial administration and commercial trades, becoming known as “service Tatars” (Graney, 2009). Throughout the Russian imperial period Tatars became a market-dominant minority, and in 1812 owning 90 percent of Kazan industrial enterprises (Zenkovsky, 1960). Among the merchants and artisans of the city civic and educational institutions continued to flourish. The Kazan State University, founded in 1804, formed only the second university of the Russian Empire – later to enrol a young Vladimir Lenin – and Kazan’s mosques and tea-houses remained the center for the intellectual life of the Russian Empire’s Muslim population. Due to the existence of an indigenous intellectual and civic realm, by the early twentieth century Tatars were leaders of the intellectual life of Islamic Russia, and were the basis for a movement known as Jadidism, which sought to reform and modernize Islam (Uyama, 2002). Later, Tatars were the central actors in the ethnic nationalist movement among Volga Muslims within the Russian Empire. Though the Tatar intelligentsia was particularly hard hit by the purges of the 1920s and 30s, Tatars were thus among the key constituencies mobilizing to support Soviet indigenization policies of the 1920s (Zenkovsky, 1960).

Due to this legacy of strong, educated and mobilized local elites, under the Soviet era Tatarstan was a leader in the policy of *korenizatsiia*, dedicated to the advancement of “underprivileged” (non-Russian) ethnic groups, and by consequence Tatars entered into senior positions in the Communist Party, including First Secretary of the Tatar ASSR. This had profound consequences for Tatarstan’s transition in the post-perestroika period. The Tatar elites who dominated the transition years were a essentially continuation of the Tatar political leadership from the Soviet era, already accustomed to acting as mediators between their local base and the capital, as well as representing their domestic Tatar constituents. Thus the first elected President of Tatarstan, Mintimer Shaimiev, was formerly a Soviet apparatchik as well as a Tatar nationalist, who was able to switch allegiance from the Soviet Union to his native Tatar cause. Though the Tatar nationalist movement had a grassroots basis, Shaimiev and the existing generation of Soviet Tatar elites were successfully able to co-opt this movement by appropriating many of its core demands, drawing support away from the more radical *Ittifak* party, while at the same time attempting not to alienate either the Russian population or Moscow (Ponarin, 2008; Ponarin & Kouznetsova-Morenko, 2006). Upon election, Shaimiev implemented a comprehensive plan for reappropriating the symbolism of Tatar sovereignty, including its own flag, national anthem, airline, foreign ministry, as well as extensive renaming of city streets and institutions and construction of statues to Tatar heroes and poets (Graney, 2009). Shaimiev cemented his nationalist credentials by calling for citizens of the republic to boycott Yeltsin’s 1993 constitutional referendum and the subsequent parliamentary elections, enhancing his image as defender of Tatar interests against the federal government. By the time Tatarstan and the Russian Federation reconciled their differences by signing a bilateral treaty in 1994, Shaimiev had won generous concessions from the federal center, which ensured substantial control over Tatarstan’s resource revenues and a steady flow of funds for the purpose of investment in welfare and public infrastructure. Having won concessions from Moscow, investment in local infrastructure became a central means of solidifying his support base among local nationalists and business interests.

In fieldwork interviews in Tatarstan, the quality of public goods delivery was frequently cited by interviewees as a factor behind the legitimacy of both political elites and institutions. This investment cuts across a wide range of domains, from housing, to welfare, to transport infrastructure and museums and cultural institutes. The Shaimiev administration spent over \$685 m on a comprehensive slum clearance policy designed to give 30,000 former inhabitants modern-built apartments on the city suburbs, and other key investments in public goods since the collapse of the Soviet Union include the construction of a metro system for Kazan, reconstruction of the city center, and construction of a panoply of sports facilities and concert halls that have earned Kazan the moniker as the “sports capital of Russia” (Graney, 2009). In addition to public goods, policymakers and scholars interviewed in Tatarstan also highlighted the role of universal social programs in maintaining the government’s stability and legitimacy, including a raised minimum wage and subsidies for housing and transport.

Why did Tatar elites use these resources to invest in public goods, rather than exclusively expropriate them through corruption or distribute them to supporters in the form of consumption goods? When asked this question, a local newspaper editor simply remarked that it is because “the degree of social irresponsibility of our elite is much lower than the degree of social irresponsibility of the Moscow elite” (World Bank, 2013). Yet if this is to be more than a circular understanding, it is necessary to also understand the role of Tatar nationalism, political stability, and the historical existence of a Tatar “service class.” Tatarstan is not free of corruption, graft, or the use of public office for private gain. Yet the mentality of the Tatar elites with respect to their region is less that of a rapacious kleptocrat, suddenly given a window to loot and steal – as many post-Soviet leaders arguably have been – and more akin to Mancur Olson’s “stationary bandit”: rooted in their cultural and historical homeland, and proud of their shared history, its leaders see little trade-off between their private interests, and the public need to invest in the region’s economy, schools, and urban infrastructure.

Whereas in Tatarstan we find the confluence of a long state history, indigenously formed political elites, regional subnationalism and a high capacity to deliver public goods, a very contrasting picture is to be found in the Buryat Republic, located in the southeast of Siberia. Like Tatarstan, Buryatia possesses natural wealth: the region contains with extensive deposits of gold, coal, various non-ferrous metals, and other materials. By consequence, Buryatia’s GDP per capita, of \$11,148, is only marginally below the Russian regional median of \$12,931 (Russian Federal State Statistics Service, 2021, 2021). Yet despite this economic potential, the republic has an abysmal record on most measures of administrative state capacity. The homicide rate of 26.1 per 100,000 over the past decade is the third highest in the entire Russian Federation, and by the end of the decentralization era slum housing accounted for 7.5 percent of the total stock, against an average of 4.5 percent across Russian regions. Incredibly, for a region in which many lack car ownership, there are only 8 public buses per 10,000 inhabitants. For comparison, in Tatarstan there are 53, in Moscow 64, and in St Petersburg, 106. The region is also affected by a wide range of social problems, which the authorities have done little to address. The rate of drug-related crimes committed in Buryatia is reported to be twice as high as Russia’s average. In the late 1990s, more than 1,200 people were registered as drug addicts, with two-thirds of them being young people under 30. Buryatia in the 1990s was also the site of a major public health epidemic, as the number of tuberculosis cases more than trebled from 1991 to 1996 (BBC; December 20, 1996). This figure reached 2.9 times by the end of the decade, as Buryat public officials were consistently behind in responding to the scale of the mounting crisis (TASS, 1999).

In addition, in contrast to Tatarstan’s post-Soviet record of public goods provision and relatively good governance, Buryatia’s

recent history has also been marked by extensive reports of corruption, graft, and bureaucratic complacency. During the period of late wage and social security payments in the 1990s, Buryatia was listed among the regions with the most severe delays in government payments, with waits between three and seven months (BBC; May 26, 1999). This despite the fact that the Russian Finance Ministry stated in 1998 that Buryatia had already received 539.1 million rubles, of which only 338.2 million it could account for – a 37 percent shortfall (BBC; December 12, 1998). In 1995, the mayor of Ulan-Ude, Valery Shapovalov, was suspended on grounds of corruption, and subsequently found guilty of tax evasion and document forgeries; a financial inspection of the privately-owned Shapovalov and Company had revealed the concealment of more than 29 m rubles in tax payments, as well as a forged payment order (BBC; December 6, 1996). In 1997, the vice-mayor, Andrei Firsov, was also declared a suspect in at least two major embezzlement schemes, including one in which he allegedly misappropriated 9 billion rubles for “the city’s needs” and subsequently believed to have fled Russia (BBC; July 1, 1997).

Not only media reports, but also comparative ratings of institutional quality by investment advisory bodies also rate the region poorly. The official website of the Republic of Buryatia, for example, trumpets the fact that the republic has risen “from 56th to 48th place” on a ranking of investment potential by the Expert RA group. Yet this omits the fact that most of the performance is due to high ratings for natural resources and “tourism potential,” while on “infrastructure” and “institutions” – the two measures which track the quality of public services and governance – the region receives 71st and 62nd place, respectively, from among Russia’s 83 regions (Expert RA, 2021).

Why has Buryatia’s post-perestroika trajectory been so different from that of Tatarstan? Overall, at the collapse of Soviet rule Buryatia was poorly prepared to assume administrative responsibilities, with absent indigenous bureaucracy, weak regional or subnational identity, and little protection against unscrupulous elites willing to take their share of the region’s great natural resources. Whereas the Tatars trace their state history to the Khanate of Kazan, the Buryats are historically cattle-breeding nomads, and did not develop an indigenous urban elite or intelligentsia until the Soviet era. Indeed, the region’s capital, Ulan-Ude, was originally founded by Russian Cossacks, and until 1934 known by its Russian name, Verkhneudinsk.

Whereas Tatarstan was a leader in the movement for autonomy within the Soviet Union, Buryatia was a by-product of Stalin’s nationalities policy. Following the creation of autonomous republics for Tatarstan and Bashkortostan, the Buryat-Mongolian Autonomous Region (BMAR) was created in 1921, but without a clearly identifiable ethnic group. In 1937 the BMAR was arbitrarily detached and merged as the Aginsk Buryat National Area as a part of the Chita Region; it was later reconstituted in July 1958, at the stroke of a bureaucrat’s pen, as the Buryat ASSR. The Buryats themselves can lay only a weak claim to possession of a distinct ethnic identity before the Soviet era, having previously been considered a branch of Mongols, who until 1931 had used the Old Mongolian written language. On the state history index Buryatia has a score of 0.72, half a standard deviation below the median score of 0.78, and more than one standard deviation lower than the score of Tatarstan.⁸

During the Soviet era, Buryatia did not benefit greatly from the program of *korenizitsiya*, and, facing a lack of qualified candidates of the titular group, and was instead governed by ethnic Russians, as during the Russian imperial era. In the post-Soviet phase, this has continued. Unlike Tatarstan, where an educated and empowered indigenous elite was able to form a platform for defending Tatar interests, Buryatia never saw an effective political mobilization for defending Buryat concerns. In the early 1990s Buryat

nationalist parties (the Buryat-Mongol People's Party and the Negedel National Unity Movement) were founded to promote the regionalist cause, but disunited and disorganized, failed to gather many votes even among ethnic Buryats. The 1994 presidential elections were won overwhelmingly by Leonid Potapov, an ethnic Russian who in Soviet times was chairman of the Buryat Supreme Council. Though born in Buryatia, Potapov assumed his role after being nominal vice-president of Turkmenistan. Potapov was further re-elected to office in 1998 and 2002, and in 2007, replaced by Vyacheslav Nagovitsyn, another ethnic Russian. Nagovitsyn's main qualification was that he was former Deputy Governor of Tomsk Oblast, situated 2,000 km to the west (Heaney, 2012).

From the start, Buryatia has lacked domestic elites capable of advancing its sovereign interests, and the inadequate provision of public services, wage payments, and the absence of public accountability have, accordingly, been defining features of the contemporary region. Perhaps particularly characteristic of this maladministration is one episode from the 1990s, during which civic protests and strikes against non-payment of wages were widespread. Rebuffed by the Federal government for having already paid out funds earmarked for the payments, and unable to account for the shortfall, "local officials were prepared to try to cover some of the payments due with high-quality and fodder grain" (Radio Free Europe; November 5, 1999).

5. Conclusion

This article has explored the relative importance of demand-side and supply-side factors in explaining changes in public goods provision following one of the most dramatic examples of devolved state authority, the decentralization of post-Soviet Russia. Building on existing studies that emphasize the roles played by early modern polities in ensuring elite cohesion (Wilfhart, 2018), and shared loyalty and identities (Singh, 2011), this study suggests additional mechanisms of action in the form of local elite cadre continuity throughout changes of regime, and the self-sustaining legitimacy of public institutions (Becker et al., 2016), that may help to explain why historical patterns of state formation covary with local public goods provision following democratic decentralization. By examining the outcomes that followed a major decentralization reform, the data and analyses presented in this article overcome one of the causal identification problems common to historical legacies research, by taking advantage of representative local-level survey data measuring civil society norms across 83 subnational units, together with specially-fielded subnational surveys and elite interviews in Tatarstan and Siberia, to trace how such legacies patterned the behavior of political actors during a specific period. Such highly disaggregated data has allowed for an empirical design that properly controls for ethnic heterogeneity and civic norms at a local level, while maintaining a large number of comparative sample units.

Beyond this, the findings have three critical implications for scholars of democratic decentralization. First, the Russian experience shows that supply-side factors may be at least as important as demand-side factors in explaining the success or failure of decentralizing reforms. Beyond the estimated effects of ethnic diversity, social capital, or differential economic endowments, deep historical patterns of historical state formation covary most strongly with success at service delivery following Russian decentralization. The study therefore contributes to an ongoing reassessment of the importance of the "supply" and the "demand" sides of local governance for service delivery (Charnysh, 2019; Singh, 2015; Singh & vom Hau, 2016; Gisselquist, Leiderer, & Niño-Zarazúa, 2016; Levien, 2015).

Second, the findings have important implications in understanding the contexts in which democratic decentralization reforms may be appropriate, and conversely why some reforms in recent decades have disappointed of both regional convergence and a more effective delivery of public goods overall. The Russian example suggests that countries without legacies of strong local state capacity, relative to the central state, may be unlikely to gain in the short term from passing governance responsibilities downwards. This appears true in Russia, though may also have been true in other recent cases where decentralizing reforms have been reversed, such as Vietnam in the 2000s (Malesky, Nguyen, & Tran, 2014), China in the late 1990s (Oi, Babiarz, Zhang, Luo, & Rozelle, 2012; van der Kamp, Lorentzen, & Mattingly, 2017), or Great Britain's paradoxical recentralization of powers in the 1980s and 1990s (from local councils and cities to the central government), followed by devolution to its historical co-constituent nations of Scotland and Wales, thereby aligning governing structures with historic national entities (Flinders, 2009). It may also help to explain historical choices among more centralized or federative governing arrangements: as Ziblatt (2006) has argued in his comparison of nineteenth century Germany and Italy, federative arrangements are more sustainable in polities with relatively equal distributions of historical state capacity.

Finally, though decentralization reforms are often treated by scholars and international development practitioners as exogenous choices, the Russian experience highlights their dependence on implementation success or failure. Under the presidency of Vladimir Putin, fiscal and administrative powers have returned to the central level, as the share of own-regional revenues in the Russian consolidated budget declined by 15 percentage points from 2005 to 2013 (Russian Federal State Statistics Service, 2021, 2021; Zhuravskaya, 2010). The failure of many regions of the Russian Federation to benefit from democratic decentralization during the 1990s was critical in legitimating the return to bureaucratic centralism. This fact conveys a warning for advocates of devolved governance arrangements. Democratic decentralization is not simply a "one and done" reform. If local democratic processes are to flourish and survive, then they must be aligned with pre-existing identities and capacities. Otherwise, as the Russian example illustrates, both their "decentralized" and their "democratic" features can be at risk of reversal, once national politicians have the capacity and the authority to reconsolidate power.

6. Notes

¹ The 2017 murder rate in Chukotka was 30 per 100,000, comparable to Brazil (30.5) or South Africa (35.9), while the rate in Chukotka was 59 per 100,000. The latest homicide figures for Astrakhan are 1 per 100,000, comparable to Sweden or Denmark (1.2 per 100,000).

² This took 16 days in Kaliningrad, compared to 18 and 23 days in Switzerland and Japan, respectively. In Ekaterinburg it took 33 days, similar to Nigeria (34) or Nepal (29).

³ A Public Opinion Foundation (2008) survey showed that 37 percent of respondents in Tambov had paid a bribe for services, whereas in Tomsk the figure was just 9 percent (Transparency International, 2013).

⁴ 0.7 percent in Kursk Oblast, 11.2 percent in Omsk Oblast, 15.0 percent in Ulianovsk Oblast, 16.7 percent in Tambov Oblast, 18.6 percent in Altai Krai and 18.8 percent in the Republic of Mari El.

⁵ The indicator for educational places per 100 children has been capped on the downside at 100, so that it only measures underprovision of public education.

⁶ In the original work by Bockstette et al. (2002), state history indices are calculated back to 1 AD, but the discount rate is such

that legacies of state formation before 1000 CE have minimal effect upon the index scores. Therefore, the subnational state history indices take only the period from 1000 CE onwards.

⁷ However ethnic Russians remain a minority in the province until the 1950 s; as late as the 1939 census, Chukchis and Chuvans continued to account for 56.2 percent of the region's population.

⁸ For a full list of scores by region, see Online Appendix.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Acknowledgements

The author would like to thank Alexandra Shishova for excellent work in the development of the Russian state history database, Daniel Ziblatt, James Robinson, and Prerna Singh for comments on successive versions of this paper, the World Bank for funding support, and the Laboratory for Comparative Social Research at the Higher School of Economics for logistical assistance during fieldwork.

Appendix A. Supplementary data

Supplementary data to this article can be found online at <https://doi.org/10.1016/j.worlddev.2021.105807>.

References

- Alesina, A., Devleeschauwer, A., Easterly, W., Kurlat, S., & Wacziarg, R. (2003). Fractionalization. *Journal of Economic Growth*, 8(2), 155–194.
- Ananyev, M., & Guriev, S. (2019). Effect of Income on Trust: Evidence from the 2009 Economic Crisis in Russia. *The Economic Journal*, 129(619), 1082–1118.
- Bandyopadhyay, S., & Green, E. (2016). Precolonial political centralization and contemporary development in Uganda. *Economic Development and Cultural Change*, 64(3), 471–508.
- Betancourt, R., & Gleason, S. (2000). The allocation of publicly-provided goods to rural households in india: on some consequences of caste, religion and democracy. *World Development*, 28, 2169–2182.
- Becker, S. O., Boeckh, K., Hainz, C., & Woessmann, L. (2016). The empire is dead, long live the empire! Long-run persistence of trust and corruption in the bureaucracy. *The Economic Journal*, 126(590), 40–74.
- Bjørnskov, C., & Méon, P.-G. (2015). The productivity of trust. *World Development*, 70, 317–331.
- Bockstette, V., Chanda, A., & Putterman, L. (2002). States and markets: the advantage of an early start. *Journal of Economic Growth*, 7(4), 347–369.
- British Broadcasting Corporation (BBC) (2006). *Summary of World Broadcasts, 1990–2006*. London, UK: British Broadcasting Corporation.
- Corbacho, A., Philipp, J., & Ruiz-Vega, M. (2015). Crime and erosion of trust: Evidence for Latin America. *World Development*, 70, 400–415.
- Charnysh, V. (2019). Diversity, institutions, and economic outcomes: post-WWII displacement in Poland. *American Political Science Review*, 113, 423–441.
- Charron, N., Dahlström, C., & Lapuente, V. (2012). No Law without a State. *Journal of Comparative Economics*, 40, 176–193.
- Chhotray, V., Adhikari, A., & Bahuguna, V. (2020). The political prioritization of welfare in india: comparing the public distribution system in Chhattisgarh and Jharkhand. *World Development*, 128, 104853.
- Churchill, S. A., & Smyth, R. (2017). Ethnic diversity and poverty. *World Development*, 95, 285–302.
- Dahlström, C., & Lapuente, V. (2017). *Organizing Leviathan: Politicians, Bureaucrats, and the Making of Good Government*. Cambridge, United Kingdom: Cambridge University Press.
- Dasgupta, A., & Kapur, D. (2020). The political economy of bureaucratic overload: evidence from rural development officials in India. *American Political Science Review*, 114(4), 1316–1334.
- D'Arcy, M., & Nistotskaya, M. (2017). State first, then democracy: Using cadastral records to explain governmental performance in public goods provision. *Governance*, 30(2), 193–209.
- D'Arcy, M., & Nistotskaya, M. (2018). The early modern origins of contemporary European tax outcomes. *European Journal of Political Research*, 57(1), 47–67.
- Díaz-Cayeros, A., Magaloni, B., & Euler, A. (2014). Traditional governance, citizen engagement, and local public goods: evidence from Mexico. *World Development*, 53, 80–93.
- De Rosa Donato, Mariana Iooty. 2012. "Are Natural Resources Cursed? An Investigation of the Dynamic Effects of Resource Dependence on Institutional Quality." *Policy Research Working Paper Series*, 6151. Washington, DC: The World Bank.
- Dowley, K. (1998). Striking the federal bargain in Russia: comparative regional government strategies. *Communist and Post-Communist Studies*, 31(4), 359–380.
- Eisner, M. (2003). Long-term historical trends in violent crime. *Crime and Justice*, 84, 83–142.
- Ekiert, G., & Kubik, J. (1998). Contentious politics in new democracies. *World Politics*, 50(4), 547–581.
- Englebert, P., & Mungongo, E. (2016). Misguided and misdiagnosed: The failure of decentralization reforms in the DR Congo. *African Studies Review*, 59(1), 5–52.
- Expert RA. 2021. "Credit Ratings of Regions". URL: <https://raexpert.ru/ratings/regioncredit/?sort=rating&type=asc>.
- Faguet, J.-P. (2014). Decentralization and governance. *World Development*, 53, 2–13.
- Fischer, H. W. (2016). Beyond participation and accountability: Theorizing representation in local democracy. *World Development*, 86, 111–122.
- Fischer, H., & Ali, S. (2019). Reshaping the public domain: Decentralization, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), and trajectories of local democracy in rural India. *World Development*, 120, 147–158.
- Flinders, M. (2009). *Democratic drift: majoritarian modification and democratic anomie in the United Kingdom*. New York: Oxford University Press.
- Foa, R. S. (2016). *Ancient polities, modern states*. Thesis submitted to Harvard University.
- Foa, R. S. (2017). Persistence or reversal of fortune? Early state inheritance and the legacies of colonial rule. *Politics and Society*, 45(2), 301–324.
- Foa, R. S., & Nemirovskaya, A. (2016). How state capacity varies within frontier states: A multicountry subnational analysis. *Governance*, 29(3), 411–432.
- Foa, R. S., & Nemirovskaya, A. (2019). frontier settlement and the spatial variation of civic institutions. *Political Geography*, 73, 112–122.
- Freinkman, L., Titov, S., & Treisman, D. (1998). *Russian Federation: Preempting a Potential Debt Crisis: Fiscal Performance in Russia's Regions*. Washington, D.C.: World Bank.
- Gächter, S., Herrmann, B., & ChristianThöni. (2004). Trust, voluntary cooperation, and socio-economic background: Survey and experimental evidence. *Journal of Economic Behavior and Organization*, 55(4), 505–531.
- Gennaioli, N., & Rainer, I. (2007). The modern impact of precolonial centralization in Africa. *Journal of Economic Growth*, 12(3), 185–234.
- Gisselquist, R. M., Leiderer, S., & Niño-Zarazúa, M. (2016). Ethnic heterogeneity and public goods provision in zambia: evidence of a subnational "diversity dividend". *World Development*, 78, 308–323.
- Graney, K. (2009). *Of Khans and Kremlins: Tatarstan and the Future of Ethno-Federalism in Russia*. New York: Lexington Books.
- Grosfeld, I., & Zhuravskaya, E. (2015). Cultural vs. economic legacies of empires: Evidence from the Partition of Poland. *Journal of Comparative Economics*, 43(1), 55–75.
- Hale, H. E. (2002). Civil society from above? Statist and liberal models of statebuilding in Russia. *Demokratizatsiya*, 10(3), 306–321.
- Hale, H. E. (2006). *Why not parties in Russia: Democracy, federalism, and the state*. New York: Cambridge University Press.
- Heaney, D. (2012). *The Territories of the Russian Federation*. London: Europa Publications.
- Herrera, Y. (2005). *Imagined economies: The sources of russian regionalism*. New York: Cambridge University Press.
- Herreros, F., & Criado, H. (2008). The state and the development of social trust. *International Political Science Review*, 29(1), 53–71.
- Hirsch, F. (2005). *Empire of nations: Ethnographic knowledge and the making of the Soviet Union*. Ithaca: Cornell University Press.
- Jensen, Jeffrey L., and Adam J. Ramey. 2020. "Early Investments in State Capacity Promote Persistently Higher Levels of Social Capital". *Proceedings of the National Academy of Sciences* May 2020, 117(20): 10755–10761.
- Jones, E. C. (2004). Development of collective action. *World Development*, 32(4), 691–711.
- Kalirajan, K., & Otsuka, K. (2012). Fiscal decentralization and development outcomes in India: An exploratory analysis. *World Development*, 40, 1511–1521.
- Kelly, Morgan. 2020. "Understanding Persistence" *CEPR Discussion Paper No. DP15246*. Available at SSRN: <https://ssrn.com/abstract=3688200>.
- Letsa, N. W., & Wilfahrt, M. (2020). The mechanisms of direct and indirect rule: Colonialism and economic development in Africa. *Quarterly Journal of Political Science*, 15(4), 539–577.
- Levien, M. (2015). Social capital as obstacle to development: Brokering land, norms, and trust in Rural India. *World Development*, 74, 77–92.
- Levi, M. (1998). A State of Trust. In V. Braithwaite & M. Levi (Eds.), *Trust and Governance* (pp. 77–101). New York: Russell Sage Foundation.
- Malesky, E., Nguyen, C. V., & Tran, A. (2014). The impact of recentralization on public services: A difference-in-differences analysis of the abolition of elected councils in Vietnam. *American Political Science Review*, 108(1), 144–168.
- Martin, T. (2001). *The affirmative action empire: Nations and nationalism in the Soviet Union, 1923–1939*. Ithaca: Cornell University Press.
- Michalopoulos, S., & Papaioannou, E. (2013). Pre-colonial ethnic institutions and contemporary african development. *Econometrica*, 81(1), 113–152.
- Miguel, E., & Gugerty, M. K. (2005). Ethnic diversity, social sanctions, and public goods in Kenya. *Journal of Public Economics*, 89(11–12), 2325–2368.
- Montalvo, J., & Reynal-Querol, M. (2005). Ethnic polarization, potential conflict, and civil wars. *American Economic Review*, 95(3), 796–816.

- Nannestad, P., Svendsen, G. T., Dinesen, P. T., & Sønderskov, K. M. (2014). Do institutions or culture determine the level of social trust? The natural experiment of migration from non-western to western countries. *Journal of Ethnic and Migration Studies*, 40(4), 544–565.
- Nistotskaya, M. (2009). *Organizational design of welfare-enhancing public bureaucracy: A comparative analysis of Russia's Regions*. Central European University. Thesis Submitted to.
- Oi, J. C., Babiartz, K. S., Zhang, L., Luo, R., & Rozelle, S. (2012). Shifting fiscal control to limit cadre power in china's townships and villages. *China Quarterly* (October), 649–675.
- Osafo-Kwaako, P., & Robinson, J. A. (2013). Political centralization in Pre-colonial Africa. *Journal of Comparative Economics*, 41(1), 6–21.
- Ostrowski, D. (2002). *Muscovy and the Mongols: cross-cultural influences on the steppe frontier, 1304–1589*. New York: Cambridge University Press.
- Ostrowski, D. (2010). The end of Muscovy: the case for Circa 1800. *Slavic Review*, 69(2), 426–438.
- Platteau, J., & Gaspard, F. (2003). The risk of resource misappropriation in community-driven development. *World Development*, 31, 1687–1703.
- Platteau, J.-P. (2004). Monitoring elite capture in community-driven development. *Development and Change*, 35(2), 223–246.
- Ponarin, E. (2008). Changing federalism and the islamic challenge in Tatarstan. *Demokratizatsiya*, 16(3), 265–276.
- Ponarin, E., & Kouznetsova-Morenko, I. (2006). The Islamic Challenge in Russia's Muslim Regions: The Case of Tatarstan. *Georgetown Journal of International Affairs*. Summer/Fall:21–28.
- Przeworski, A., & Teune, H. (1970). *The logic of comparative social enquiry*. New York: John Wiley.
- Public Opinion Foundation. 2008. *The GeoRating Survey*. Moscow, Russian Federation. Quarterly Survey of 34,000 Russians in 68 Regions.
- Ramirez, J., Yadir, D., & Juan, B. (2017). Property tax revenues and multidimensional poverty reduction in Colombia: A spatial approach. *World Development*, 94, 406–421.
- Robinson, J. A., & Parsons, N. (2006). State formation and governance in Botswana. *Journal of African Economies*, 15(1), 100–140.
- Robinson, J. A., & Verdier, T. (2013). The political economy of Clientelism. *The Scandinavian Journal of Economics*, 115, 260–291.
- Rothstein, B. o., & Stolle, D. (2008). The state and social capital: An institutional theory of generalized trust. *Comparative Politics*, 40(4), 441–459.
- Russian Federal State Statistics Service. 2021. Official Statistics Data Portal. URL: <http://bi.gks.ru/biportal/contourbi.jsp?allsol=1&solution=Dashboard>.
- Singh, P. (2011). We-ness and welfare: A longitudinal analysis of social development in Kerala, India. *World Development*, 39, 282–293.
- Singh, P. (2015). *How solidarity works for welfare: Subnationalism and social development in India*. New York, N.Y.: Cambridge University Press.
- Singh, P., & vom Hau, M. (2016). Ethnicity in time: Politics, history, and the relationship between ethnic diversity and public goods provision. *Comparative Political Studies*, 49(10), 1303–1340.
- Singh Prerna, Dean Spears, 2017. "How Status Inequality Between Ethnic Groups Affects Public Goods Provision: Experimental Evidence on Caste and Tolerance for Teacher Absenteeism in India." *WIDER Working Paper Series*, 2017-129, World Institute for Development Economic Research (UNU-WIDER).
- Solnick, S. L. (1995). Federal bargaining in Russia. *East European Constitutional Review*, 4(4), 52–58.
- Sønderskov, K. M., & Dinesen, P. T. (2016). Trusting the state, trusting each other? The effect of institutional trust on social trust. *Political Behavior*, 38, 179–202.
- Souleimanov, E. A. (2007). *An endless war: The Russian-Chechen conflict in perspective*. New York: Peter Lang.
- Stoner-Weiss, K. (2002). *Local heroes: The political economy of Russian regional governance*. Princeton, NJ: Princeton University Press.
- Suebvisse, P. (2018). Social capital, citizen participation in public administration, and public sector performance in Thailand. *World Development*, 109, 236–248.
- Tarrow, S. (2010). The strategy of paired comparison: toward a theory of practice. *Comparative Political Studies*, 43(2), 230–259.
- TASS (Information Telegraph Agency of Russia). 1999. Collected Reports. Moscow: Russia. Story of February 24th, 1999.
- Transparency International (2013). *Global corruption barometer 2013*. Berlin: Transparency International.
- Treisman, D. (2000). The causes of corruption: A cross-national study. *Journal of Public Economics*, 76(3), 399–445.
- United Nations Office on Drugs and Crime. 2019. *Global Study on Homicide 2019: Homicide Trends, Patterns, and Criminal Justice Response*. Vienna: United Nations.
- Uslaner, E. M., & Rothstein, B. (2016). The historical roots of corruption: State building, economic inequality, and mass education. *Comparative Politics*, 48(1), 227–248.
- Uyama, T. (2002). From "Bulgharism" through "Marrism" to Nationalist Myths: Discourses on the Tatar, the Chuvash and the Bashkir Ethnogenesis. *Acta Slavica Iaponica*, 19, 163–190.
- van der Kamp, D., Lorentzen, P., & Mattingly, D. (2017). Racing to the bottom or to the top? Decentralization, revenue pressures, and governance reform in China. *World Development*, 95, 164–176.
- Weber, M. (2015). Bureaucracy. In T. Waters & D. Waters (Eds.), *Weber's Rationalism and Modern Society*. London: Palgrave-Macmillan.
- Wilfhart, M. (2018). The politics of local government performance: Elite cohesion and cross-village constraints in decentralized Senegal. *World Development*, 103, 149–161.
- World Bank (2012). *Doing Business in Russia 2012*. Washington DC: World Bank. URL: <https://www.doingbusiness.org/en/reports/subnational-reports/russia>.
- World Bank (2013). "Ethnicity, Conflict and Development in the Europe and Central Asia Region". *Internal report for the Social Development Department*. Washington, DC: World Bank.
- Zaslavskaya, T., Kalmyk, V., & Khakhulina, L. A. (1989). Social Development of Siberia: Problems and Possible Solutions. In A. Wood & R. A. French (Eds.), *The Development of Siberia*. London: Palgrave Macmillan.
- Zenkovsky, S. A. (1960). *Pan-Turkism and Islam in Russia*. Cambridge: Harvard University Press.
- Zhuravskaya, E. (2010). Federalism in Russia. In A. Aslund, S. Guriev, A. Kuchins, & D. C. Washington (Eds.), *Russia after the Global Economic Crisis* (pp. 59–78). Peterson Institute for International Economics.
- Ziblatt, D. (2006). *Structuring the state: The Formation of Italy and Germany and the puzzle of federalism*. Princeton, NJ: Princeton University Press.