## TABLE OF CONTENTS

Abbrevations  List of Tables and graphs  Acknowledgements	viii x xiii
Introduction	1
Chapter 1 State- and institution-building – a framework for analysis  1.1 The state and state-building definitions and debates	11 11 17 21
Chapter 2 A framework for assessing states: size, capacity, and quality  2.1 The three aspects of the state	29 29 31 34 36
Chapter 3 The dynamic of change: state-building as institution-building .  3.1 State-building as institutional change—deterioration and rebuilding	45 46 47 49 51 55 55 58
4.2 Individual causal factors	69
4.4 Summary	73

Chapter 5 State-building in the post-Soviet region  5.1 The Soviet state and its fiscal system  5.2 Institutional detarioration.	70
5.2 Institutional deterioration: <i>perestroika</i> and the break-up of the So viet Union	83
5.3 State-building in the post-Soviet 'universe'	05
5.4 Exploring some quantitative relationships: level of development and political consolidation	
5.5 Summary	93
	104
Chapter 6 Ukraine—from Soviet breakdown to disordered independence 6.1 From Soviet republic to independent Ukraine	109
6.2 The great depression: economic crisis after independence	111
6.3 The challenge of nation-building	112
0.4 Struggles for power and institutional weakness	115
0.5 A fiscal system in crisis	127
6.6 The first steps of state-building	132
Chapter 7 A new trajectory taking shape	152
7.1 Feonomic stabilization and sixty 1	137
7.1 Economic stabilization and virtualization 7.2 The bid for presidential consolidation	138
7.3 State-society relations—the rise of political-husiness groups and	139
weak democratic accountability	141
7.4 External factors	148
7.5 Stabilizing the fiscal system	149
7.6 Shaping and distorting the new state	167
Chapter 8 The second transition in Ukraine	175
8.1 From hybrid regime to unconsolidated democracy	176
8.2 Economic recovery and socio-economic policies of the new gov-	170
ernment	185
8.3 The power of civil society and the continuing importance of opaque groups	
8.4 External influences on the rise	187
8.5 Fiscal developments: reforms and revelations	188
6.0 From Kuchma to Yushchenko: re-tooling the state	200
8.7 Summary: the state-building process in Ukraine as reflected in the	
	202
Chapter 9 Averting institutional change: the case of Belarus	211
9.   Political developments: from liberalization	212

	9.2 Economic developments: preserving the command economy	215
	9.4 State-society relations in Belarus	220
	9.5 Fiscal policies	224
	9.6 Belarus: the strong state that does not want to be a state	232
C	hapter 10 Lithuania: moving towards Western models	243
	10.1 Political developments: early elite reconfiguration and after 10.2 Economic developments: the great leap from communism to	244
	capitalism	250
	10.3 State-society relations in Lithuania	253
	10.4 Fiscal and budgetary system	259
	10.5 State capacity and its determinants in Lithuania	274
C	hapter 11 The 'authoritarianizing' route to recovery: the case of Rus-	205
	sian tax reform	285
	11.1 The stage: political power and oligarchic groups	286 289
	11.2 The economic background to reform	292
	11.4 Fiscal crisis and tax reform: surveying explanations	294
	11.5 From drag to leap: the gestation and eventual success of tax re-	CPS
	form	295
	11.6 From prolonged deterioration to unfinished recovery: the Russian path of state-building	307
C	Chapter 12 Conclusion	315
	12.1 States as problems and solution	316
	12.2 Institutional deterioration and the importance of the political re-	
	gime	321
	12.3 Setting the background: legacies, international integration, and the level of development	328
	12.4 Wider implications: conceptualizing institutional change, regime	
	change, and state-building	332
A	ppendix	341
	bibliography	355
I	ndex	375