

*Essays in Economic & Business History*  
2024, 42 (2): 75-98  
Published June 18, 2024



## Crawling Towards Weber? Mexican State Capacity in the Nineteenth Century

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### Abstract

In this article, I investigate why it was so difficult for nineteenth-century Mexico to develop the institutions necessary for a modern state. Driven by regional warlords and bandits, the country suffered from persistent violence and disorder. Challenging geography and colonial legacies exacerbated the problem. I explore the efforts made by the Mexican government to establish control and the lessons these struggles offer for today's developing nations. By examining these historical dynamics, the Mexican example provides insights into why it is so difficult for developing nations to build effective state capacity and foster economic development.

**JEL Classifications:** N16, O23, H10.

**Key Words:** Mexico, state capacity, nineteenth century, stationary bandits.

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ISSN 2376-9459 (online) LCC 79-91616 HC12.E2

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## Introduction

There is a key paradox to the development of a modern nation-state, and one that has been taken seriously in the last several decades: namely, any state powerful enough to have a comparative advantage in violence also has the ability to use that violence on its own people. Warlords and militaries in general are the institutions most able to use organized violence against citizens. It is incredibly difficult for rulers to take and maintain control over key portions of the government, including tax-collecting institutions and the military. How are rulers able to develop state capacity, where they have a stable comparative advantage in violence and the ability to tax the citizens?<sup>1</sup> And once they get this power, how does the ruler stop bureaucrats and military officials from maximizing their own income through predation and corruption? How do they ensure that the government functions in a professional way and that the rules of the game are applied impartially? James Buchanan (1975, 136) called this “the paradox of being governed”. Boettke and Candela (2020, 332) argue that “it requires that we endow the state with the capacity to secure the institutional conditions for economic development, but then constrain it from preying on its own citizenry”.<sup>2</sup>

In a sense the problem is circular. To have a comparative advantage over violence, a ruler needs to at least pay the military. But to afford that, they must be able to tax the people, which itself requires force. And if the military leaders are just looking out for themselves, what is stopping them from toppling the ruler to seize all the tax money?<sup>3</sup>

We often take for granted the institutions behind the modern state, but the truth is that these institutions are relatively recent phenomena and are still lacking in many developing countries.<sup>4</sup> Adam Martin and James Ruhland (2018, 515) make a similar point:

Economists often take the ability of states to collect taxes and enforce laws for granted. In truth, these activities require investing in capacity and expertise. The power to levy broad-based, less distortionary taxes requires a relatively professional bureaucracy and the ability to monitor tax collectors. Enforcing property rights and contracts requires a system of courts. All of these processes are aided by having access to professionally trained public servants who can remember and enforce rules and regulations promulgated by rulers. And all of this is aided by the ability to generate and maintain extensive records.

Douglass North once argued that neoclassical economics could never truly explain development because it mistakenly assumes that “institutions do not matter”, and that “time does not matter” (North 1996, 343). Actually, both matter, and the evolution of a modern state

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<sup>1</sup> Peter Boettke and Rosolino Candela (2020, 339) define state capacity as the “institutional capacity to constrain the state from public predation”. Timothy Besley and Torsten Persson (2010, 1) define it as not only the ability to raise revenue, but also “the wider range of competencies that the state acquires in the development process, which includes the power to enforce contracts and support markets”.

<sup>2</sup> It should be noted that while we often study which political institutions are important for economic growth, it is also likely that there is a coevolution of economy and government. See Yuen Yuen Ang (2017) for an application of this to Chinese political economy, and Meir Kohn (2020).

<sup>3</sup> The circularity problem is similar to what Ludwig von Mises ([1912], 1980) wrote about with respect to money. That is, why do people accept money? Do they do so because it is useful for buying things? But why is it useful for buying things? Because people accept it. Mises argued that the problem is only circular if we leave out time. Before it becomes money, a commodity would have had a history of exchange values against other commodities and thus gradually becomes money. Boettke, Christopher Coyne, and Peter Leeson (2015) apply this idea to institutional stickiness and development.

<sup>4</sup> They go on to cite Daron Acemoglu, Camilo García-Jimeno, and James Robinson (2015) in arguing that “governments do not always have the incentive to invest in this way because of spillover effects allowing local government to reap some of the benefits”.

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is often a long and tortuous history, often spanning centuries.<sup>5</sup> To truly understand this evolution, it is important to study how state capacity changes over time in a particular region.<sup>6</sup>

In this article, I examine nineteenth-century Mexico for a better understanding of how and why it was so difficult to create the institutions of a modern state. Mexico won independence from Spain in 1821 and lagged significantly behind the United States in terms of per-capita GDP. While the data are imperfect, the latest available estimates by Jutta Bolt and Jan Luiten van Zanden (2024) show that average real per-capita income in Mexico at independence was below 40 percent of that in the United States, and this fell to around 29 percent in 1850, 21 percent in 1860 and 1870, and increased only a little above this level in the closing years of the nineteenth century.

Stephen Haber notes (1992, 5) that, “the great majority of the Mexican population were village-dwelling peasants who practiced rain-fed, subsistence agriculture ... [and that] ... a sizeable portion of the population did not even function in the money economy”. In 1912, even after four decades of economic progress, over 71 percent of the population still lived in small towns (of less than 2,500 people) and large numbers of these villagers did not speak Spanish (“close to 60% in some states”). While average real per-capita income roughly doubled from 1845 to 1900, most households were still living at subsistence levels. It would have been very difficult for national manufacturers to develop during the nineteenth century because there was no national market and average incomes were low.<sup>7</sup>

Mexican politics during this era was full of chaos and conflict. The country was extremely unstable throughout the nineteenth century. Paul Vanderwood (1992, 25) notes that “with no effective institutions to mediate their differences, Mexicans suffered 800 revolts between 1821 and 1875”. From independence in 1821 until 1900, the country had 72 different leaders, averaging just over a year each. Similarly, Mexico had 112 finance ministers from 1830 to 1863 (Christopher Platt 1980, 118). Appendix A provides a timeline of major rebellions, wars, revolts, and coups d'état. It is clear from the list that there were near-constant revolts, invasions, secessionist movements, and similar episodes.<sup>8</sup>

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<sup>5</sup> Jerry Hough and Robin Grier (2015) examine these questions by studying the evolution of the state in England, Spain, the US and Mexico. Noel Johnson and Mark Koyama (2017, 15) also conclude that “economic development and state-building are both lengthy and gradual processes ... [and that] ... this means that the deep past continues to matter for modern development opportunities”. For more on the evolution of state effectiveness over time, see Yoram Barzel (2000, 2002), Bruce Benson (1999), Roger Congleton (2011), Mark Dincecco (2015), Dincecco and Gabriel Katz (2016), Dincecco and Mauricio Prado (2012), Leeson and Paola Suarez (2016), North, John Joseph Wallis, and Barry R. Weingast (2009), Alex Salter (2015a, 2015b), and Salter and Andrew Young (2019).

<sup>6</sup> Boettke and Candela (2020, 45) make this point well when they argue that “the answers to an inquiry regarding the nature and causes of state capacity do not reside in describing a set of initial conditions accidentally defined by history, geography, or culture. Such an approach is analogous to modelling the process of economic development as a problem of constrained maximization, one in which individual choices over time are excluded. Instead, we have proposed that unbundling the relationship between state capacity and economic development requires paying attention to the process by which political constraints emerged over time”.

<sup>7</sup> The fact that the country was effectively divided into small, regional markets meant that manufacturing could not become large enough to take advantages of economies of scale. Haber (1992) does note that regional markets did not necessarily doom manufacturing since a lot of it was done at the artisanal level in Mexico. He also cites Sidney Pollard (1981, 6) as showing that “industrialisation in nineteenth-century Europe was largely a regional phenomenon”. The regionalization in Mexico, however, was compounded by very low, and unequally distributed, levels of income.

<sup>8</sup> From independence until roughly the 1870s, Mexico was in a near-constant state of skirmish or warfare with Native American tribes, most notably following the southward migration of the Comanchería from the Great Plains of what is now the United States. Mexico somewhat parallels the US conquest of the west in this regard, but with less state capacity in the conflicts that ensued. This strained finances and exacerbated state capacity issues.

Mexico had various forms of government during this period, including two empires (one led by a French monarch), a contested period with presidents from both main parties, four republics, a provisional republic, and a long dictatorship.<sup>9</sup> President Guadalupe Victoria was the first constitutionally elected president and oddly the only one to complete a full term in the first 30 years of independence.<sup>10</sup> Appendix B lists all of the chief executives in nineteenth-century Mexico after independence, while Appendix C does the same for the United States. The US had 21 presidents during this time, meaning the average president served 3.76 years.<sup>11</sup>

I argue that Mexico was caught in a vicious cycle for much of the nineteenth century. It was a huge country with little experience with political centralization. To have any kind of control over such a large country, the central government needed a professional military with clear lines of hierarchy. This is a real chicken and egg situation, in that to have such a military, the government would need a lot of money, but to collect that money in the first place, they needed the army and a monopoly on violence.

From a broader perspective, I study a period of Mexican history that is often too heavily parsed into isolated incidents but is in fact reflective of a recurring pattern of challenges for state capacity, stability, and thus economic growth for all developing countries.

In the next section I discuss the theory and empirics of state capacity. The following section delves into the long evolution of state capacity in Mexico, discussing why the central government had so much trouble raising money and keeping control, and how banditry became institutionalized. A brief section then investigates how Mexico was able to finally start to solve the state capacity paradox and began to consolidate power and to grow economically.

## Theory and Evidence

How do states become effective and why does it matter? We care about state effectiveness for many reasons, but one of the main ones is that there seems to be a strong and positive correlation between it and prosperity (see, for example, Acemoglu et al. (2015), Besley and Persson (2010), Vincent Geloso and Salter (2020), and Johnson and Koyama (2014, 2017, 2019)).<sup>12</sup>

As I noted above, the development of an effective state typically takes a long time, something we frequently forget when we expect developing countries to develop state effectiveness quickly. Lant Pritchett and Michael Woolcock (2004, 193 and 201) call this strategy, often used by international financial institutions like the World Bank or the IMF, as “skipping straight to Weber”; that is, trying to get poor countries to catch up to rich ones by mimicking their institutions instead of recognizing that these emerge typically after a long process of trial and error.

One of the reasons we may have too lofty goals for state effectiveness is that we do not perceive many of the invisible rules, habits, and customs, that govern our actions and those of our fellow citizens.<sup>13</sup> Friedrich Hayek argued for the importance of an “underlying structure of rules” for a well-functioning price mechanism and market process. In *Rules and Order* in

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<sup>9</sup> If we ignore the dictatorship that began in 1884, then there were 71 chief executives over a 63-year period, meaning the average term was considerably less than one year.

<sup>10</sup> President Sebastian Lerdo came close to finishing his term. He was overthrown by the Revolution of Tuxtepec and had to abandon his post a mere ten days before the end of his term.

<sup>11</sup> Two US presidents died of natural causes during that time, William Henry Harrison and Zachary Taylor, while two were assassinated, James Garfield and Abraham Lincoln. Presidents Monroe, Jackson, and Grant all served two terms.

<sup>12</sup> Another branch of the literature studies how competitive pressures affect state capacity. See Ennio Piano (2019) for a description of this literature and Salter and Young (2019) for a good description of jurisdictional competition in medieval Europe and how that influenced state capacity.

<sup>13</sup> See Coyne (2007) for an excellent examination of this phenomenon.

1973, he writes, “man is as much a rule-following animal as a purpose-seeking one. His thinking and acting are governed by rules which have by a process of selection been evolved in the society in which he lives, and which are thus the product of the experience of generations” (Hayek 1973, 9). Geoffrey Brennan and Buchanan (1985, 6) also recognized that a spontaneous market order cannot flourish without “an appropriate ‘constitutional context’— a proper structure of rules, along with some arrangement for their enforcement”. As Martin and Ruhland note (2018, 518), “the same institutions that enable the Protective State are likely to enable the Productive State, because both represent widespread gains from exchange”.<sup>14</sup> One big problem with Buchanan’s emphasis on written constitutions is the fact that, by his own assumptions, officials are self-interested and likely to violate the rules of the game (either the social contract or a constitution). In that sense, constitutions cannot be the only answer to the question of how states become effective.

Mancur Olson (1993) dealt with this issue head-on, arguing that self-interest could not seriously be restrained with a social contract. He introduced the concept of roving and stationary bandits to explain how a state may evolve from one to the other and in the process become more professional, more capable, and more peaceful. Roving bandits are warlords or local militias that care only about short-term revenue maximization. For that reason, they plunder and wreak havoc on their regions. However, when one roving bandit defeats the others and creates a monopoly of force, they might then turn into a “stationary bandit” (essentially a government). This represents a welfare improvement in the sense that the stationary bandit now has “encompassing interests”, meaning they can raise more money through taxes and “peaceful order” rather than through plunder. Stationary bandits have an incentive to create the conditions for economic growth, even providing public goods, because doing so raises the tax base. This was Olson’s answer to the paradox of a modern state: rulers who want to maximize their long-term revenues will be constrained by their own self-interest and tend to refrain from plunder.<sup>15</sup>

Olson’s description of roving bandit conditions is consistent with what we know of weak or failing states.<sup>16</sup> These areas tend to lack basic public goods, like a functioning infrastructure, rule of law, and public sanitation. As Martin and Ruhland (2018, 515) note, “without the background conditions these [public] goods provide, markets cannot deliver growth or equity”.

In such states there are often regional political actors who have monopolies of force in their own areas, depriving legitimate governments of the effective use of force throughout the nation.<sup>17</sup> Any attempt by the central government to eliminate such power will obviously not be popular with such actors. Coyne and Pellillo (2012, 41) write that “Members of a local militia may face few binding constraints on their behavior and may expropriate assets ... and that ... imposing constraints or changing incentives requires some function of diplomacy, legal pressure, political/financial incentives, or military/police force”. They cite warlords in

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<sup>14</sup> The “protective state” is one where the government is able to enforce property rights and contracts, while the “productive state” is one that has the capacity to raise revenue to provide and administer public goods.

<sup>15</sup> Olson did acknowledge, however, that rulers may sometimes seek to maximize short-term revenue at the expense of long-term growth, but mostly he seemed to see state capacity as positive for economic growth. Boettke and Candela (2020, 337) note that the “stationary bandit argument is a necessary, though not a sufficient condition for taming public predation”. They go on to cite Olson (1993, 573) as writing “Historical evidence from at least the first pharaohs through Saddam Hussein indicates that resolute autocrats can survive even when they impose heinous amounts of suffering upon their peoples. When they are replaced, it is for other reasons (e.g., succession crises) and often by another stationary bandit”.

<sup>16</sup> See Stuart Eizenstat, John Edward Porter, and Jeremy M. Weinstein (2005) and Coyne (2006) for more on this topic.

<sup>17</sup> See James Scott (2009) and Coyne and Adam Pellillo (2012) for more on this.

Afghanistan as an example of this, where such actors have no incentive to share their tax revenues with the central government because doing so would lead to the elimination of their regional power.<sup>18</sup>

In what follows below, I will explore why it took more than 50 years before much of Mexico was able to make the transition from roving bandits to a stationary one.<sup>19</sup> One finding of the state capacity literature is that rulers that do not expect to extract wealth for very long will have short time horizons and act more like roving bandits than stationary ones. Piano (2019, 302) notes that “when internal turmoil is prevalent, rulers will tend to underinvest in the ‘productive and protective state’ as they expect not to be in power when the fruits of such investments come to fruition”. This will turn out to be crucial in explaining Mexico’s lack of state capacity in the nineteenth century.

### **Mexico’s Long Road to State Capacity**

As mentioned above, Mexico suffered extreme political instability after independence in 1821. In the years 1829, 1839, 1846, 1847, and 1853, Mexico had four presidents each year. There were five presidents in both 1844 and 1855, and eight in 1833! Antonio López de Santa Anna served as president ten times, even holding the office four times in a single year.<sup>20</sup>

Raymond Craib (2002, 38) writes that “Rebellions in northern territories, the secession of Texas and the Yucatán, and regional conflicts all confounded any comforting thoughts of a unified national space and repeatedly raised the specter of total national disintegration”. Indeed, in the mid-nineteenth century, Mexico lost half of its territory to the US, causing many Mexicans to lose even more respect for their government. Craib (2002, 33) writes about Mariano Otero, a Mexican legal scholar and politician, who in 1847 tried to “account for the ease with which ‘ten or twelve thousand men ... penetrated from Veracruz to the very capital of the republic,’ offered a stinging explanation: Mexico did not constitute, nor could it properly call itself, a nation”.<sup>21</sup> It is also telling that the central government at the time did not have a clear sense of the scope of the country. When Mexico became more well-mapped in the mid-nineteenth century, a better idea of Mexican geography and boundaries “brought an expression of bitterness from General Antonio López de Santa Anna who, for the first time, could actually envision the magnitude of territory Mexico had lost” (Craib 2002, 41).<sup>22</sup>

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<sup>18</sup> Antonio Giustozzi (2009, 39) writes about Afghanistan: “the landed wealth of Herat’s elites was the main source of their power and much of their effort to secure local autonomy might be explained by their desire to protect it from central taxation. The city had a tradition of rebelling against the dominant power, particularly when the local balance of power was being upset, and of demands for self-rule”. For more on this topic, see also Graciana Del Castillo (2008), Martin and Ruhland (2018), Jennifer Murtazashvili (2016), Stearns (2011a, 2011b), and West (2011).

<sup>19</sup> It is important to acknowledge that all historical processes are fraught with difficulties. Piano (2019, 304) notes as much, pointing out that “such an effort is complicated even more by the possibility of virtuous cycles [that is] an increase in productivity may lead to investments in state capacity, which in turn may lead to a further increase in productivity, and so forth”.

<sup>20</sup> Many chief executives had short tenures because they would leave to go suppress a rebellion or would themselves be overthrown in one.

<sup>21</sup> Vanderwood (1992, 33) writes that “the quick amputation of one-half of the national territory further discredited the gov’t, and respect for authority, on the decline since independence, largely disappeared. It seemed as if the bandits went out of their way to show their contempt for authority. They certainly displayed no pride in being Mexican. The war had eroded all such morale, and in disgust and in frustration ex-soldiers became brigands”.

<sup>22</sup> Craib (2002, 36), discussing the importance of map-making in Mexico during this time, writes that “A national map could also prove useful in the war against fiscal chaos, administrative fragmentation, and regional politics in that a variety of local and regional statistical information, as well as what were said to be quite precise state maps, could be compiled and incorporated into a master map. Moreover, a national map offered a symbolic affirmation of the political reality of an entity whose

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This extreme political instability also created a situation where the government was unable to provide even minimal public goods in much of the country. So why did Mexico struggle for such a long time to establish a capable, central government? Many of the factors that plagued Mexico are also common to other developing countries after independence. Hough and Grier (2015), for instance, ask why Mexico was not able to do as well as Chile. They note that Chile had the typical conflicts that were found in much of Latin America, including conservatives versus liberals and secularists versus those that were very pro-Catholic Church. It is unlikely that Mexico would have transitioned to a well-functioning democracy after independence, but why was it so hard to create a stable authoritarian regime that, while illiberal, might build state capacity?<sup>23</sup>

Below I will argue that Mexico was caught in a vicious cycle. First, Mexico had little experience with centralized states. Second, geographically, Mexico is a large country and for the government to have a monopoly on violence, they needed a transportation system and a professional army, both of which required a lot of money. Third, the government had no money! The war of independence destroyed both tax collection and the economy. As a result, the government often could not pay the military, which meant that the country was littered with roving bandits, who were constantly amassing troops and revolting against the central government. Governments were short-lived and had short time horizons, resulting in inconsistent and ineffective policies.<sup>24</sup> Lastly, those regional strongmen became entrenched and actively resisted any actions by the central government to take control. They also fiercely resisted being taxed, which left the government chronically underfunded.

### ***An Unhelpful Colonial Legacy***

Recent literature has demonstrated that a country's development of modern state capacity is dependent on whether it had experience with a centralized government in the past (see, for example, Acemoglu et al. (2015), Nicola Gennaioli and Ilija Rainer (2007), and Stelios Michalopoulos and Elias Papaioannou (2013)). Unlike the US, which had a strong tradition of (limited franchise) democratic institutions before becoming a federal government, Mexico had little experience with effective government.<sup>25</sup> It is a common myth in economic history that Spain was a strong, centralized state that ruled its colonies tightly.<sup>26</sup> In reality, Spain only had two viceroys in the Americas, one for North America and one for South America.<sup>27</sup> Neither

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very existence was at the time increasingly called into question: a unified and sovereign Mexican nation-state".

<sup>23</sup> Hough and Grier (2015, 344) argue something similar, writing "personalistic relations and corporate institutions are quite compatible with patrimonial authoritarian states that maintain order. Spain, after all, maintained order in Mexico for nearly 300 years, and it had a most imperfect authoritarian state for a large part of that period".

<sup>24</sup> Mexico was plagued by exploitable political crises in the nineteenth century, but unlike Robert Higgs' (1985) ratchet thesis of state growth in times of crisis, very few leaders were able to successfully capitalize on these in a clear ratcheting pattern (unlike what happened in the United States). Instead, for much of that period, there was a constant toppling of predecessor regimes, with little functional capacity growth.

<sup>25</sup> It would have been interesting to have seen what would have become of Mexico had the Spanish not colonized the area. The Aztecs had built up a relatively strong state in central Mexico, and Roberto Stefan Foa (2017) calls state development in Mexico "arrested" because of the long colonial period. See Lars Feld (2014) and Michael McGinnis and Elinor Ostrom (2012) for a good discussion of Buchanan's and Vincent Ostrom's work on federalism. See Richard Franklin Bense (1990) for the evolution of state capacity in the late nineteenth century in the United States.

<sup>26</sup> See Fernando Artega (2023) for a good discussion of how the Spanish empire, which had seemed cohesive for centuries, could fragment in such a short amount of time.

<sup>27</sup> Compare this to British North America, where each small city-state colony had its own governor, a formal governmental structure, and legal code. They also had elected assemblies that initiated legislation.

viceroy had much in terms of staff, let alone a centralized bureaucracy, and the staff that they did have was just their personal staff, not administrative. David Brading (1973, 399-400) notes that even by the late 1700s, “the Spanish Crown depended on a mere handful of officials to govern its American empire”. He notes that “in New Spain the entire judicial bureaucracy, for example, the salaried members of the *Audiencia* of Mexico and Guadalajara, numbered about 30 persons”.<sup>28</sup> In sum, there was no real executive branch.<sup>29</sup> Until the creation of the intendant system in the late eighteenth century, there was no system of provincial officials below the viceroy. Even then, the Spanish king was uncertain whether to allow the viceroy or the intendants to fully control tax collection.<sup>30</sup>

It is hard to conceive of how large the Viceroyalty of New Spain was, and how little control the viceroy had over this territory. In essence, the Viceroyalty extended over much of southern and western North America, primarily encompassing present-day Mexico and the Southwestern United States, along with California, Florida, and Louisiana. It also included Central America, the Caribbean, the northern part of South America, as well as numerous islands in Asia, particularly the Philippines and Guam. Figure 1 is a map of the viceroyalty in 1800.

Managing such a vast territory requires a specialized and professional bureaucracy to offer the leader solid policy advice and oversee the different regions. In this case, however, the viceroy had a few secretaries at his service, and no military power! Spain was worried that a viceroy with too much power would also be difficult to control. So while the preconception might be that Mexico inherited a centralized, hierarchical state, nothing could be further from the truth.

The Spanish Bourbons started to create provincial governments in the colonies in the late 1700s, but these city-states did not have a formal system of government or laws, nor did they have any significant military force.<sup>31</sup> While power lay in these city-states, they did not form a true state. They were ruled informally by elites who had no official ability to collect taxes. Spain also kept experimenting with new governmental structures and never effectively strengthened the executive power in the new provinces.<sup>32</sup> The French ousted the Spanish

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<sup>28</sup> In addition, the treasuries “did not employ more than 60 men above the level of mere clerks” and the colonies had no true military force besides “frontier patrols and the port guards” (Brading 1973, 399-400).

<sup>29</sup> While there was some hierarchy in core regions, these officials were often quite independent from the viceroy. For instance, the justices of the *Audiencia* (the supreme court), were chosen by the king and had lifetime tenure. Tax collectors were appointed by the king as well and had to buy their positions starting in 1633. Mayors also had to buy their positions from the king. The viceroy was allowed to appoint mid-level church officials but in practice followed the advice of the archbishop. See Mark Burkholder (2010, 121-123) and John H. Parry (1953).

<sup>30</sup> Most tax collection done in New Spain was in the form of tax farming, although the Catholic Church had the authority to tax wheat and corn through the tithe. Again, the comparison to British North America is striking. There, governments had the responsibility for tax collection and administration at the local level.

<sup>31</sup> See Luz Marina Arias (2013) for a good discussion of the Bourbons’ efforts to build fiscal capacity in Mexico.

<sup>32</sup> Hough and Grier (2015, 369) compare Mexico’s paltry colonial legacy with the newly-formed United States: “The American colonial and state political elite had the experience, the tax revenue, and the military force to govern. After 1776, they had ruled independently for 11 years under the Articles of Confederation. Farmers owned their own land and had rifles to control brigands who might interfere with the transportation of their goods to market. This also limited the ability of brigands to interfere with the movement of people”.



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king, and any remnants of state capacity seemed to vanish in the chaos and violence of the wars for independence.<sup>33</sup>



Source: Wikimedia Commons

Figure 1

Viceroyalty of New Spain c. 1800

### *The Geography of Mexico*

As mentioned above, Mexico's size made it difficult for rulers to build state capacity in the nineteenth century. David Stasavage (2010) shows that medieval/early-modern representative activity in Europe was negatively related to the size of a country. He argues that when European rulers wanted to hold representative assemblies of citizens, it was a costly endeavor for both ruler and attendee. If we think of state capacity as the outcome of political bargains (i.e., "I'll commit to such and such governance, informed by your input, and you commit to funding it"), then Stasavage's argument is important to the Mexican case given just how large the country was and, also, how difficult the terrain was for transportation.<sup>34</sup>

For instance, Haber (1992, 3) observes that only a third of Mexico has relatively level terrain, most of the population lived far from coastal areas, and there are very few navigable rivers. Thus, the geography and settlement patterns of the country meant that transportation was extremely costly. Haber notes (1992, 4) that, "almost all traffic therefore had to move over mountainous terrain by expensive mule train or ox-drawn, wheeled vehicle".<sup>35</sup>

<sup>33</sup> It should be noted though that no matter how little state capacity the Bourbons had created, Mexico before independence was relatively richer and had more state capacity than it would 50 years later.

<sup>34</sup> Stasavage (2010, 625) argues that "there is broad scholarly agreement that the development of representative political institutions was a critical part of the process of European state formation." See, for example, Robert H. Bates and Da-Hsiang Donald Lien (1985), Dincecco (2009), Philip Hoffman and Jean-Laurent Rosenthal (1997), Margaret Levi (1988), and Salter and Young (2018).

<sup>35</sup> Haber (1992, 4) also notes that transportation "was also unreliable, as Mexico's rainy season, which stretches from May to September, regularly made the roadbeds impassable".

The colonial authorities had done little to build up an efficient transportation system and by 1800, “only a single roadway existed that was suitable for wheeled traffic over its entire length ... [and] ... even on this highway, which ran from Mexico City to Chihuahua via Zacatecas and Durango, mule trains outnumbered wheeled traffic” (Haber 1992, 4). Transporting goods by mule was not only long and costly, it was not conducive to large capital acquisitions. Firms were unlikely to invest in new equipment and machinery because their transport would have been hugely expensive, even if physically possible.

Haber uses the Real del Monte mining company as an excellent example of the transportation troubles that firms faced. The company imported mining machinery in 1825 and it took almost a year for the imports to travel from the port of Veracruz to the mines (a distance of 350 miles). Similar costly delays were reported in other manufacturing sectors, such as textiles: “imported textile machinery often doubled in cost by the time it reached Mexico City from Veracruz, a distance of only some 300 miles”.<sup>36</sup>

There were bandits to deal with that made transportation difficult and dangerous. Again, data on the amount of banditry on Mexican highways in the nineteenth century are sparse, but anecdotal evidence seems to indicate that people considered travel to be relatively dangerous. Vanderwood (1992, 3) cites the French Minister to Mexico, Dubois de Saliguet, about banditry at the time: “It is the only institution that can be taken seriously and functions with perfect regularity”.<sup>37</sup>

Unfortunately, transportation issues did not change much until railroad construction took off in the later nineteenth century. Eward Beatty (2001, 27) notes that as late as the 1870s, Mexico “still had fewer than 5 km of road passable by 4-wheeled carts per 10,000 inhabitants, less than 1/10 the US figure”. As I discuss below, the failure to develop an efficient transportation system had a lot to do with political instability and the inability of governments to raise revenue. Beatty (2001, 27) notes that government expenditures were consistently less than 8 percent of GDP during this period and that “gross spending actually declined from Independence through the 1860s”. He concludes by arguing that, “political instability ensured that few efforts—public or private—were made to improve what might euphemistically be called a transportation network or the physical infrastructure for economic activity in general” (ibid.).

### ***A Chronic Lack of Money***

The war of independence from 1810-1821 wreaked havoc on the Mexican economy and tax collection. Capital flight started even before the war.<sup>38</sup> Silver production, the backbone of the Mexican economy, plummeted in the 1820s to just 44.6 percent of its 1810s level, only beginning to recover in the 1860s and 1870s (Cárdenas 1997, 68). Many of the mines were flooded and destroyed during the war. Silver mining was interconnected with many other parts of the Mexican economy, so its collapse after independence also caused a drop in the production of other goods.<sup>39</sup>

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<sup>36</sup> Haber cites Enrique Cárdenas (1981, 29-30) as the original source of these two examples.

<sup>37</sup> Vanderwood (1992, 5) writes that “nothing cultivates banditry like ineffective central government mired in a war for survival. Distinctions between soldier, brigand, patriot, and avenger simply disappeared”.

<sup>38</sup> Spain started this problem even before independence when it leaned heavily on New Spain to finance the Napoleonic wars. Cárdenas (1997, 67) notes that “exports of gold and silver reached 131.9 million pesos between 1807 and 1820, a figure that doesn’t include the ‘ordinary’ royal net remittances to Spain”. He compares that with other estimates ranging between 80 to 140 million pesos, and argues that, since mining exports were around 160 million pesos ten years before the war, it was clear that capital flight was an important problem.

<sup>39</sup> For instance, the large mining centers were surrounded by agricultural estates that made money supplying goods to the mines, including food for the miners as well as their animals, housing,

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The collapse also reduced the amount of money in circulation, which meant that there was less money to loan out, increasing interest rates and lowering investment. International trade was also hurt by the collapse in mining. Mexico was only able to import goods through its exports of silver. When mining collapsed, there was less silver in the domestic economy and less available for exports as well. The fall in mining also had a fiscal effect, in that taxes on mining and other trade were no longer securing as much revenue as they had previously. Most of the government's revenue came from tariffs, so when international trade declined due to mining issues, government revenue shrank significantly.

The economy of Mexico City and many of the provinces was dependent on trade between the mines and Veracruz. The mining economy had been devastated, and Mexico City never really controlled Veracruz and the roads between the plateau and the coast. The royal commanders near the mines continued to appropriate resources for their own use. Mexico City was left without a reliable source of income other than in areas around the capital. Without foreign trade, this income was only large enough to finance activities in the central region.

Tax revenues during the war fell sharply. Cárdenas calculates that tax revenues fell from 24 million pesos annually in the late colonial period to only 12 million per year in the ten years after independence (1997, 74). This meant that the state was unable to fund much of anything, especially since much of the decreased revenue had to be dedicated to the military because of the violence that still plagued the country.

After the war, there were new challenges. Old colonial trade networks were disrupted, and merchants had to find new contacts and trade routes. For example, the rupture of diplomatic relations with Spain forced Mexico to find a new supplier of mercury, crucial for silver production. With the end of colonization, Mexico faced several challenges in securing the much-needed mercury to be able to mine silver.<sup>40</sup>

Given the colonial structure of the Mexican export sector, which was almost totally oriented towards silver, it is hardly surprising that silver continued to dominate Mexican exports throughout the nineteenth century. It is difficult to get exact figures on the value of these exports because high tax rates, as suggested by the Laffer curve, can lead to decreased economic activity and potential underreporting. It also made it profitable to smuggle silver out of Mexico illegally.

The war left other unfortunate legacies. Félix María Calleja, viceroy of New Spain from 1813 to 1816, had no funds to pay officers. Instead, he let them "self-finance" through looting and encouraged the elite to form and fund their own militias (Christon Archer 2003). He divided up the country into districts and appointed commanders to deal with any militias that had been formed in their districts. Brian Hamnett (1982, 480) argues that this regionalization had dire consequences in that it, "unintentionally contributed to the creation of military satrapies in the provinces".

The anarchy and looting of the war led to a number of problems after independence. First, there was a history of pillage and looting as a way of getting ahead. Vanderwood (1992, 26) has argued that "people on both sides deliberately kept the war going (independence war) because it offered so much easy plunder, all in the guise of patriotism". He writes that the army, while a source of social mobility and a way into national politics, was in no way a professional army, but a:

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clothing, and transportation. When mining production fell dramatically, these agricultural estates lost their markets (Cárdenas 1997, 70).

<sup>40</sup> Inés Herrera Canales (1990, 31, 33) notes that Spain was in no condition at the time of Mexican independence to be able to distribute mercury and even if they were, they could not have sold it directly to the Mexican miners for diplomatic reasons. Selling mercury to Mexico involved setting up relations with foreign agents, typically British, to act as go-betweens.

conglomeration of competing political interests whose leaders had, in the main, gained their military rank through political appointment (or self-appointment) during the confusions of war. There was constant scheming—the most successful schemer became president—but not for long. (Vanderwood 1992, 32)

The Mexican government was dominated by military men for much of the nineteenth century. There were only three years during the first 30 of being an independent country when the presidency was held by a civilian.

The army was heavy with generals and other top-ranked officers (Mark Wasserman 2000, 82).<sup>41</sup> The recurring problem though was that the army was expensive to maintain and could become a potentially destabilizing force itself when turned on the government.

As for the second point, there were so many revolts in the post-independence era because (a) there was no real allegiance to a national government and (b) revolt was seen as a way to get promoted; and (c) there was no penalty for revolting.<sup>42</sup> Michael Costeloe (2002, 7) cites an observer during this period as saying “The rebellions are speculations in which one risks nothing and can gain a lot”. Perhaps not surprisingly given that Santa Anna was president 11 times, he also writes that “throughout all the turmoil, there was a remarkable degree of human continuity in the sense that the people involved did not change ... Rebel military and civilians lived to fight another day and mostly did so” (Costeloe 2002, 27).<sup>43</sup>

The constant instability in the country was a drain on national finances. Take the Pastry War of 1838, for example, where France invaded Mexico. The war damages settlement owed to France further strained the Mexican treasury and provided a pretext for the more extensive French incursion in 1861. It is also a classic example of how the Mexican government's inability to provide effective defenses against incursion destabilized its ruling regime, fueling a vicious cycle. For example, Santa Anna “volunteered” to lead an army against the French incursion at Veracruz and used it to maneuver himself back into the presidency. While just one example, this shows a common pattern of how Mexico's political stability and revenue were further compromised not only by internal discord but by international claims against the Mexican state that arose from previous conflicts.<sup>44</sup>

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<sup>41</sup> Wasserman (2000, 82) also notes that “there were far too many officers and far too few soldiers. When war came, the government had to raise a large number of troops quickly. Panicked officers could not pick and choose from the population. Conscription filled the ranks, but of necessity took unwilling men”.

<sup>42</sup> Vanderwood (1992, 29) writes that officers “regularly pronounced against it (the national government) not only for promotion but to loot on a march to nowhere across a rural sector or to steal a payroll assigned to their troops”.

<sup>43</sup> Vanderwood (1992, 29) also notes that “brigands also served the armies raised by politicians in pursuit of power, even the presidency. If their side won, all the better. If not, common practice pardoned the defeated. Later it gave them police work in the service of the state”. This also applied to regular bandits, who carried political proclamations with them in case they were caught, “they would not be shot as common criminals. Printed political decrees became a kind of lifesaver. If one was arrested by those who had issued the manifesto, no problem. If taken by an adversary, one simply changed sides” (ibid, 4).

<sup>44</sup> The problem of secessionist and breakaway rebellions was also a constant problem. In addition to the well-known Texas Revolution, near-contemporaneous breakaway revolts on the Yucatan peninsula, in Zacatecas, and the Republic of the Rio Grande resulted in the establishment of short-lived independent states during the formative decades of Mexico's existence. These events reflect not only the vicious cycle but the underlying tensions of centralized government amid a diffuse geography and weak state capacity. Specifically, these and similar secessionist movements grew out of the preceding decade's strife between Liberal and Centralist political factions, culminating in the toppling of Vicente Guerrero in a military coup in 1829. Political centralization both precipitated the ensuing wave of secessionist states and became the mechanism for dealing with them, usually through military expedition (not only the 1836 expedition into Texas, but a successive invasion in 1842, invasions of the breakaway Yucatan states in the 1840s and subsequent caste wars).

As Appendix A illustrates, military conflicts after independence were seldom with other countries. Almost all were rebellions, revolutions, or coups d'état. The constant conflict both triggered additional rebellion and undermined Mexican ability to resist foreign incursion. Some level of functional centralization was necessary to stabilize Mexico politically, but paradoxically, a succession of conservative and Centralist heads of state (Bustamante, Santa Anna) usually precipitated secessionist movements that then instigated successive waves of military suppression.

Given all this economic and political chaos, it is clear why the central government struggled to raise taxes after independence. In 1824, the Mexican Congress enacted a new tax system, where the states would collect sales taxes, taxes on precious metals, and an income tax. The latter was supposed to be turned over to the federal government. The national government reserved the right to raise revenue through a 15 percent tariff on imports as well as national monopolies on tobacco, gunpowder, and salt. The government's revenue estimates were wildly optimistic because they did not even control the main port of Veracruz to be able to collect tariffs and the states never paid more than half of what they were expected to pay to the federal government.

The government sought loans from foreign countries, but the expected economic growth to repay them did not happen, leading to defaults.<sup>45</sup> Tariffs tended to be high, outdated in terms of their valuation, and extremely inconsistent. Even more than the level of tariffs, however, the British merchants complained about the inconsistency with which tariffs were enforced. Part of this inconsistency can be explained by the fact that the government had little ability to raise funds domestically. As Hilame Heath explains (1993, 276), "tariff legislation changed with bewildering frequency as successive governments and their even more transient finance ministers strove frantically to increase revenue, fight the evils of the contraband system, and placate whichever private interest looked most immediately threatening (or promising)".

The inconsistency of tariff enforcement can also be explained by the lack of an efficient communication system in the country. Tariffs were supposedly the purview of the federal government, but the isolation of much of the country from the capital city meant that local and provincial politicians could often act arbitrarily, "the isolation of most ports from the interior placed them out of the reach of successive politically and economically weak national governments. Contraband combined with the willingness of poorly paid customs officials to abet fraudulent practices" (Heath 1993, 277). Regional governments were also desperate for cash, especially during times of civil war, and they would often take over customs houses to help fund their militias. As Hough and Grier (2015, 100) write, "Mexico returned to semi-anarchy outside the Mexico City city-state for 60 years".

### ***Entrenchment of Local Powerholders***

Banditry became an enduring institution during this period, one that became increasingly entrenched and resistant to central government interference. Vanderwood (1992, 30-31) writes that "no common cause existed in provincial Mexico, unless it was a mutual determination to keep central authority at bay".

After the war of independence, regional strongmen tried to keep the powers they had gained, often including the right to tax their areas. The more chaos in the provinces, the harder it was for the central government to assert control. This created the incentive for these regional leaders to create a system of permanent disorder. Vanderwood (1992, 34) writes that:

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<sup>45</sup> Mexico borrowed large sums of money from England, for instance, after independence to try to revitalize economic growth. When the growth did not happen, the country defaulted on their loans in 1827. See C. Allen True (1937) for more detail.

They tore up and otherwise refused to repair roads that approached their enclaves. Others looked on and waited for their chance to take power; they knew that continued disturbance paved the way, so they contributed to the anarchy. The national government pleaded the need for domestic stability but had no means to enforce it, and so received scant compliance from the provinces.

Transportation difficulties created a system of regional, isolated markets, which reinforced political decentralization and decreased the capacity of the federal government (Haber, 1992, 5). Local and state governments continued to rely heavily on a tax leftover from colonial times, called the *alcabala*, which was levied on goods as they moved through different regions of the country (Oscar Martínez 2015). This ranged between 10-15 per cent on average and both stymied the creation of a national market and strengthened the political power of provincial authorities. The federal government officially outlawed the *alcabala* in 1857 but it was not until almost four decades later that it was abolished in practice (Beatty 2001, 29).

As for security, the federal policymakers did not help their case when they continually insisted that it was the job of states and municipalities to keep the peace. The militias and police departments that did emerge tended to be very poorly funded and served mostly to protect the “political interests of their creator rather than to involve themselves in disciplined law enforcement” (Vanderwood 1992, 31). Vanderwood (1992, 31) writes that during that time “A man needed a troop of his own to get ahead” and that “petty politicians found that the best way to promote their careers was to establish a personal armed unit that could be used to counterbalance, or if necessary, batter a rival”.<sup>46</sup>

### ***External Threats and State Capacity***

There is a large literature that relates the creation of state capacity to external wars.<sup>47</sup> As Johnson and Koyama (2017) point out, however, the process of establishing state capacity is highly variable across countries. Dincecco, James Fenske, and Massimiliano Gaetano Onorato (2019), for example, show that war has tended to increase state fragility in Sub-Saharan Africa not strengthened it. This is consistent with what happened in Mexico when France invaded in 1861 and installed an emperor there until 1867. The liberals loathed the idea of aligning themselves with bandits in the name of expelling the foreign threat, but they eventually did so in desperation.

Unfortunately, victory meant that there were thousands of bandits that now wanted well-paying jobs with security in return for the service they had provided both in the war against the French and the civil war before it. If not, they threatened to go back to being bandits:

The government could not afford a large army, for both political and financial reasons. It had to release its soldiers and hope that they would return to their former subsistence living, but they knew that the country’s war-stricken economy couldn’t possibly absorb them all. Juarez turned loose some 40,000 of these ex-soldiers in 1867. The subsequent upsurge in brigandage not only disrupted

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<sup>46</sup> He describes this era of roving bandits as the following: “Banditry, village uprisings, predatory armies, caste wars—they all combined to maintain rural Mexico in turmoil. No property was safe, no trade route secure. The two forces most responsible for sustaining the turbulence were the bandits and the army, and they often worked together, selling stolen goods for their mutual profit” (Vanderwood, 1992, 28).

<sup>47</sup> See, for example, Besley and Persson (2011; 2013), Dincecco and Prado (2012), Gennaioli and Hans-Joachim Voth (2015), Hoffman (2015), and Kenneth Scheve and Stasavage (2012), Charles Tilly and Gabriel Ardant (1975).

commerce and the social order but also rattled the regime politically. (Vanderwood 1992, 50)<sup>48</sup>

After expelling the French, Benito Juárez's government recognized the need for a centralized police force to bring order after decades of chaos. When they first embarked on this project, however, they knew that they had to do so quietly "because so many powerful Mexicans were bound to protest the establishment of a political police controlled by the president" (Vanderwood 1992, 51). These were the first significant steps toward building state capacity in what had been a very unstable, nearly anarchic fifty years.<sup>49</sup>

### **The Entrenched Interests Fight Back**

Creating the Mexican Rural Police force obviously did not solve all of the central government's problems. For one, they needed to recruit officers, and many new recruits were also bandits. This overlap between bandits and police remained a persistent issue, as the new officers often continued banditry.<sup>50</sup> The government even designed the new Rural Police uniforms to resemble those of the famous bandits, the Plateados:

His uniform distinguished the Rural. It confirmed his transition from bandit to lawman, since the Rurales dressed much like the most powerful bandits of the time, the Plateados. Both wore the charro outfit, and everyone understood what it meant: its wearer could outride, outlope, outshoot, outdrink, and outwomanize any other cowboy, from whatever land. The Rurales rode and strutted in dove-gray bolero jackets and suede-leather, tight-fitting trousers embroidered with ornate braiding and studded with silver buttons. On their heads they wore the heavy felt sombrero that had emerged as a national symbol. (Vanderwood 1992, 53)

By the 1880s, Porfirio Díaz had boosted the rural police force's membership by 90 percent, but the total was still only 1,767 men, indicating how slow this process really was (Vanderwood 1992, 70). The Porfiriato is often treated as a major consolidation of centralized power, and it certainly was, but a study of the period shows that the process was far from linear.<sup>51</sup> First, the Industrial Revolution was slowing down in Britain and investors were eager to invest their money in Mexico if only it were more stable. This provided ample financial incentives for the government to try to create more stability. Second, Díaz was far more ruthless in handling revolts than previous governments. When the Fifth Corps of the Rural Police revolted, he removed them from the force and executed the traitors.

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<sup>48</sup> Vanderwood (1992, 48) also notes that "only when it became more worthwhile to join the federal government than to fight it would regional strongmen agree to central direction".

<sup>49</sup> North et al. (2009) argue that all societies historically (and most today) were limited access orders (LAOs) that controlled violence through having claims to rents distributed amongst political elites; they, in turn, tended to constrain their use of violence to the extent that the occurrence of violence threatened their rents. The recruitment of bandits into para-police forces represents an attempt to create a LAO. See Young (2021) for a good examination of LAOs in early medieval Europe.

<sup>50</sup> Vanderwood (1992, 57) writes that "complaints of dereliction of duty among the Rurales poured into the capital. One detachment arrived at a town they were supposed to patrol in company of brigands and proceeded to raid the village".

<sup>51</sup> See Haber, Noel Maurer, and Armando Razo (2003) for an excellent discussion of the political economy in Mexico in the late nineteenth and early twentieth centuries, as well as Maurer and Andrei Gomborg (2004) for more on public finance and banking in Porfirian Mexico. While outside the scope of this article, it is important to study the Porfiriato more closely to understand why Mexico was able to consolidate a relatively strong and stable one-party state by the twentieth century.

It became very clear just how entrenched regional caudillos were though in this period. They certainly did not give up power quietly or peacefully. Paul Ganster (2015, 64) notes that even during colonial times, in the northern part of the country, an “unusual degree of autonomy had been granted to settlers and frontier towns in return for holding the line against nomadic indigenous groups”. This autonomy only increased after the war of independence. When Díaz tried to impose economic and political power from Mexico City, by appointing local officials himself and changing land ownership patterns, resentment grew strongly. In the ten-year civil war that followed Díaz’s dictatorship, the main leaders of the revolution were all from the north and they emerged in large part because of these resentments.<sup>52</sup>

## Conclusion

Economists, especially those in international financial institutions, often act as if developing countries should be able to quickly and effectively mimic the institutions of rich countries. The feeling seems to be that there is no reason to re-invent the wheel; just look at what we did (“we” here being rich countries) and follow that. As Hernando De Soto pointed out in 2000, however, most economists have little appreciation for how long and difficult the process was in their own countries, and thus have no idea of what they are asking developing country governments to do. It might be that the creation of state capacity is something that has to be experienced rather than taught, and that attempts to “skip straight to Weber” are doomed to fail.

While every country’s experience is different, it is useful to study particular cases to illuminate what exactly are the major difficulties in creating an effective state. This article does that for the case of Mexico in the nineteenth century. I show that Mexico suffered from a vicious cycle in that they needed a large army in order to create a monopoly on violence, but they had no money to be able to fund such an institution. The chronic lack of funding led to a situation where the country was littered with roving bandits, and the central government had little ability to stop the constant revolts and banditry that prevailed. It was not until the late nineteenth century that the government was finally able to create a centralized police force and the beginnings of some kind of centralized, state control.

I mostly focus on the reasons for why the process of building state capacity took so long, with less emphasis on the period when Mexico finally does consolidate power. This circularity problem of state capacity is remarkably similar to the issue of purchasing power of money that Mises studied. Austrian economists have long understood that the element of time is crucial in understanding development; a fact that neoclassical economists have forgotten to their peril.

Further research could extend this investigation by studying how state capacity was consolidated under the Porfiriato, lost again during the Mexican Revolution, and then constructed again under the long-standing one-party state ruled by the PRI. It would also be useful to take the lessons from Mexico’s experience and compare them to other Latin American countries that shared a similar colonial culture, to see what the major differences were between them.

## Acknowledgements

I would like to thank Adam Martin and Daniel D’Amico for inviting me to be a part of this conference and an anonymous referee for excellent comments.

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<sup>52</sup> This is consistent with what Coyne and Pellillo (2012) argue is one of the main difficulties in establishing state capacity: entrenched local interests who actively resist central power.



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### Appendix A: Wars, Rebellions, and Revolutions in Nineteenth-Century Mexico

1819	Long Expedition	foreign invasion
1820-1836	Texas-Indian Wars	internal war
1821-1829	Spanish attempts to reconquer Mexico	foreign invasion
1821-1870	Comanche-Mexico Wars	internal war
1821-1915	Apache-Mexico Wars	internal war
1821-1929	Yaqui Wars	internal war
1822-1823	revolution overthrows Emperor Iturbide	revolution
1823	rebellion of Oaxaca, Guadalajara, Puebla, and Querétaro	rebellion
1826-1827	Fredonian Rebellion	rebellion
1827-1828	failed conservative rebellion	rebellion
1829-1831	Conservative Coup	coup d'état
1835-1836	Texas secedes from Mexico in the Texas Revolution	secession
1835	rebellion in Zacatecas	rebellion
1837	Chimayó Rebellion	rebellion
1838-1839	First Franco-Mexican War (Pastry War)	foreign invasion
1840	Republic of the Rio Grande	rebellion
1842-1843	Mier expedition	foreign invasion
1846-1848	Mexican-American War	foreign invasion
1847-1933	Caste War of Yucatán	internal war
1853	expedition of William Walker to Baja California and Sonora	foreign invasion
1854-1855	The Revolution of Ayutla	revolution
1858-1861	The War of the Reform	internal war
1859-1861	Cortina Troubles	war with US
1861-1867	Second Franco-Mexican War	foreign invasion
1871-1872	Porfirio Díaz rebels against President Benito Juárez	rebellion
1876	second rebellion by Porfirio Díaz	rebellion
1879-1881	Victorio's War	armed conflict
1891-1893	Garza Revolution	revolution
1897	Mexican annexation of Clipperton Island	annexation

**Appendix B: Mexican Chief Executives from 1821 to 1900**

**First Mexican Empire (1821-1823)**

First Regency (6 people)	1821-22
Second Regency (5 people)	1822
Agustín I, Emperor	1822-23

**Provisional Government (1823-1824)**

Composed of 6 people

**First Federal Republic (1824-1835)**

Guadalupe Victoria	1824-29
Vicente Guerrero	1829
José María Bocanegra	1829
Pedro Vélez	1829
Anastasio Bustamante	1830-32
Melchor Múzquiz	1832
Manuel Gómez Pedraza	1832-33
Valentín Gómez Farías	1833
Antonio López de Santa Anna	1833
Valentín Gómez Farías	1833
Antonio López de Santa Anna	1833
Valentín Gómez Farías	1833
Antonio López de Santa Anna	1833
Valentín Gómez Farías	1833-34
Antonio López de Santa Anna	1834-35
Miguel Barragán	1835-36

**Centralist Republic (1835-1846)**

José Justo Corro	1836-37
Anastasio Bustamante	1837-39
Antonio López de Santa Anna	1839
Nicolás Bravo	1839
Anastasio Bustamante	1839-41
Francisco Javier Echeverría	1841
Antonio López de Santa Anna	1841-42
Nicolás Bravo	1842-43
Antonio López de Santa Anna	1843
Valentín Canalizo	1843-44
Antonio López de Santa Anna	1844
José Joaquín de Herrera	1844
Valentín Canalizo	1844
José Joaquín de Herrera	1844-45
Mariano Paredes	1845-46
Nicolás Bravo	1846
José Mariano Salas	1846

## Grier: Mexican State Capacity in the Nineteenth Century

### **Second Federal Republic (1846-1847)**

José Mariano Salas	1846
Valentín Gómez Farías	1846-47
Antonio López de Santa Anna	1847
Manuel de la Peña y Peña	1847
Pedro María de Anaya	1847-48
Manuel de la Peña y Peña	1848
José Joaquín de Herrera	1848-51
Mariano Arista	1851-53
Juan Bautista Ceballos	1853
Manuel María Lombardini	1853
Antonio López de Santa Anna	1853-55
Martín Carrera	1855
Rómulo Díaz de la Vega	1855
Juan Álvarez	1855
Ignacio Comonfort	1855-57

### **Reform War (1857-1862)**

#### Presidents recognized by the Liberals during the Reform War

Benito Juárez	1857-1862
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#### Presidents recognized by the Conservatives during the Reform War

Ignacio Comonfort	1857-58
Félix María Zuloaga	1858
Manuel Robles Pezuela	1858-59
Félix María Zuloaga	1859
Miguel Miramón	1859-60
José Ignacio Pavón	1860
Miguel Miramón	1860
Félix María Zuloaga	1861-62

### **Second Mexican Empire (1863-1867)**

Regency (3 people)	1863-64
Maximilian I, Emperor	1864-67

### **Restored Republic (1867-1876)**

Benito Juárez	1867-72
Sebastián Lerdo de Tejada	1872-76
José María Iglesias	1876

### **Porfiriato (1876-1911)**

Porfirio Díaz	1876
Juan Nepomuceno Méndez	1876-77
Porfirio Díaz	1877-80
Manuel González Flores	1880-84
Porfirio Díaz	1884-1911

**Appendix C: US Presidents from 1821 to 1900**

James Monroe	1817-1825
John Quincy Adams	1825-1829
Andrew Jackson	1829-1837
Martin Van Buren	1837-1841
William Henry Harrison	1841-1841
John Tyler	1841-1845
James K. Polk	1845-1849
Zachary Taylor	1849-1850
Millard Fillmore	1850-1853
Franklin Pierce	1853-1857
James Buchanan	1857-1861
Abraham Lincoln	1861-1865
Andrew Johnson	1865-1869
Ulysses S. Grant	1869-1877
Rutherford B. Hayes	1877-1881
James Garfield	1881-1881
Chester Arthur	1881-1885
Grover Cleveland	1885-1889
Benjamin Harrison	1889-1893
Grover Cleveland	1893-1897
William McKinley	1897-1901