I. Reading Bates: Things Fall Apart (Nigerian Novel's Title)

A. Post-colonial developments in Africa and the Third World Generally Were Shaped By an Erroneous Belief In the Ability of States To Substitute For Markets in Order To Force Economic Growth - (This Was Shaped Partly By State-Planning In Europe As Well As Socialist/Communist Regimes

B. States Attempted To Control Exports, the Primary Source of Hard Currency Used To Import the Machinery And Inputs Necessary For Urban Industrialization

1. State Marketing Boards Attempted To Replace Markets In Export Sector

B. 2 Crucially, States Attempted to Buy Agricultural Exports that Were the Key Earners By Monopolizing Farmers' Sales.

3. In Order To Extract A Rent for the State, State Agencies Under-Priced Purchases And Resold At the Higher World Market Price (examples: Tea, Coffee, Ground Nuts)

4. Effectively, Farm Prices Were Cut In Half. But Rational, Profit Maximizing Farmers Cut Sales By Half And

a. Turned To Subsistence Farming

b. Mis-a ted to Cities, Consumed Subsidized Food

C. The Consequence: A collapse of Export Markets, Fiscal Crises; Foreign Borrowing, And Mass Revolts — Civil WAR.

D. This Crisis Was Overcome Only When States Withdrew From the Market And Abandoned Forced Development — The Result Has Been At least limited Market-Based Growth (Africa, Example)

D. All of this Contrasts with European State Building that "Bought" Compliance through the Provision of Tangible Benefits In Exchange For Taxation Cost.

I. The Prussian Case
(1660 - 1789) (Case of Germany)
A. The Weak, Estate Dominated Territorial Rulers of Prussia Responded To the Chronic Costs of WAR By
1. Expanding State-Produced Benefits To all Segments of the Population (Middle class trading privileges; guarantees of noble power, regulation of serfdom; State charity (welfare); support for the Pietist Protestant ~~Church~~ Church; emancipation of Jews.
2. All In Exchange for Taxes
a. Most Importantly limited Conscription
B. The Bureaucratization of the Estates