Coercion, Lords and the Limits of Iron Fist Development

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Abstract

We investigate the relationship between efforts by the central government to increase control of the territory (coercion) and long-run development. Efforts to enhance presence and control come with infrastructural investments that have the potential to bring about additional investments and foster development. Whether early coercive efforts translate into development depends on the initial response by local communities. Given high levels of ethnic, linguistic, and/or cultural heterogeneity, local elites have strong incentives to preserve autonomy and resist coercion. If their capacity to resist is weak, their interaction with the center evolves into a process of endogenous assimilation. As a result, repression declines and investment in public goods increases. By contrast, if the capacity to resist is at first strong, the central state limits investments and insists primarily on repressive interventions. We analyze the empirical implications of this argument by examining a uniform intervention by the Turkish state in areas dominated by groups with very different incentives and capacity to resist state-building. Using difference-in-difference and geographic regression discontinuity methods on original data on public service provision and development outcomes from 1923 to 2000, we find support for our theoretical arguments.

1 Introduction

The consolidation of state power rests on three pillars: coercion, extraction, and provision. The effectiveness of state institutions along these three dimensions presumes its ability to reach and remain present across the whole territory of the polity.[1] Over time, a majority of the population internalizes a set of rights and obligations towards an impersonal organization that is stable and regulates private exchanges and public life. Only then a functional, internally coherent set of state branches can become the means to articulate and achieve "public interests", defined in turn through well-understood (and ideally commonly accepted) decision-making procedures.

No modern state has emerged "naturally" with these features. Even the most advanced ones carry the scars of decades, if not centuries, of conflicts over the very features that define the state itself and how it functions. Those scars condition the way states functions today. They shape variation across states in the scope of control, extraction, and provision. And more importantly, they also shape variation in institutional effectiveness within states. In this paper, we focus on the developmental consequences of early investments in coercion, defined as efforts to effectively reach and control the territories within the borders of the polity and their people.

A rich and growing literature on the determinants of state capacity has come a long way in understanding the causes behind cross-national differences in fiscal, monitoring, and administrative capacity.[2]. As a result, we understand better the reasons why different

[1] In addition, it also presumes *autonomy* in a Huntingtonian sense: "Political institutionalization, in the sense of autonomy, means the development of political organizations and procedures that are not simply expressions of the interests of particular social groups." (Huntington, 1968:p.20)

[2] A non exhaustive list includes recent work on the effects of war (Queralt, 2022; Scheve and Stasavage, 2016), economic and political geography (Beramendi and Rogers, 2022; Mazzuca, 2022), colonial legacies(Garfias and Sellars, 2022; Ricart-Huguet, 2022), early democratization (Lizzeri and Persico, 2004; Mares and Queralt, 2015), economic modernization (Beramendi, Dincecco and Rogers, 2019; Dincecco, 2017), religious and ethnic heterogeneity (Suryanarayan, 2024; Suryanarayan and White, 2021) and the importance of the historical sequencing between these factors (Gjerløw et al., 2021; Stasavage, 2020).

countries end up in a low or a high-capacity equilibrium. A recurrent theme in this literature is that political and economic underdevelopment tend to be mutually reinforcing. Persistent underdevelopment has many roots. Sometimes, it is actively and even rationally self-inflicted: for instance, domestic elites are often unwilling to invest windfall revenues or foreign aid in institutional improvements. In many other instances, the wheel of backwardness keeps running because active efforts to bring countries out of low-capacity equilibria fail in large shares of the territory. A better grasp on the mechanisms either anchoring or lifting countries out of low-capacity environments requires engaging directly with the spatial dimension of state building and the reasons behind such partial failure. The dominant assumption that capacity is best understood mostly at the national level is limiting, particularly in late-developing contexts with high levels of ethnic heterogeneity (Boone, 2024; Lee, 2019).

Securing territorial control is particularly hard in late development contexts even in cases where the late developers were large empires. In this paper, we focus on a relatively understudied link in the analysis of the dynamics of capacity building: how early investments in coercion shape the spatial gradient in state presence and the long-run developmental consequences of such presence. We argue that efforts toward inward conquest have long-run effects and play a significant role in the origin of persistent spatial inequalities.

Our central contention is that spatial skew in state investments results from the reaction from local communities to early coercion efforts. Early coercion comes with a boost in infrastructure that has the potential to generate agglomeration effects, foster economic modernization, and generate welfare effects for local communities. However, whether such a process occurs depends very much on the initial response by pre-existing local communities. The latter vary in their incentives and capacity to resist coercion.

In the presence of high levels of ethnic, linguistic, and/or cultural heterogeneity, local elites have strong incentives to preserve autonomy and resist coercion. If their capacity to resist is weak, their interaction with the center evolves into a process of endogenous

assimilation. As a result, repression declines, and investment in public goods increases. By contrast, if the capacity to resist at first is strong, the central state limits investments and insists primarily on repressive interventions. The variation in local responses conditions how the balance between repression and the provision of public goods plays out in different areas, shaping spatial inequalities in socioeconomic and political development. Our argument points to a process driven by a substitution effect on the government strategies driven by the response of pre-existing communities to centralized coercive interventions.

Our paper relates to the literature on the legacies of colonial empires and the institutional development of post-colonial states after independence. A prominent discussion within this literature concerns the developmental effects of direct rule, even if such rule was mostly oriented towards the extraction of natural resources.

A fundamental challenge in understanding the long-run effects of various institutional treatments concerns the nature of relevant comparisons. For instance, the impact of production structures organized around large properties with either slaves or large amounts of unskilled day laborers anchors regions in a path of persistent underdevelopment (Engerman and Sokoloff, 2012). Yet, it does so less than extractive mining around subjugated villages (Dell, 2010). Similarly, the direct rule has been argued to outperform the delegation of production, social organization, and order to local elites. Such seems to be the case in India (Banerjee and Iyer, 2005; Iyer, 2010), where direct British control leads to better outcomes than relying on local patrons and across the Spanish colonies, where a reform by the Bourbons to increase the control by the crown on local elites yields higher levels of revenue collection capacity (Chiovelli et al., 2024). Yet, at the same time, Nathan (2023) shows how, sometimes, efforts to increase state presence generate clusters of local elites with the incentives and the capacity to capture economic, social, and political relations, causing higher levels of inequality and lagging patterns of political development. Focusing on frontier regions, Popescu et al. (2023) also points out the long-run negative implications of intense forms of direct rule. Similarly,

the relationship between states and pre-existing local tribal lords harbors several conclusions: in the absence of a strong state, tribal leaders may serve as agents of stability and facilitate relative improvements in development (Baldwin, 2016). Yet, in other contexts, entrenched elites become predatory and it is their removal by the central powers what facilitates long-term investments (Garfias and Sellars, 2022).

To avoid some of the issues associated with heterogeneity across contexts in the analysis of institutional interventions, this paper studies Ataturk's and early Republican elites' efforts to strengthen the Turkish state right after independence and their medium-term implications. Ataturk anointed himself, through his very own name, father of the new "Turkey" and soon discovered that state-building, much like parenting, is a hard endeavor. To ensure territorial control, he and his cadres established, in a staggered fashion, a series of inspectorates throughout the territory. The inspectorates, institutions that established a credible commitment and budget to facilitate state capacity, covered areas with a huge diversity in many of the key dimensions of the argument, in particular social organization, economic resources, and legacies of contention. WWI and its aftermath, in some cases, exogenously, changed the ethnic composition of the country with significant spatial differences. Against that background, state building efforts came from the only institution that is transversal to a society without an effective state in the 1920s: the army, empowered by the War of Independence. The combination of these two factors renders Turkey a good setting to study the interplay between large-scale coercion efforts and the pre-existing heterogeneity within the emerging state.

Our empirical design is based on an extensive original dataset that we have collected based on archival sources, census, development yearbooks, public service inventories, and primary documents. Specifically, we rely on the staggered implementation of General Inspectorates between 1928 through 1936 in different regions in the country with different heterogeneity and strength of local elites, to identify the impact of coercive institutions on short-term

development outcomes. Specifically, we use original village-level archival data from 1950–1963 on rural primary schools and geocoded data covering the ethnoreligious characteristics of Turkey's over 30,000 villages.

2 Theory: Coercion and Long-Run Development

State presence, defined as the reach to the full territory of the polity, is a choice, often an unwelcome one. At times, the center decides to leave entire areas either untapped. In others, limited resources requires delegation to local actors without direct presence (Herbst, 2014). In some circumstances, because of the nature of the territory, the center must provide incentives for citizens to settle there, as it was the case in the early Republic in the USA (Nikolova, 2017). Finally, the third scenario, the one of interest in this paper, involves the entry of state agents for the purpose of territorial and population control and the intensification of their presence over time.

This choice is highly consequential from the perspective of the spatial patterns of development in the long run. After a first generation of studies focusing on country-level differences associated with the contrast between extractive and "inclusive" institutions (Acemoglu, Johnson and Robinson, 2001), attention has shifted to the complex effects of efforts to control and extract (Dell and Olken, 2020; Huillery, 2009; Roessler et al., 2022). Intuitively, the analyses in these papers point to the fact that short-term extraction efforts carry long-run benefits in terms of (sometimes) agricultural accumulation, urbanization, and agglomeration, thus leading to a relative developmental premium within the nation. The premium comes primarily from the long-run consequences of fixed-term capital and infrastructural investments (Colleoni, 2024; Donaldson, 2018). The presence of either solders or workers requires the construction of infrastructures that may allow changes in the composition of the population, limiting the veto capacity of predatory local elites, and eventually pave the way for the

provision of public goods that allow and facilitate human capital investments (health, sanitation, education). However, nothing guarantees that infrastructural investments necessarily trigger a virtuous circle of long-run relative progress.

Prior contributions have paid careful attention to the specifics of the design of particular institutional investments (Huillery, 2009). Relatively less attention has been paid to the way a common effort by the center generates differential reactions by pre-existing local communities (for a recent exception see Garfias and Sellars (2021)). At the center of our analysis is the interaction between central coercion efforts to enhance presence and control and the local communities that are the very target of such efforts.

We make two assumptions. First, we take pre-existing ethnic, religious, and linguistic communities and their forms of social organization as given.[3] Second, we also assume a strong will by the center to exercise full control within the polity. This assumption may be questionable in the case of colonial rule but it less so in the case of metropoles themselves. Most of the existing arguments about the effects of direct rule and coercion concern variation in what the metropole does across colonies or across places within colonies. But the problem of coercion efforts and their implications is not just about outward conquest. It is equally central to the construction of governance inwards: the actual achievement of a monopoly of violence within the core polity is hardly a given, especially in former large (mercantilist) empires.

We argue that the way local communities respond to central coercion efforts, and the dynamics of the interaction between the center and different types of local elites, is an important driver of subsequent spatial patterns of economic and political development. Our argument points to the substitution effect in the central government's strategy driven by how

[3]This prior is not universally true. In the African context, Herbst (2014) shows that the decision to invest in control over the full territory of a new state follows a calculus that sometimes leads the center to ignore large swaths of territory. In the same context, Boone (2024) shows that the very groups subsequently involved in post-colonial politics can be, at times, a function of coercion itself. See also Lee (2020) on the Indian case

pre-existing units respond to the introduction of new coercive institutions. To analyze this process, we consider two actors: the center, which we assume has given reasons to pursue coercion and increase its presence across all areas of the polity, and local units. We theorize the response of local elites in a two-dimensional space: (1) distance with respect to central authorities enhancing coercion efforts and (2) the level of capacity local elites enjoy.

We conceptualize distance as differences in a second dimension attribute (ethnicity, language, race, religion) that creates an intrinsic motive to protect autonomy. Thus defined, distance between local communities and the center is a major source of preference (dis)alignment between local elites and the center making investments across the territory (Garfias and Sellars, 2022) The motive derives from the will to preserve the groups' heritage and their own forms of social organization. Local groups perceive interventions to increase central power and control as a disruption of their functioning (and capabilities in Sen's terms) and, in expectation, as a major source of political risks. Political risks derive from the inadequacy of policies designed elsewhere to the nature of local needs and circumstances (Alesina and Perotti, 1998). The baseline skepticism towards the presence of agents perceived as "alien" compounds over time as the legacy of past interventions informs actors' priors about future interventions. Intuitively, a higher distance translates into stronger incentives to resist additional efforts to increase the power of central authorities. By contrast, communities with a lower distance relative to the center will see less of a risk in a stronger grip by elites that are ultimately in-group members.

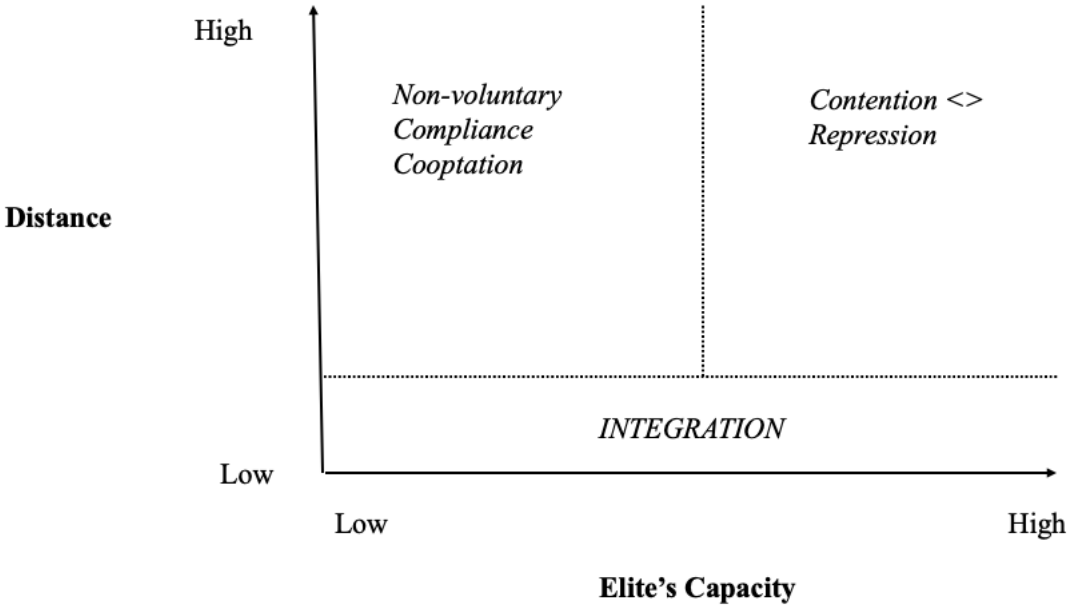

Figure 1: Local Responses to Coercion Efforts

Local elites' distance with respect to the center concerns preferences clustered in space. The transition between these preferences and political action is, in turn, driven by the capacity of local elites. We define capacity as the stock of resources available to local elites as they respond to central elites' efforts to increase coercion. These resources include material assets and social capital. Material assets include primarily the stock of assets in the hands of local elites and the income they derive from various sources. Elites' social capital, in turn, determines their capacity to mobilize large numbers of members in their communities in support of their preference response to the center. High levels of social capital imply high levels of connectivity and centrality in local networks and a strong ability to exercise political influence within large networks.

Figure 1 displays how the combination of these two dimensions shapes local elites' behavior. At low levels of distance, local elites respond favorably to central elites' efforts. Preferences overlap and a modicum of provision ensures a relatively smooth integration

process, often sustained through the strategic use of career concerns at the local and national levels. Beyond a threshold of distance, however, capacity begins to make a difference. Consider first a situation in which distance is high and capacity is low. In such a context, there is a wide gap in preferences about the scope of control and intervention by the center on local affairs. The latter, however, lack the necessary resources to oppose central expansion. Either material assets are limited; the existing societal organization is poorly institutionalized (limiting local political "muscle"), or both.

Under these conditions, the interaction between the center and the units is initially driven by a non-voluntary compliance process. Small pockets of resistance are quickly overthrown, and local communities face a very limited choice set. Absent the possibility of exit (via geographical mobility), elites open themselves to cooperation with the center. Over time, the center co-opts a growing share of local notables. They become part of the ruling coalition (autocracy) or representatives of their units in (proto)democratic systems of representation. This pattern of relationships between national and local elites bears direct implications for the connection between coercion, provision, and long-run development.

The endogenous process of co-optation and progressive assimilation of local elites by the center needs a second pillar. Assimilation requires stability, and stability requires moving from imposing non-voluntary compliance to elites to securing a modicum of quasi-voluntary compliance within the community. To that end, the sustained provision (however limited) of goods and services for the local populations becomes essential. Local elites use provision to motivate their cooperation with a previously distant center as a way to extract benefits "for the community". To the extent that communities benefit from partial investments, provision broadens the support for the center's presence and further undermines the chances of backlash against a stronger center in the area. Over time, despite the high distance between the center and the local area at the beginning of the process, coercion leads to compliance, assimilation, and relative improvements in political and economic development.

We expect the process to work very differently in contexts where centralized coercion meets communities that are both (1) distant in terms of preferences and (2) endowed with material resources and organizational forms that facilitate a coordinated response to the center. Given a large enough preference gap over autonomy and the organization of the polity, local leaders will use their economic, social, and political resources to challenge expansionary efforts by the center. Absent compliance, the ensuing dynamics between the center and the elites follow a sequence of challenge-repression-challenge, one in which contention is often violent.

To the extent that it happens at all within this process, co-optation of local elites remains limited to those with relatively lower levels of capacity. The rest seeks to retain the monopoly of provision within their communities. The room for a potential exchange of resources for spaces of political influence hardly opens. When sufficiently powerful, local elites do not seek to extract resources from the center; rather, they seek to protect their own from extraction. They do not seek stronger influence at the center; rather, they seek to keep the center as much at bay as possible. And they do not see broader access to public goods provided by the state as a good development for their communities, let alone for their own survival as leaders. Insofar as they control community responses to early investments, local leaders will undermine both financial support and societal take-up and, as a result, would reinforce the center's original inclination to devote scarce investments to other areas where the expected political (and assimilation) returns are higher. The provision of public goods in the medium to long run declines as a result, yielding a very different link between initial coercion investments and patterns of long-run political and economic development. When local capacity is high, distance translates into contention, and initial coercion efforts translate into a process where repression and violence dominate provision. Local communities face a reversal of fortunes of sorts: the initial stronger capacity that allows them to resist turns, over time, into a pattern of conflict-driven persistent underdevelopment.

Coercion, Short-Run and Long-Run Development: Empirical Implications

Our analysis of the connection between the decision by the central government to actually control its territory and the spatial evolution of both short-run and long-run development points to two steps subject to empirical assessment. This first one operates almost as a proof of concept, a validation check of the intensity of treatment as it were: the expansion of coercion comes with an expansion in infrastructural investments in transportation networks that is common across treatment areas. The enhancement of state presence carries with it an expansion of investments that have the potential to trigger major agglomeration effects in the future throughout the entire polity.

- (H1) *The higher the effort to control a particular area, the higher the level of infrastructural investments.*

The second step in the argument suggests that the translation of these infrastructural investments into sustained regional patterns of provision and development depends on the reaction by local elites to increasing state presence and control.

Where the identity and preferences of local and central elites overlap, the expansion of state control is uncontroversial and the economic and political integration of the area reflects a process in which the core in-group provides for itself. Early investments yield strong agglomeration effects and, as a result:

- (H2) *The lower the distance (preference gap) between the center and the unit:*
  - 2.1 the higher the levels of sustained provision of public goods.
  - 2.2 the higher the levels of long-run development.

Finally, where the center and the units have fundamentally different views about the local presence of central state agents, the relationship between the long-run developmental impact of early investments depends on the local capacity to resist.

- (H3) *Given a large distance (preference gap) between the center and the units:*
  - 3.1. The lower (higher) the level of local capacity, the stronger (weaker) the sustained provision of public goods.
  - 3.2 The lower (higher) the level of local capacity, the higher (lower) the levels long-run development.

3 Historical Setting

3.1 Republican Turkey - Post WW1

After the Ottoman Empire's defeat in World War I, the Allied Powers occupied and partitioned the Empire's remaining lands that had already shrunk to the Eastern Thrace and Anatolian peninsula, prompting the emergence of local Muslim resistance groups and non-state secret societies throughout the country to restore Turkish sovereignty. Following this occupation, Mustafa Kemal Ataturk, a former Ottoman commander, began uniting local resistance organizations into a national liberation army and a revolutionary government in Ankara that directed the resistance movement. Subsequently, the resistance army removed the European forces under Mustafa Kemal's leadership. Following the military victory, the parliament abolished the Ottoman Sultanate and signed the peace treaty of Lausanne with allies that recognized the legitimacy and boundaries of the newly established state of Turkey. The Great National Assembly of Ankara declared the Republic on October 29, 1923, and selected Mustafa Kemal as its first president.

The new regime implemented a comprehensive set of top-down reforms. In a way, the declaration of the Republic not only changed how and by whom the new state would be governed, but it was an unprecedented economic, social, and cultural revolution to "transform the entire fabric of the society along modern Western lines" (Kazamias, 1966:p.17). For

example, the government abolished the caliphate. This critical political institution validated the Ottoman Empire's power to govern different Muslim ethnic and racial groups for centuries and exiled the last caliph Abdulmecit. In 1926, the new regime abolished the old civil and penal codes based on Sharia law and adopted modern and secular codes from the Swiss and Italian legal systems. In 1928, the government repealed the second article of the 1924 Constitution, which declared Islam the state's official religion (Azak, 2010).

The removal of Islam from the legal and formal administrative apparatus of the new state was genuinely revolutionary. One prominent theme of wartime propaganda to unite local resistance forces into a national campaign portrayed the movement as "the brotherhood of all Muslims within and beyond the borders, including Kurds, Circassians, and Lazis against the Christian invasion," which had the intention of "exterminating Islam" (Turnaoğlu, 2017:p.199). The unified organization of the local resistance groups under the leadership of Mustafa Kemal, the Association for the Defence of Rights of Anatolia and Rumelia *(Anadolu ve Rumeli Müdafa-i Hukuk Cemiyeti)*, announced, for example: "All the Muslim elements [ethnic groups] living on the Ottoman territory are genuine brothers who are full of feelings of respect for and devotion to each other and are respectful to each other's social and ethnic norms and local conditions" (Yeğen, 2007:p.126).

Unsurprisingly, these secular reforms broke the bonds between different Muslim ethno-sectarian groups and created a significant dilemma for the founding elites. Although the country's religious heterogeneity decreased considerably after the loss of the Balkan territories and the Turkish-Greco population exchange, the cultural and linguistic heterogeneity between the remaining Muslim population was substantial due to the Muslim refugee influx into Eastern Thrace and Anatolia. In addition, there were already existing critical ethno-sectarian divides within the local Muslim population that threatened the Ottoman Empire's political stability for centuries, even in the presence of the caliphate and the unifying aspects of the Islamic Empire. In addition, there were already existing ethno-sectarian divides within the

local population: the Kurds and the Alevis were the most significant Muslim minorities.

Keeping different factions together voluntarily with the promise that the new Republic would be "a brotherhood of all Muslims within and beyond the borders, including Kurds, Circassians, and Lazis, against the Christian invasion," which had the intention of "exterminating Islam" (Turnaoğlu, 2017:p.199), was a challenge with the new regime moving away from Islam and toward Western modernization. Therefore, to minimize backlash against the new and fragile order, Mustafa Kemal and the Republican People's Party *(Cumhuriyet Halk Partisi)* minted an alternative (Turkish and Sunni) national identity that could supersede the undesirable Ottoman-Muslim one through extensive and occasionally coercive indoctrination, propaganda, and state-building campaigns during the single-party era (1923–1950) (Zürcher, 2014).

Thus, the ambitious state-building program introduced a striking departure from the resistance movement's wartime politics that recognized and respected the existence of different ethnic and sectarian groups. The sudden divergence from initial promises during this non-democratic single-party era lasting until 1950 sparked backlashes from local and traditional elites with diverse backgrounds around the country that would continue throughout the first 15 years of the new Republic. However, by increasing its military capacity and presence, the new regime controlled these local flare-ups by 1938.

The ambitious nation-building program also introduced a striking departure from the resistance movement's wartime politics that recognized and respected the existence of different ethnic and sectarian groups. Before 1923, the resistance movement emphasized that Kurds would be autonomously governed through "a local government in the lands inhabited by Kurds" once the Christian threat to Muslim existence was over (Yeğen, 2009:p.598). However, after the proclamation of the Republic, the Kurds' existence and right to self-govern were denied by the new regime. In other words, "there were no more Kurds (or any other ethnic groups, as an ethnic political body), but simply Turkish citizens" (Yeğen, 2009:p.598).

The sudden divergence from initial promises sparked violent backlashes around the country that would continue throughout the first 15 years of the new Republic. There were 13 revolts between 1925 and 1930 that all took place in primarily Kurdish-majority areas. Many of these revolts were more than regional flare-ups—the new regime perceived them as an intense danger to territorial unity. It maintained its military presence against the local Kurdish tribes. In April 1937, another rebellion began in Dersim under the leadership of an Alevi-Kurdish cleric as an injunction to the government to reverse its increased state presence and assimilation policies in the area (Aslan, 2015). After a year of bloodshed, during which more than 25,000 people were killed on both sides, the Turkish armed forces crushed the rebellion in 1938 with incredible difficulty.

The Dersim revolt expanded its military activity and assimilation attempts in the region. It also put the Kurds and Alevis in the spotlight of the new regime's suspicions and perceived threats to national unity. Consequently, and somewhat paradoxically to the efforts of removing anything to do with religion from state affairs, the regime began promoting a Sunni-Turkish identity and perceiving anybody who claimed sectarian differences as a true enemy of the government. Hence, similar to the unkept promises of a new country based on a Muslim brotherhood of different ethnic groups, the Turkish Republic failed to keep its commitment to creating a secular order that ensures equal citizenship rights regardless of sectarian or religious differences from a Sunni Muslim identity (Lord, 2020).

3.2 Coercive State Building

The general inspectorates (Umumi Müfettişlik) were initially established during Sultan Abdul Hamid II's reign in response to international pressure from the Berlin Congress, which called for reforms in six Eastern Anatolian provinces: Erzurum, Sivas, Van, Bitlis, Mamuretülaziz, and Diyarbakır. The first General Inspector at the time was granted significant authority, including the use of force, and reported directly to the Sultan. In 1913, the inspectorate was

reinstated due to Armenian advocacy and Russian pressure. Inspectors appointed during this period were from foreign powers and were recalled or dismissed with the outbreak of World War I. During World War I, the Ottoman elites made attempts to re-establish the general inspectorates. However, this institution did not last long due to the war conditions and the state's inadequacies (Koçak, 2010).

During the Turkish National Struggle for Independence from 1919 to 1922, various sources of authority coexisted within the country, including Ottoman elites in Istanbul, Kemalists in Ankara, and occupying forces in different regions. The Turkish Grand National Assembly (TBMM) was established during this period, and a constitution was drafted, laying down the fundamental principles of the Turkish nation and the state. This constitution also provided the legal framework for general inspectorates. Article 22 of the constitution indicated, "Provinces will be united based on their economic and social relations to form General Inspectorate districts." Article 23 further stated, "The general inspectors are responsible for ensuring overall security and inspecting the operations of all offices within their districts. They also coordinate common affairs among the provinces within their districts. General inspectors continually oversee the state's general duties and the decisions and duties of local administrations." These provisions placed all activities under the supervision of general inspectors. Despite their appearance as decentralized administrations, the General Inspectorates were actually tightly connected to the central government to ensure the efficient implementation of the authority nationwide. Through these institutions, the government aimed to guide the rural population in alignment with central policies and interests.

After the establishment of the Turkish Republic, the institution was redesigned to oversee and coordinate the activities of various provinces grouped into specific administrative regions with the aim of improving administrative efficiency and regional governance. General Inspectors were assigned to maintain public order and security within their respective regions, particularly in areas prone to disorders. Moreover, they were responsible for monitoring the performance

and conduct of all civil servants within their jurisdiction, preventing misconduct, and ensuring effective public service. The institution's bureaucracy is comprised of the General Inspector, Chief Advisor, Director of Foreign Affairs, Director of Private Office, Director of Administrative Affairs, Director of Documentation, Director of Statistics, Advisor for Public Order, Deputy Advisor for Public Order, Advisor for Security, Deputy Advisor for Security, and various Intelligence Officers. General Inspectors collaborated with provincial governors on common issues, such as infrastructure projects (e.g., roads, schools, hospitals). They had the authority to take disciplinary actions against officials, including issuing warnings and implementing corrective measures. Furthermore, General Inspectors routinely provided reports to the central government on their regions' administrative, economic, and social conditions, along with recommendations for improvements and reforms.

The Ottoman state was a typical empire that exhibited a characteristic multi-religious and multi-ethnic structure. Despite the elimination of a considerable number of its diverse ethnoreligious groups through various means during the early years of the Republic, the Republic of Turkey initially maintained the fragmented structure inherited from the Ottomans. During the formative years of the state, the Ankara government's pursuit of a mono-ethnic and secular republic produced numerous reactions from these diverse groups. Notably, the uprisings of the Kurdish minority and conservative factions were significant. As mentioned above, the Sheikh Said Rebellion in 1925 and subsequent conservative and Kurdish uprisings raised significant concerns for the central government. Although the Army Inspectorates, a remnant institution from the wartime era, successfully suppressed these rebellions, it proved inadequate in preventing new ones. The army inspectorate was deficient in terms of both budget and personnel. Furthermore, the existing tribal system in the Kurdish region impeded the implementation of central policies.

Centralizing power was crucial for the Turkish Republican regime from 1920 to 1950. During the Ottoman Empire, the Kurds had some autonomy, which made it difficult for

them to fully integrate into the central political structure. When the Ankara government abolished the Caliphate in 1924, this issue intensified because the Caliphate symbolized unity between the Kurds and the central power through Islamic and imperial logic. The Turkish Republic aimed to create a nation-state and could not tolerate challenges to its political integration. As a result, the Turkish state focused on consolidating political and military power through centralization, leading to significant Kurdish resistance, including various revolts and two major rebellions from the late 1920s to the late 1930s (Yeğen, 1999).

Kurdish society is traditionally organized into tribes, led by a chieftain called *agha* or *sheik*. The position is often hereditary, passed down within prominent families. These tribal leaders, religious sheiks, and landlords hold significant power and act as state elites in the Kurdish region. The *agha* has considerable authority and influence over tribal members, mediating disputes, and representing the tribe in external matters. These leaders also possess financial resources and armed manpower, allowing them to maintain strong connections and influence over the local population. The tribal identity often takes precedence over national or ethnic identities. Thus, state elites viewed tribal leaders with suspicion, blaming them for regional uprisings during the early republic. To establish direct rule and achieve the Turkification of Kurds, Republican elites aimed to eliminate the influence of tribal organizations.

Consequently, the "Law on the Establishment of General Inspectorates" was enacted on July 16, 1927, and led to the establishment of the First General Inspectorate of the Turkish Republic. This law empowered the Turkish government to create general inspectorates to address regional issues that involved multiple provinces and required joint action. These inspectorates were vested with specific authorities to ensure the implementation and enforcement of laws and regulations, maintain public order, and supervise administrative functions within their jurisdictions. General inspectors, who were appointed and dismissed by the Council

of Ministers, operated under the Ministry of Interior[4]. The objective was to integrate local administrations with the central government and reinforce the state's authority in the provinces against any initiatives that could jeopardize state integrity. The institution was designed to address the disconnect between local administrations and to consolidate and centralize all functions necessary for implementing directives from the central government (Bulut, 2015).

The law mandated that the positions for general inspectorates be determined through the national budget. If the establishment of additional positions was necessary within a fiscal year, these positions would be organized by the Ministry of Interior, implemented by the Council of Ministers, and subsequently presented to the Grand National Assembly for approval in the following year. Furthermore, the government could allocate the necessary number of advisors and other personnel from various ministries to support the inspectorates. A temporary provision within the law allowed the government to allocate up to eighty thousand Turkish liras from the Ministry of Interior's non-allocated expenditure section for the salaries and expenses associated with the establishment of the inspectorates in 1927. These legal aspects illustrate that the establishment and functioning of the general inspectorates were significantly regulated by central authorities as part of their endeavor to centralize administrative power.

The First General Inspectorate was established to cover the provinces of Elazığ, Urfa, Hakkâri, Bitlis, Siirt, Van, Mardin, and Diyarbakır in 1927.[5] These provinces were affected by the Sheik Said Rebellion and were under martial law following the uprising. They also had high levels of bandit and outlaw activities and were vulnerable due to their border positions. Shortly after establishing the inspectorates, efforts were made to neutralize these bandits and outlaws to ensure security, focusing mostly on addressing these security issues. Historians

[4]T.C. Resmi Gazete (Official Gazette), Issue: 634, July 16, 1927
[5]T.C. Resmi Gazete, Issue: 634, July 16, 1927

assert that the main purpose of the general inspectorates was to address administrative and security matters, with economic and cultural activities being less prioritized at first. However, as the number of general inspectorates grew in other regions with fewer security issues, these other activities became more significant (Bulut, 2015). In a letter addressed to Prime Minister İsmet İnönü on February 12, 1931, the First General Inspector expressed his views concerning the envisioned changes to the judicial law and the importance of the amendments for his region:

> *In this region, the most frequently committed crime is murder, primarily due to interests, hostility, feelings of revenge, and land disputes. A major reason for the increased audacity of the perpetrators is the hope of escaping after committing the crime and avoiding capture by the government. Indeed, many of those involved in such crimes, despite the efforts of law enforcement, receive support from their tribes and families. They find refuge in the mountains, and their families provide them with necessities such as food, weapons, and ammunition, ultimately leading them to persist in their criminal behavior. The difficulties encountered in bringing these criminals to justice lead to trials being conducted in absentia, and the temporary suspension of investigations encourages their boldness. Such fugitives continue to disrupt the peace and security of the country, both individually and collectively. Since the jurisdictions where their families and accomplices reside do not recognize these actions as criminal, they are not punished, which further emboldens them.*[6]

The report underlined how tribal support perpetuated criminal behavior in the Kurdish region, complicating government efforts to enforce the law. Tribes provide refuge, supplies, and protection to criminals, enabling them to evade capture and continue their activities.

[6]BCA 30.10.0.0/69-455-2, February 12, 1931

This support system, rooted in tribal loyalty, undermines law enforcement in the region. The government's failure to limit these tribal networks and enforce legal standards allowed criminals to disrupt peace and security.

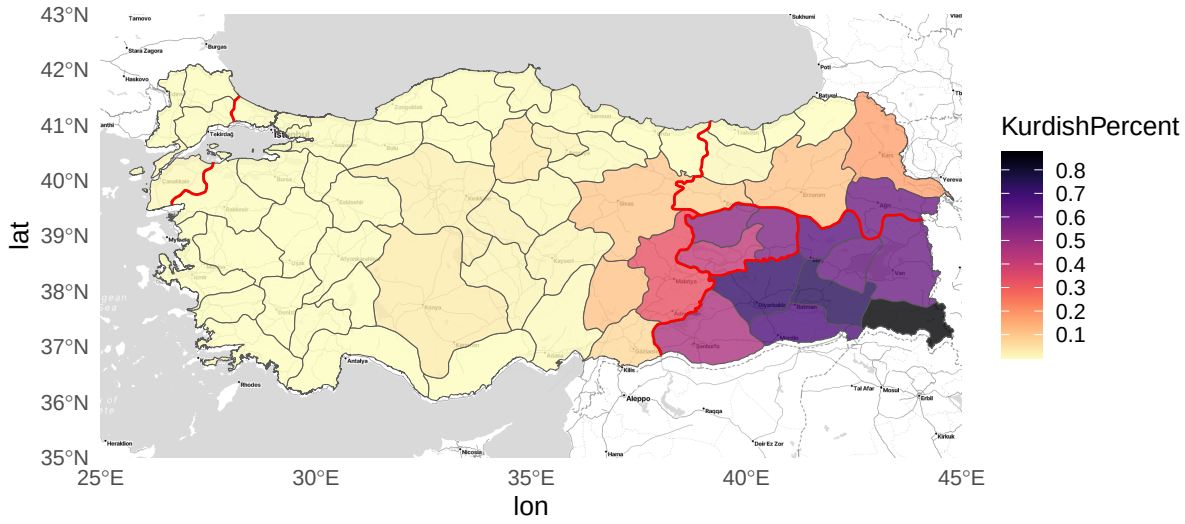

Figure 2: Inspectorates by Percentage of Kurdish-Speaking Population

Figure 2 shows the boundaries of the inspectorates and the percentage of the Kurdish-speaking population. The map clearly indicates that the Kurdish-speaking population is mainly located in the eastern part of the country. Furthermore, every province with a majority of Kurdish speakers experienced the establishment of a coercive institution.

The Second General Inspectorate, also known as the "Thrace General Inspectorate", was established in 1934 to oversee the provinces of Edirne, Kırklareli, Tekirdağ, and Çanakkale.[7]

[7]T.C. Resmi Gazete, Issue: 2640, February 27, 1934

It was located in the northwest of Turkey and aimed to restore order due to the chaos caused by migrants arriving from the Balkans, and systematically and strategically settle the Turkish population arriving from these regions. While there were no uprisings similar to those in the Kurdish regions, there were anti-Jewish incidents and violent acts in the same year, indicating the state's struggle to maintain order in the area. As a result, the Second General Inspectorate focused on managing the significant migrant activities, ensuring settlement and peace in the Thrace region, and promoting regional development activities.

In a report to the government, Second General Inspector Kazım Dirik noted that the region was generally secure, with no significant public order issues. The local gendarmerie effectively managed minor incidents. However, the region's proximity to the Balkans posed potential future security risks. He also mentioned the presence of diverse ethnic groups within the region, including Circassians, Pomaks, and Jews. While the Circassians and Pomaks did not present immediate threats, Dirik emphasized the need for continued observation. According to him, Pomaks, who had been culturally isolated in the Balkans, were trying to integrate, particularly by adopting the Turkish language. Educational initiatives were being implemented in Pomak villages to aid this integration, with schools being established to improve literacy and cultural alignment. On the other hand, there were concerns about the economic dominance of Jewish communities in Thrace, especially their control over local industry and commerce. To counteract this influence, the government focused on developing cooperatives to support local farmers and reduce reliance on Jewish traders. Establishing agricultural cooperatives was a key initiative. These cooperatives aimed to empower local farmers, protect them from exploitative practices, and ensure fair market prices for their products. These initiatives aimed to ensure regional stability and economic resilience by reducing reliance on external traders and fostering local development.

After inspecting the developments in southeastern provinces, Prime Minister İsmet İnönü reported that there was effective coordination among the provinces within this region under

the First General Inspectorate. However, the northern provinces in the eastern region did not benefit from the inspectorate's efforts and remained underdeveloped. This created an imbalance that contradicted the government's policy of achieving comprehensive development across the East in order to catch up with the West. As a response, the Ankara government established the Third General Inspectorate in 1935 to address these disparities and improve coordination in the northeastern provinces. This new inspectorate covered the provinces of Erzurum, Kars, Gümüşhane, Çoruh, Erzincan, Trabzon, and Ağrı, along with their respective districts and villages.[8]

Dersim, later renamed Tunceli, was considered the epicenter of the Sheik Said Rebellion and was an area where tribal chiefs and sheiks held significant influence. Despite government efforts, the feudal order in the region could not be eradicated. The underdevelopment of the region's economy and infrastructure was seen as contributing to the persistence of this feudal structure. Due to the lack of roads, the local population could only sell their produce through moneylenders and illegal connections affiliated with the tribes, leading to increased poverty. The villages had no connection with the provinces, resulting in a perpetuation of an isolated way of life. In response, a new general inspectorate was established in this area to reduce the influence of the tribes and re-establish the loyalty of the local population to the state. This was to be achieved by bringing services to the region that would promote the welfare of its people (Özbay, 2019). The Fourth General Inspectorate was established in 1936, covering the areas of Bingöl, Tunceli, and Elazığ. Elazığ was separated from the First General Inspectorate region, and arrangements were made regarding the districts and villages connected to other provinces.[9] Districts and villages with a high concentration of tribes were reorganized to be included under this inspectorate.

Following the end of World War II, a new era emerged characterized by the global rise

[8]T.C. Resmi Gazete, Issue: 3103, September 11, 1935
[9]T.C. Resmi Gazete, Issue: 3207, January 16, 1936

of liberal economic policies. Many countries, including Turkey, adjusted their investment strategies accordingly. The shift to a multi-party system brought about increased scrutiny of the government's investment policies, particularly regarding the impact of general inspectorates on the state budget. When the Democratic Party came into power in 1950, Turkey embraced liberal economic policies, reducing the state's involvement in the economy and promoting the growth of the private sector. This transformation also altered investment priorities in Eastern Anatolia, with certain institutions being perceived as ineffective and a financial burden on the budget (Özbay, 2019). As a result, general inspectorates were abolished by the new government in 1952.[10] The broad powers of the general inspectorates and their strong stance against anti-regime forces are seen as key reasons for their closure after the government change, with the claim of their financial burden acting as an excuse for their abolition.

Figure 3 below shows treated and never-treated units in our analysis based on the establishment year of the general inspectorate in each region, using 1937 borders. Despite some provinces later transferring between jurisdictions, we used their initial establishment year as the treatment year in our staggered design. For example, In 1929, Ağrı was incorporated into the jurisdiction of the First General Inspectorate. However, following the establishment of the Third General Inspectorate in 1935, it fell under the jurisdiction of this new inspectorate. The map shows that the entire eastern part of the country and the Thrace region are treated with the establishment of a coercive institution. In contrast, Central Anatolia remains untreated, with a majority of Turks and a relative absence of ethnic or religious minorities.

The qualitative evidence on the general inspectorates established in various regions played a crucial role in providing security and public order, improving education and health services, building roads, enhancing the economic conditions of the people, and promoting cultural, social, and commercial activities. These efforts significantly supported the development of

[10]T.C. Resmi Gazete, Issue: 8270, November 29, 1952

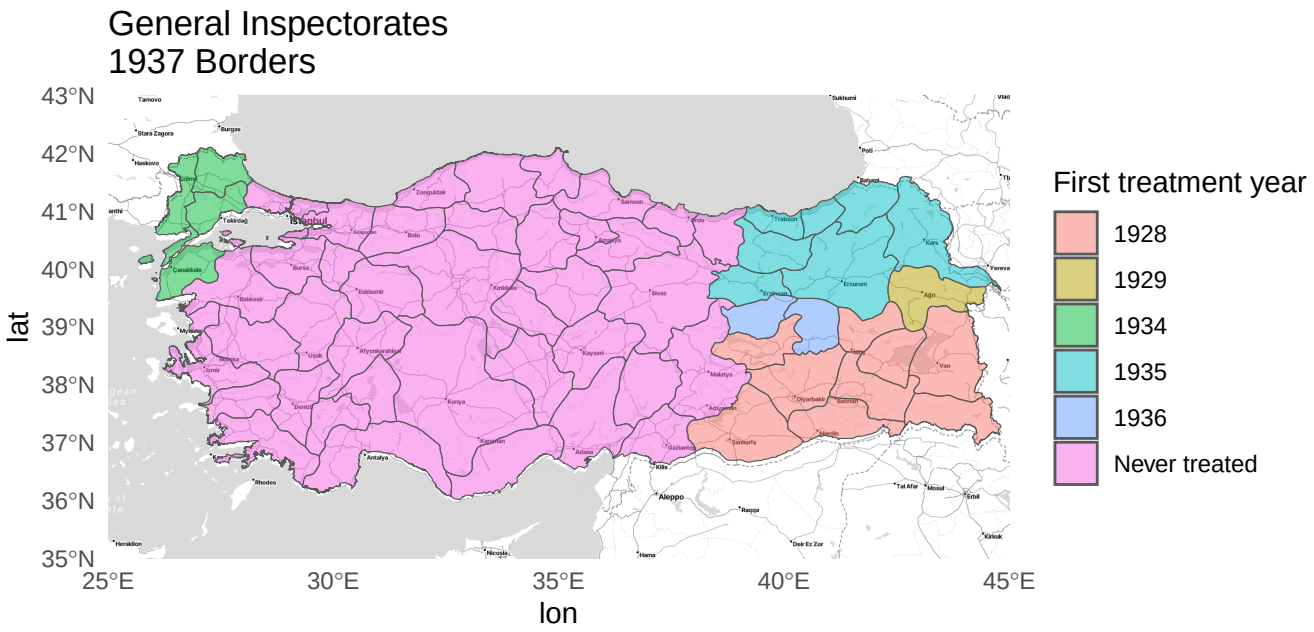

Figure 3: Provinces by First Treatment Year

the newly founded Republic of Turkey. According to some historians, the priorities of the inspectorates varied depending on the regions where they were established. For instance, the primary aim of the inspectorates in the Eastern and Southeastern regions was to ensure public order and security, while those in the Thrace region focused mainly on public service provision, settlement activities, and economic development (Özbay, 2019).

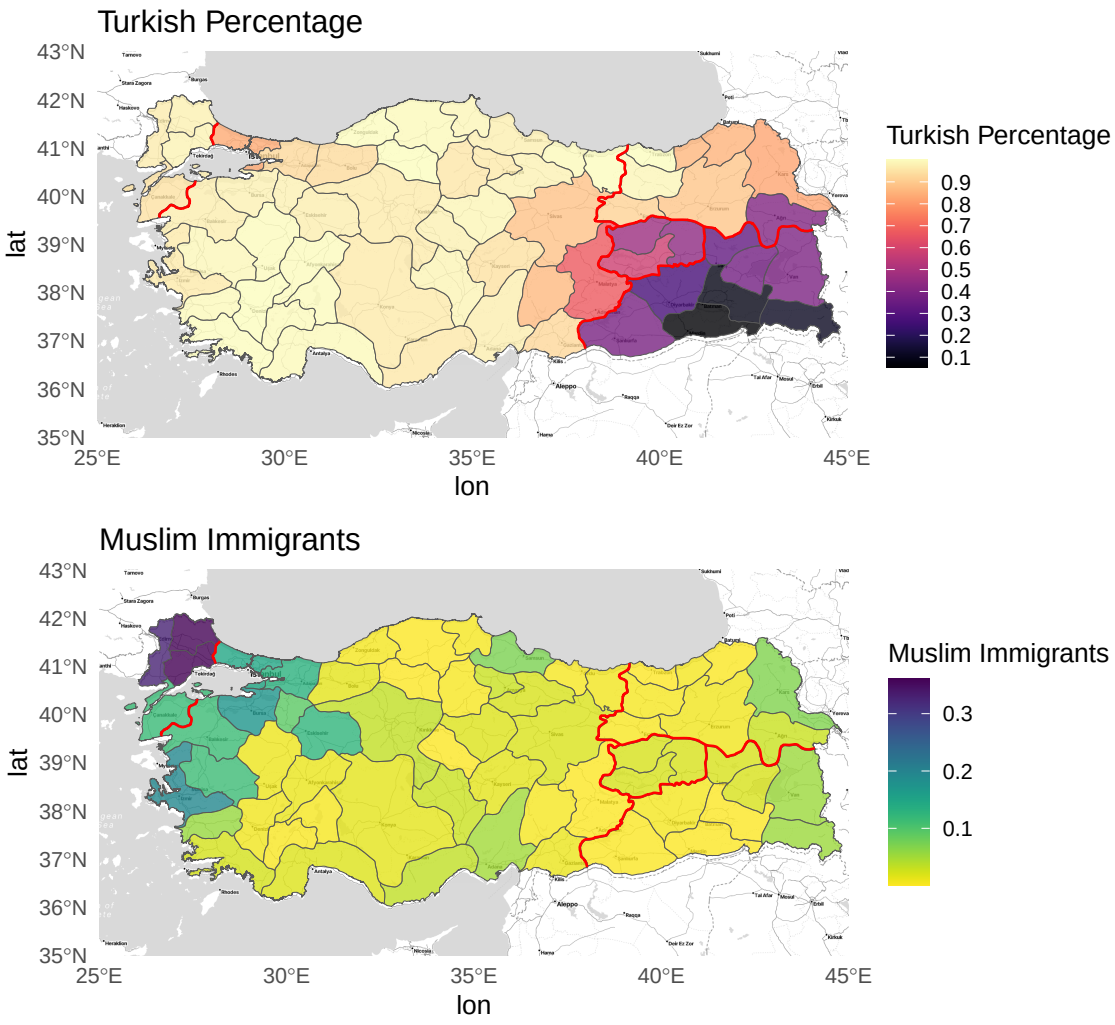

Figure 4: Percentage of Turkish-speaking Population and Muslim Immigrants

However, the ethnic diversity within the Thrace region was also a major consideration for governmental policies during the 1930s and 1940s and influenced the strategies implemented by the Thrace General Inspectorate. Figure 4 displays the percentage of the Turkish-speaking population and Muslim immigrants, delineated by inspectorate borders in red. The maps indicate that while low Turkish-speaking populations were primarily a concern in the eastern part of the country, the Thrace region had the highest number of Muslim immigrants. This posed an issue for the early republican elite, who feared that these newly transferred immigrants might not integrate and could pose a security threat to the nation's unity. A

report presented by the Thrace General Inspectorate to the government in 1937 emphasized severe cultural, linguistic, and educational deprivations facing the ethnic communities in the region. This report explicitly stated,

> *It is evident that in the Thrace region, there is a large population of people who have unfortunately been deprived of their national culture, language, and scientific knowledge, living in a state of alienation. In the provinces of Edirne, there are 76, in Kırklareli 53, in Tekirdağ 19, and in Çanakkale 27 villages where the Pomak people live. Schools have been opened, and teachers have been provided for 94 of these villages. However, 81 villages are still without schools. Due to the small population of these villages, it is not feasible to open a separate school, but local budgets can be allocated to support them. Future educators should be trained to provide even minimal assistance to these villages. The pride of these villagers in integrating with the national culture and their enthusiasm for education are commendable.*[11]

The report additionally proposed that Pomak children should be educated in boarding schools to be built in their villages in order to protect them from 'harmful propaganda' and assimilate them into Turkish culture. He defines Pomak as "reformable through cultural and educational movements". It also urged the government to allocate a budget for this initiative. Another similar report also mentions that the general inspectorate made significant efforts to ensure that the Pomaks in the region spoke Turkish, noting that financial support from the government was expected for this goal.[12] This serves as evidence that the government, recognizing the potential threat from the Kurds in the east, also feared that the Pomaks could create issues in Thrace. This emphasizes the importance the government placed on security and national unity in this region as well.

[11]BCA 30.10.0.0/143-28-11, April 27, 1937
[12]BCA 180.9.0.0/240-1197-8, February 3, 1935

4 Data

In 1967 and 1973, the Ministry of Interior commissioned the publication of provincial yearbooks with the aim of documenting and promoting the unique characteristics, history, and contributions of Turkey's 67 provinces at the time. These yearbooks, modeled after the "Vilayet Salnameleri" of the Ottoman Empire and similar documents from various Western administrations, were thoroughly compiled by provincial administrators and scholars to ensure high accuracy and comprehensiveness. They are crucial resources for understanding regional disparities and developmental progress across various provinces of Turkey.

The yearbooks provide extensive information on each province's administrative bodies, key officials, local governance structures, historical significance, cultural heritage, local customs, and contributions to the national identity. They also offer statistics on economic activities such as agriculture, industry, commerce, and tourism, as well as descriptions of natural resources, geographical features, and environmental conditions. The social section covers the social life in major cities and essential services like roads, water, and electricity. Additionally, each yearbook includes tables with village-level data on the presence of schools, reading rooms, mosques, drinking water, roads, telephones, electricity, health services, gendarme stations, village rooms, and selector buildings. These data points were systematically coded from the tables and incorporated into our dataset.

We also utilized other archival materials to study the evolution of public services over time and across different regions. For instance, we documented the establishment dates of each village school using a primary source published by the Ministry of Education, titled 'Information about city, town, and village primary schools affiliated with the Directorate of Primary Education' (*İlköğretim Genel Müdürlüğüne bağlı şehir, kasaba, köy ilkokulları ve bu okullara ait bazı bilgiler*), which lists the establishment dates of each village school until 1963. By matching this data with our village records, we determined whether a village had

a primary school in the year under investigation. Additionally, we georeferenced multiple historical maps from the National Archives of Turkey to account for historical province and inspectorate borders, as well as to generate shapefiles of railroads, post offices, and road networks.

5 Empirical Strategy

The empirical implications of our theory indicate various strategies by the state, including decisions to either enhance or strengthen state presence or leave certain areas undeveloped. It also highlights different investment strategies, such as investments in infrastructure versus investments in human development, and diverse development outcomes, such as improvements in physical connectivity or essential services like schools and piped water. First, our theoretical framework assumes the state makes a firm decision to increase its capacity and extend its spatial presence into 'brown areas', but it faces varied reactions from communities based on their proximity to the state, as well as their differing capacities and incentives to resist. To ensure an unbiased examination of heterogeneous demand-side reactions to the state's supply of coercion, we require a treatment plan that maintains uniform state efforts while allowing for variations in subnational treatment to compare outcomes before and after treatment in both treated and non-treated areas.

As outlined in the previous section, the General Inspectorates of the early Republican period provide a perfect theoretical and empirical opportunity to study differential reactions to the state's expansion efforts by different communities. One of the fundamental empirical challenges in studying this question involves one of the most robust relationships in political science: the inverse relationship between diversity and state investment. However, as outlined above, inspectorates demonstrate a firm commitment by the Turkish state to invest in areas with various types of diversity and security concerns. As illustrated in Figure 3, we take

advantage of both differences in treatment year, and the variation in treatment status (never treated vs. treated).

Secondly, our theory also addresses different outcomes in public service and infrastructure provision. For example, we distinguish between coercive infrastructural investments and the sustained provision of public goods. Furthermore, we are interested in examining these outcomes over different time periods: short-term and long-term. We classify roads and railroads (or stations) as coercive infrastructural investments aimed at facilitating the state's reach into brown areas, consistent with the state-building literature in political economy (Cermeno, Enflo and Lindvall, 2018; Voigtländer and Voth, 2014). First, we examine railroad expansion between 1923 and 1947, operationalized as whether a village is within a 50 km (31 miles) radius of a train station, to study the short-term infrastructural impacts of coercive treatment. Additionally, we analyze road access in the late 1960s, focusing on whether a village has direct access to the road network, to assess the long-term persistence of initial coercive efforts.

On the other hand, we consider schools and piped water as variables that capture the (sustained) provision of public goods and services, emerging as a consequence of cooperation between the state and various rural communities. Rural schools and piped water infrastructure serve as pivotal public services for examining the extent of cooperation (or lack thereof) between local communities and the state, especially in how these services were financed during the early Republican period. The Village Law, numbered 442, enacted in 1924, delegated the responsibility of constructing village schools and installing piped water systems to the villagers, with a promise of financial assistance from the government.

During a parliamentary debate in 1947, for instance, Resat Semsettin Sirer, then Minister of Education, assured the parliament, "We allocate funds to each province based on the number of schools under construction, providing each school with 1500 lira at the beginning of the academic year. After this initial allocation, there is often a surplus amount, which we

distribute as additional aid to our eastern provinces with weaker budgets."[13]Using various original data sources on schools outlined in the previous section, we initially examine whether coercive institutions prompt the establishment of more primary schools (measured as a binary variable that takes the 1, if there is a primary school within 3 kms of a village, 0 otherwise). This can occur either directly through the enforcement capacity of state agents or indirectly through economic growth facilitated by expanded transportation networks.[14] We also study the incidence of school and piped water in villages, using Province Yearbooks' cross-sectional data from the late 1960s.

Using these independent and dependent variables, we employ three empirical strategies. First, employing a differences-in-differences framework, we investigate the impact of coercive institutions—specifically General Inspectorates—on outcomes related to school and rail extensions. Next, we utilize a spatial regression discontinuity design to analyze whether borders of inspectorates have led to discontinuous effects on the presence of schools, roads, and piped water infrastructure on either side of these borders. Finally, we employ an ordinary least squares (OLS) framework to assess the long-term effects of coercion on water, school, and road infrastructure across inspectorate and non-treated regions.

[13]TBMM Tutanak Dergisi, Cilt 6, Toplanti 1, 3.9.1947

[14]Law 427 on Village Schools and Institutes (19.6.1942) describes the nature of village population's responsibility in building and maintaining schools: "Every citizen who is a resident of the village or has been settled in the village for at least six months, between the ages of 18 and 50, is required to work up to twenty days a year until the completion of tasks such as the construction of village and regional school buildings, providing water to these buildings, building school roads and gardens, and repairing them. The register of villagers subject to this mandatory work will be prepared by the council of elders with the participation of educators, teachers, or itinerant teachers and head teachers."

6 Results

6.1 Coercive Institutions and Development in the Short Term

In Hypothesis 1, we propose that coercive institutions enhance short-term infrastructural development. To investigate this hypothesis, we employ a difference-in-difference model. To obtain estimates that can be more credibly interpreted as causal, we leverage the sharp and staggered implementation of Inspectorate institutions across provinces in the years 1927 through 1936. As discussed in Sun and Abraham (2021), the Time-Weighted Fixed Effects (TWFE) model estimated using Ordinary Least Squares (OLS) provides consistent estimates only under strong assumptions regarding the homogeneity of treatment effects when the treatment is staggered. To accommodate heterogeneity in treatment effects across time and treated units robustly, we utilize the estimator proposed by Callaway and Sant'Anna (2021), which is designed to handle treatment effect heterogeneity effectively. We present both the aggregate average treatment effect, group-aggregate treatment effect, and a dynamic event study to examine whether pre-reform trends satisfy the parallel trend assumption, ensuring that the difference in outcomes between the control and treatment groups remains constant in the absence of treatment.

We start by presenting the weighted average of all group-time average treatment effects on rural access to rail stations and schools, with weights proportional to the group size. In Figure 5, we plot the average treatment effects across all groups and lengths of exposure to the treatment using various specifications and control groups. Across these specifications, we compare treatment groups with both never-treated and not-yet-treated groups. Additionally, we employ specifications with and without geographic controls (such as elevation, distance to Ankara, wheat yield, tobacco yield, cotton yield, and mean temperature). Finally, we always cluster standard errors at the village level.

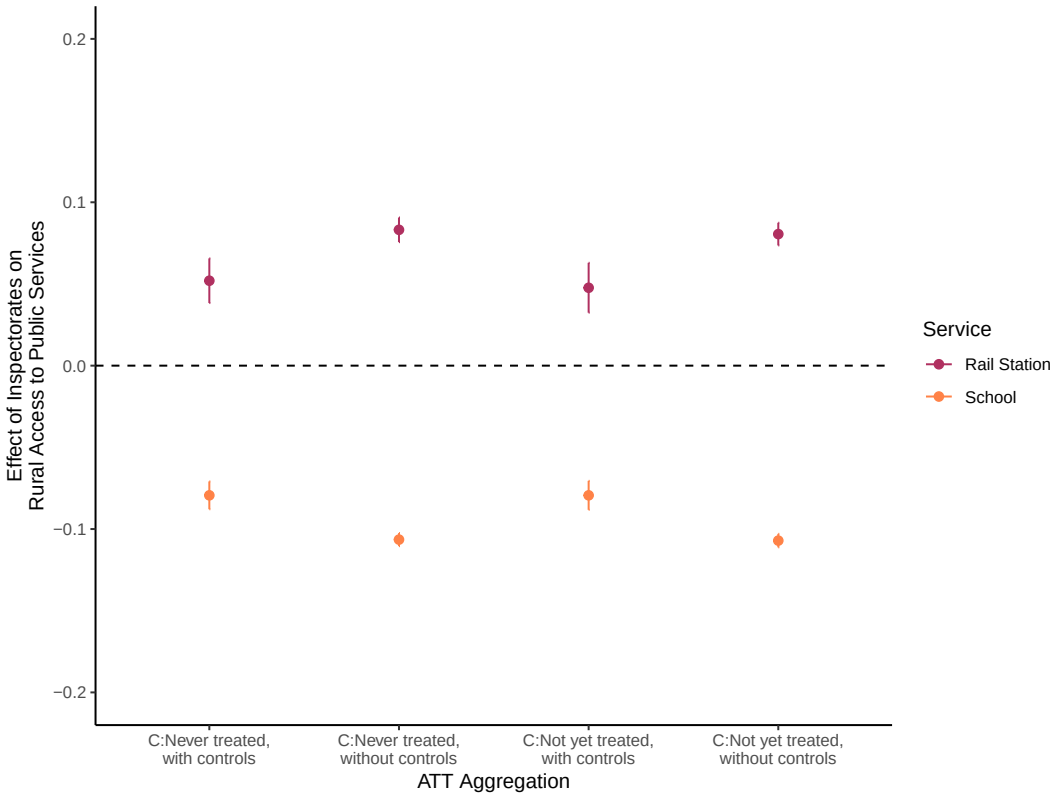

Figure 5: Short term impacts

Figure 5 reveals, independent of the inclusion of geographic controls or different operationalization of the control group, there is a robust and positive effect of coercive state present on rural access to rail stations. On average, the average treatment effect aggregated across treatment groups, subject to weights, ranges between 0.046 and 0.083. On the other hand, we find a robust and negative impact of the treatment of school establishment. In line with our Hypothesis 1, across different specifications, the coercive expansion of the state decreases the probability of the establishment of new schools, compared to the control group, whether it is defined as the never treated or not yet treated units, by 0.07 to 0.10.

A causal interpretation of the estimates in Figure 6 hinges on the assumption of parallel trends. We explore both pre-trends and dynamic Average Treatment Effects on the Treated (ATT) in Figure 6. The x-axis represents the length of exposure to the treatment. The figure

demonstrates that the estimates support the parallel trends assumption: coefficients on the years preceding the establishment of inspectorates are consistently near zero, indicating no discernible pre-trends. Figure 6 also illustrates the evolution of treatment effects over time post-adoption. The increasing treatment effects for rail stations can be attributed to growing returns from initial substantial investments in infrastructure. Conversely, the escalating intensity of negative treatment effects on schools over the years suggests mounting resistance from rural communities to state expansion efforts.

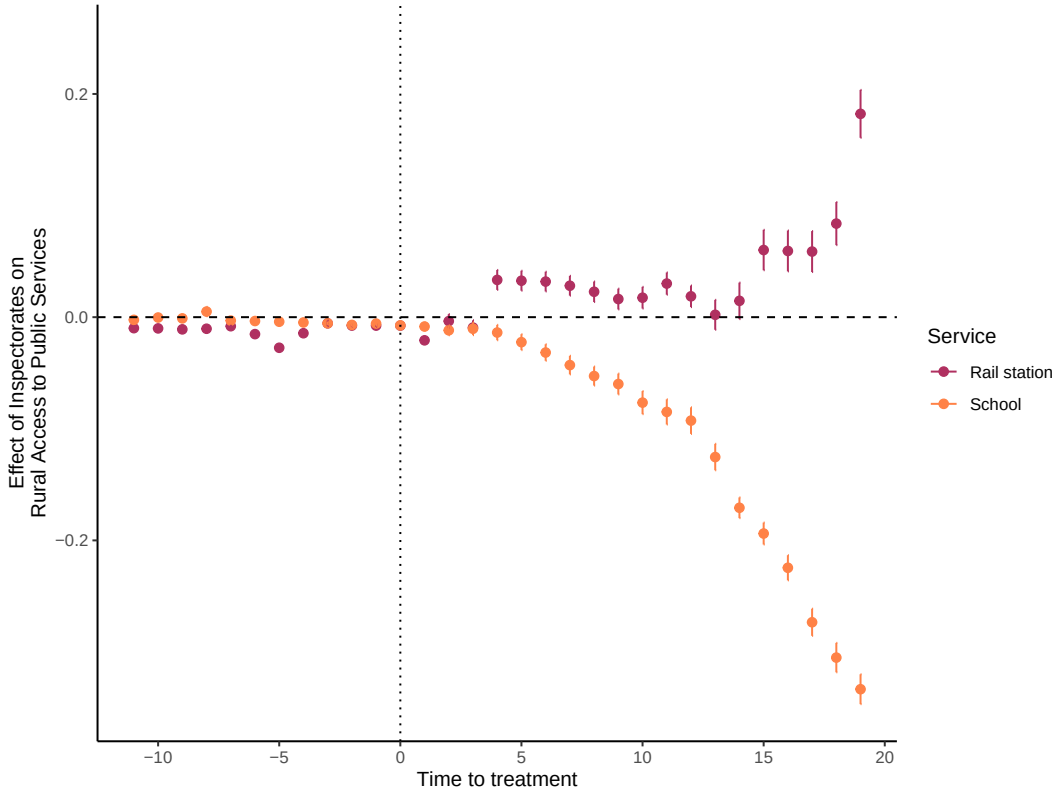

Figure 6: Event study

Hypotheses 2 and 3 posit that the sustained provision of public goods following the implementation of coercive state capacity efforts depends on the preference gap between the center and the periphery. As outlined previously, the Kurdish minority demonstrated significantly more incentives and capacity to resist state efforts compared to other diverse

regions co-opted by the inspectorates. Therefore, we examine the impact of inspectorates on the probability of school establishment using different treatment groups to assess whether inspectorates had differing effects on Kurdish regions compared to other treated units. Figure 8 presents the overall Average Treatment Effect on the Treated (ATT) for sub-samples categorized by the initial treatment year. As detailed earlier, the treatment groups in 1928, 1929, and 1936 are predominantly Kurdish, while the 1934 group is primarily inhabited by Muslim immigrants, and the 1935 group includes predominantly Lazis and Georgians. In line with our expectations, inspectorates had a negative impact of school establishment in the Kurdish regions, while it had null or positive significant impact on non-Kurdish regions.

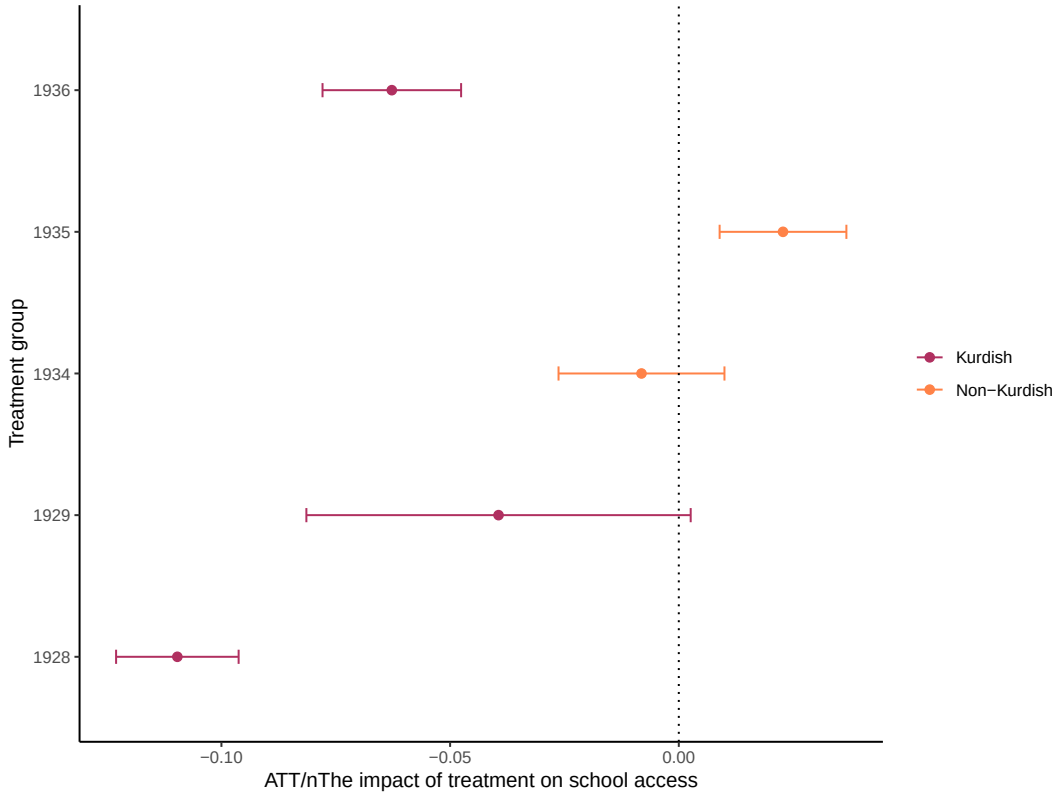

Figure 7: ATT for sub-samples by initial treatment year, Kurdish vs. non-Kurdish regions.

6.2 Persistence?

To assess the impact of treatment on medium term development outcomes, we rely on a spatial regression discontinuity design. We employ a non-parametric local linear regression with automatic bandwidth selector proposed by Calonico, Cattaneo and Titiunik (2015) where the running variable is distance to the inspectorate border to estimate the impact of treatment on whether a village has a school, piped water connection, and road connection in the late 1960s.

Table 1 presents the spatial Regression Discontinuity Design (RDD) results. Consistent with our difference-in-difference findings, inspectorates show improved road connectivity in the late 1960s, with a 25 to 27 percentage point increase in the probability of connection to national networks compared to villages outside inspectorate borders. As hypothesized, villages in Kurdish inspectorate regions are less likely to have water connections, although this effect is not statistically significant at conventional levels. Additionally, Table 1 indicates that villages on either side of the borders do not significantly differ in their likelihood of having a village school. These results corroborate that coercive institutions provide a short-term boost in infrastructural power, which also demonstrates medium-term persistence effects. However, improved road connectivity does not appear to significantly enhance medium-term alternative outcomes among villages with different treatment histories in very close proximity.

		School	Water	Road
Kurdish region	Conventional	0.028	-0.047	0.222**
		(0.637)	(0.511)	(0.003)
	Bias-Corrected	0.034	-0.028	0.253***
		(0.559)	(0.693)	(<0.001)
	Robust	0.034	-0.028	0.253**
		(0.626)	(0.738)	(0.003)
Northwest Region	Conventional	0.080	0.080	0.307*
		(0.362)	(0.522)	(0.015)
	Bias-Corrected	0.100	0.092	0.279*
		(0.255)	(0.460)	(0.027)
	Robust	0.100	0.092	0.279+
		(0.337)	(0.545)	(0.065)
Kernel		Triangular	Triangular	Triangular
Bandwidth		mserd	mserd	mserd

Table 1: Medium-term outcomes around the border of the General Inspectorates. P-values in parentheses under the estimates.

Although our RDD results on schooling contradict Hypothesis 3, the map of school distribution in the late 1960s suggests a different trend than what we observe in our RDD findings. While the border regions in the Kurdish area do not show significant differences in terms of schools, the region as a whole appears distinct from the rest of the country in terms of schooling outcomes.

To investigate the impact of treatment on various schooling outcomes, we employ a simple linear probability model to examine the long-term effects of treatment on outcomes. Our dependent variable is a binary variable that equals 1 if the village has a school and 0 otherwise. The main independent variables include different inspectorate treatments, with never-treated villages as the omitted category. We incorporate several geographic controls, such as total population, elevation, mean temperature, mean precipitation, wheat yield, and pre-treatment state capacity variables, including distance to the closest post office in 1923

and distance to Ankara, the capital. Given that villages are nested within provinces, we apply province fixed effects and cluster our standard errors at the province level.[15]

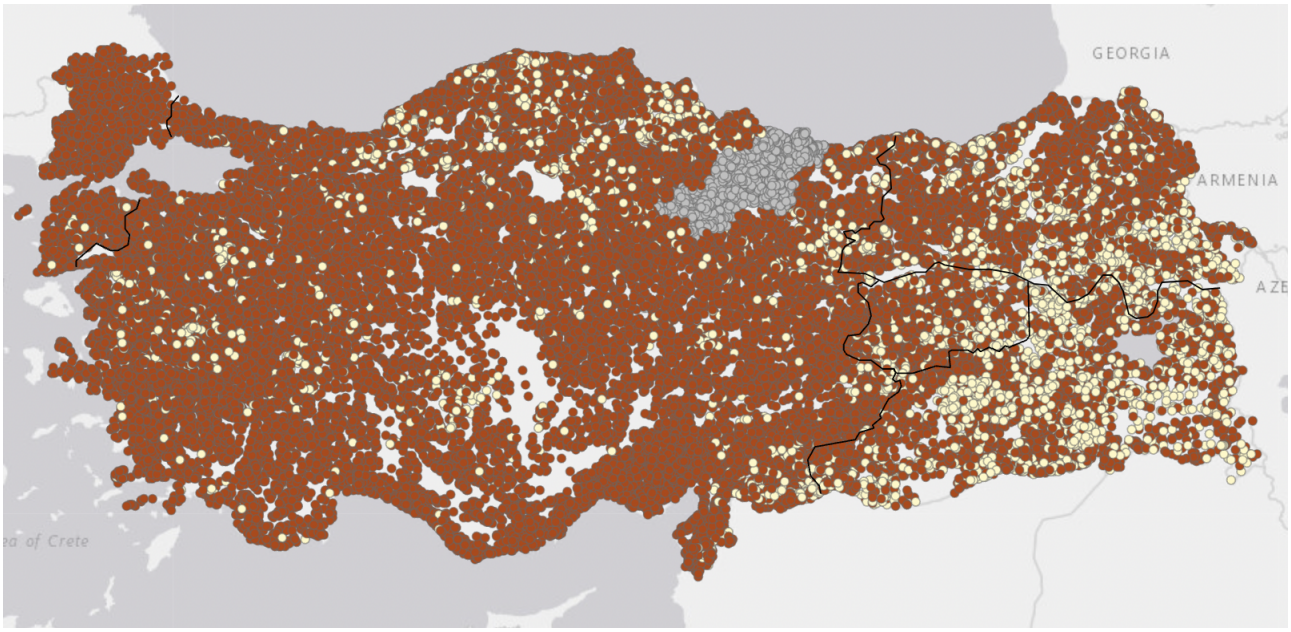

Figure 8: Villages with and without schools in late 1960s. Yellow points show villages with no schools, while brown points show villages with schools. Gray points show missing data. Black lines are historical inspectorate borders.

Table 2 presents our results. Treatment groups with Kurdish majority populations are highlighted in bold. Consistent with our hypothesis, we observe that Groups 1929 and 1936 consistently have a lower probability of having a village school compared to the never-treated group. The coefficients indicate substantial effects, with Group 1929 and Group 1936 having 35% and 13% lower chances, respectively, of having a primary school compared to the never-treated group. Conversely, Group 1934—the treatment group with the least capacity and incentive to resist—shows a significantly higher probability of having a school.

[15]Since provinces go through a lot of transformation between 1920s and 1960s, the inclusion of province fixed effects do not cancel out our treatment.

	School 1	School 2	School 3
(Intercept)	1.99^{***}	2.33^{***}	2.45^{***}
	(0.00)	(0.13)	(0.14)
Group 1928	-0.09^{**}	-0.06	-0.04
	(0.04)	(0.04)	(0.04)
Group 1929	-0.35^{***}	-0.32^{***}	-0.28^{***}
	(0.08)	(0.07)	(0.06)
Group 1934	0.05^{***}	0.05^{***}	0.06^{***}
	(0.01)	(0.01)	(0.01)
Group 1935	-0.00	0.00	0.03
	(0.03)	(0.03)	(0.03)
Group 1936	-0.13^{***}	-0.10^{**}	-0.09^{*}
	(0.05)	(0.05)	(0.05)
Controls		G	G+S
FE	Province	Province	Province
R^2	0.14	0.15	0.15
Adj. R^2	0.14	0.15	0.15
Num. obs.	32603	31699	31699

$^{***}p < 0.01$; $^{**}p < 0.05$; $^{*}p < 0.1$

Table 2: Medium-term schooling outcomes.

6.3 Alternative mechanisms

One question that may arise from this analysis is whether villages had different initial levels of schooling before the treatment, which could explain variations in short-term schooling investments and differences in levels over the medium term. To investigate this, we examine rural villages in 1923, the first year of the republic, and 1950, the end of the single-party period. Figure 9 illustrates that there were scarcely any schools in villages across all geographical regions in 1923. As shown in the map from 1950, despite ongoing efforts by inspectorates to promote schooling, the state struggled to establish new schools in Kurdish-majority areas.

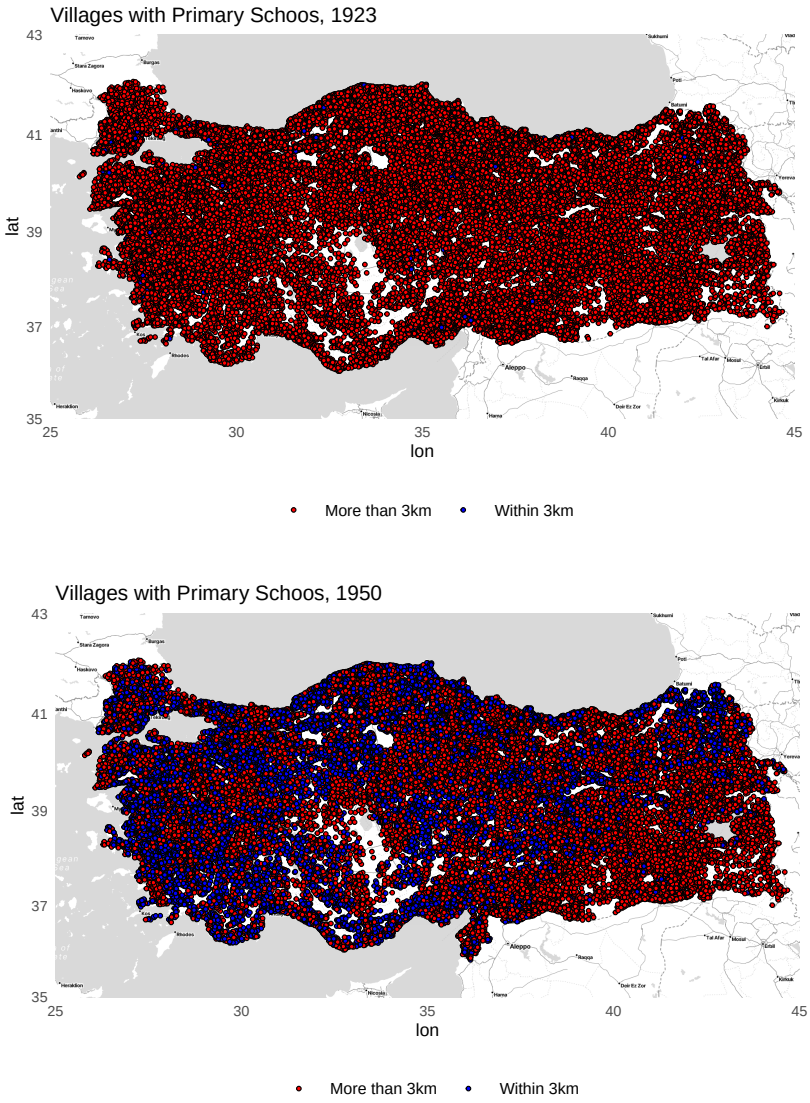

Figure 9: Village access to schools.Red dots show villages with no schools in a 3 km radius. Blue dots show schools with a school in a 3 km radius.

7 Conclusion

In examining the interplay between state coercion and societal heterogeneity, we underscore how early state-building efforts under Ataturk and the early Republican elites shaped Turkey's developmental trajectory post-independence. The establishment of General Inspectorates, driven by the need to expand and intensify control over territory, aimed to consolidate state authority across a diverse landscape marked by varied social structures and economic disparities. Our empirical approach based on different methodologies, leveraging comprehensive archival and geocoded data, reveals that the effectiveness of coercive institutions in promoting short-term development outcomes depended crucially on local responses shaped by historical contingencies and existing power dynamics. These findings contribute to broader debates on the persistence of spatial inequalities and the enduring impacts of early state-building strategies in shaping contemporary developmental landscapes.

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