Bourbon Reforms and State Capacity in the Spanish Empire

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What are the historical origins of state capacity in the developing world?

- The state's ability to perform basic functions (i.e., raise revenue, law and order) is central to economic development (Besley & Persson, '11; Dincecco & Katz, '16; Johnson & Koyama, '17)

- It is much less clear how to build a well-functioning state, as there is growing interest on the role of bureaucracy and the potential of administrative reforms (Besley et al., '21)

    - Introducing a new layer in the bureaucracy (Snowberg and Ting, '22)

- Previous work on the historical origins of state capacity is largely focused on Western Europe but state-building in colonial settings could follow different paths:

    - Distant, extensive and diverse territories: monitoring / delegation
    - Extractive political institutions (Acemoglu & Robinson, '12, '20)
    - Non-consensual state-building from the outside (Acemoglu, '05; Besley, '20)

This paper: fiscal and political impact of state modernization in the Spanish colonies

- We study the **Intendancy** system introduced by the Spanish Crown in the 1780s

    - Cornerstone of the **Bourbon reforms** $\Rightarrow$ Radical overhaul of the local colonial government
    - Institutional reform entailing territorial decentralization and adminstrative oversight
    - Empirical strategy: staggered roll-out of the reform across the empire

- We show a positive impact on **fiscal capacity** using admin. data from the royal treasuries

    - Larger impact (i) far from economic/political centers, decentralization (ii) by Spanish intendants: mission alignment (Spenkuch, Teso and Xu, 2023)
    - Improved state presence through acquisition of geographic information for the Crown: **maps**

- We also document important **political effects** on the local population:

    - Indigenous groups: lower incidence of **rebellions**
    - Creoles: **naming patterns** and **insurrection** suggest growing grievances

Related literatures in economic history, political economy, development economics

- Origins of state capacity: Acemoglu, '05; Acemoglu & Robinson, '12, '20; Angelucci et al., '17; Becker et al., '22; Besley, '20; Besley & Persson, '11, '14; Cantoni et al., '22; Dincecco & Katz, '16; Gennaioli & Voth, '15; Johnson & Koyama, '17; Snowberg and Ting, '22 Tilly, 1990
    - External threat, fiscal development, and extractive political institutions

- Institutional reforms in economic history: Arias, '13; Bai & Jia, '16; Guardado, '18; Garfias, '18; Xu, '18, '19; Ornaghi, '19; Pérez and Moreira, '21; Garfias & Sellars, '21, '22; Chambru et al., '22
    - Focus on partial reform (e.g. bureaucratic appointments) in localized settings

- Royal treasuries and Bourbon reforms in history: Humboldt, 1808; Fisher, 1929; Lynch, 1958; Navarro, 1959, 2009; Deustua-Pimentel, 1965; Sanchez-Bella, 1968; Fisher, 1970; Pietschmann, 1972; Klein, 1994; Drelichman, 2005; Marichal, 2007; Graffe & Irigoín, 2008, 2012; Kuethe & Andrien, 2014
    - Continental scope, novel data and modern econometric techniques

- State-building in the developing world: Bandiera et al., '21; Balán et al., '21; Berwik & Christia, '18; Besley et al., '21; Colonelli et al., '20; Dal Bó et al., '13; Henn et al., '21; Khan et al., '16
    - Top-level administrative overhaul amid large technological constraints, new layer

Roadmap

Introduction

Historical Background

Data and Empirical Strategy

Results: Fiscal Capacity

Political Outcomes & Aftermath

Conclusions

Colonial state presence in the Americas is weak and irregular before the reform

- Vast and distant empire, extending from California to Patagonia

  - Viceroys in Mexico, Bogota, Lima, and Buenos Aires + high courts (*Audiencias*) in 12 cities
  - Hodgepodge of military Captaincies and provincial governors (*ancien régime*)

- Colonial fiscal apparatus centered around royal treasuries (*cajas reales*)

  - Set up from the outset of colonization, in 1521
  - Mostly located in administrative centers, ports, mines, populous indigenous towns
  - Main sources of revenue: (i) mining, (ii) trade, (iii) monopolies, (iv) indigenous poll tax

- Colonial society consists of the following main groups:

  - Indigenous population
  - *Creole* descendants of early Spanish colonizers
  - Spanish administrators: *Peninsulars*
  - African slaves (less relevant for our context)

Outside of the larger cities, political authority is in the hands of local *Corregidores*

- Corregidores often paid the Crown for their appointment, earned very low salaries `Figure`
  and had a fixed 5-year term to recoup their investment (Guardado, 2018)

- Alternative sources of income: forced sale of goods to the natives at very high prices:
  repartimiento system

  *"the very archetype of erring officialdom, whose repertoire included almost every device
  known in the history of administrative corruption." Lynch (1958, p. 22)*

- Creole elites benefit from the status quo, as they provide initial capital to corregidores,
  supply goods for repartimiento, and use the indigenous workforce

# Bourbon reforms reach the Americas in the second half of the 18th century

- Transition from Habsburg to Bourbon rule in Spain in 1700 is marked by continuous conflict with other European powers

- British capture of Havana in 1762 is a catalyst for reform under Charles III (1759-1788) with the aims of raising revenue and strengthening defences

- Multiple economic and political reforms during this period:
    - New viceroyalties of New Granada and Rio de la Plata created in 1739 and 1776
    - Sale of colonial offices ends in 1750 (Guardado, 2018)
    - Trade liberalization starting in 1765 (Ellingsen, 2020)
    - Expulsion of the Jesuits in 1767 (Valencia Caicedo, 2019)

- The intendancy reform was "the masterpiece of a vast plan of political, economic, and social reorganization" (Deustua-Pimentel, 1965)

Intendancy system represents a radical overhaul of the colonial system of governance

- The Intendancy system is rolled out across the empire between 1783 and 1787
    - French figure, introduced by the Bourbons in Spain in 1749
    - Introduced to the Americas by José de Gálvez

- A new corps of top provincial officers (Intendants) is introduced:
    - (i) Careful selection (ii) Higher wages `Figure` (iii) Indefinite term
    - Broad authority over four *causas*: public finance, justice, police, military

- Territorial consolidation $\Rightarrow$ Each new Intendancy absorbs $\approx$ 7-10 corregimientos

- All corregidores are dismissed and replaced by *subdelegates*:
    - (i) Appointed/overseen by intendant, (ii) paid 3% of poll tax, (iii) ban the repartimiento

The colonial context before and after the reform: a new layer in the bureacracy
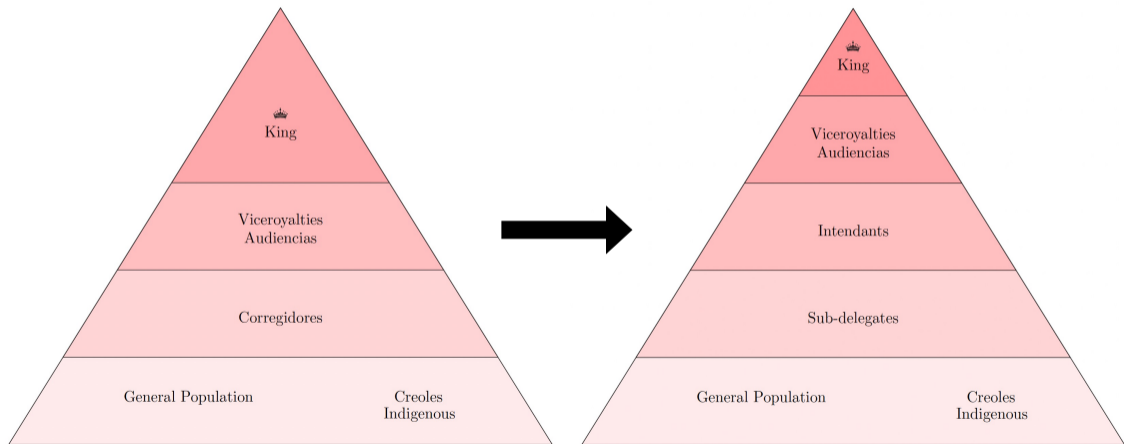
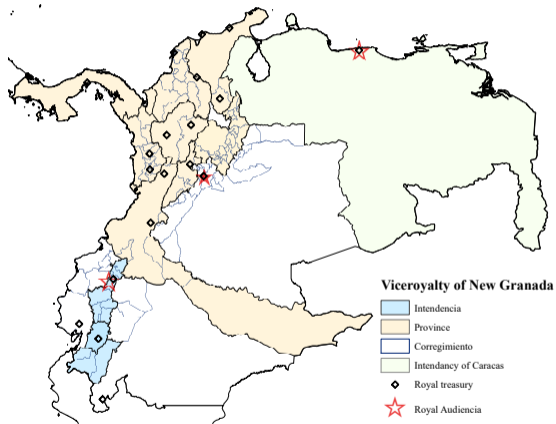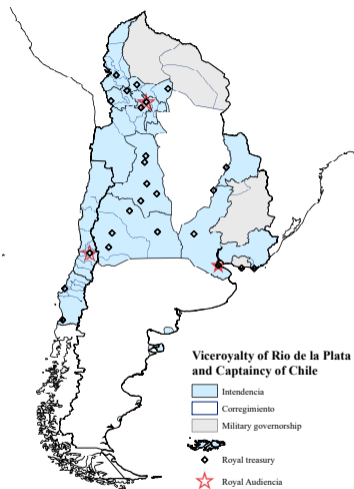# New intendancies in the viceroyalties of New Spain and Peru
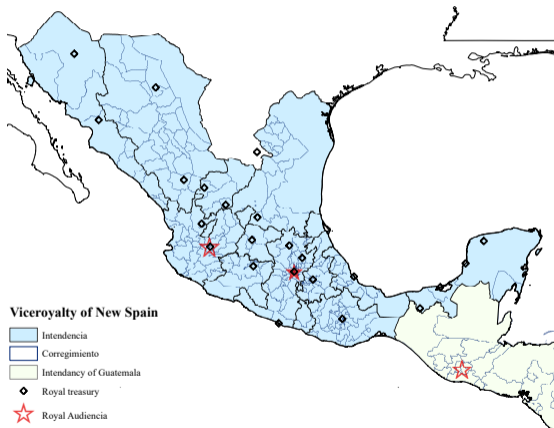
(a) New Spain

(b) Peru

New intendancies in the viceroyalty of Río de la Plata and part of New Granada

(a) New Granada

(b) Río de la Plata

Roadmap

We construct a novel panel dataset for the Spanish empire in the late 18th century

- Administrative data on 100k+ revenue and expenditure lines for 85 royal treasuries `Scope`
  `Tax complexity`

    - We draw on previous digitizing efforts by Tepaske and Klein (1980) and Pinto (2016)
    - Harmonize time periods and currencies and classify 7,000+ unique line items
    - Use modern methods to assess potential data manipulation (e.g., Benford's law)

- We created several hand-coded datasets:

    - Biographical information for the universe of intendants
    - Geographical information based on 700+ maps (Torres-Lanzas, 1921)
    - Pro-independence movement based on 1200+ letters (Torres-Lanzas, 1912)

- Continental dataset on indigenous rebellions (Taylor, 1979; O'Phelan, 1985; Golte, 2016)

- Dataset containing 700,000+ historical baptismal records from 10 countries

We exploit the staggered introduction of the Intendancy system for identification

- As Secretary of the Indies since 1776, José de Gálvez is the mastermind behind the reform

  - Gálvez produces a first proposal for intendancies in 1768 during his *visita* of New Spain

- Implementation of the system involves crafting detailed legislation (≈ 300 articles) and lengthy deliberations over the number/location of intendancies

  - Gálvez's correspondence suggests simultaneous efforts across regions (Navarro, 1959)
  - Almost-universal roll-out in five years $\Rightarrow$ Ordinance for New Granada is ready when Gálvez dies in 1787, Bourbon program stalls with the death of Charles III

- We leverage variation in the arrival of the first intendant to each new intendancy

  - Highly idiosyncratic logistical difficulties (e.g., waiting for printed copies of the ordinance)

We exploit the staggered introduction of the Intendancy system for identification

Intendencia
- 1783
- 1784
- 1785
- 1786
- 1787

Province
Military governorship
☆ Royal Audiencia
• Royal treasury

- Timing of reform is largely uncorrelated with predetermined covariates Figures

Baseline difference-in-difference specification with treasury and year FE

$$y_{i,t} = \gamma_i + \delta_t + \beta \times \text{Intendancy}_{i,t} + Z'_{it}\psi + \varepsilon_{i,t}$$

- $y_{i,t}$ is an outcome in royal treasury i in year t (e.g., log Revenue)

- $\text{Intendancy}_{i,t} = 1$ after first Intendant arrives

- γ_i and δ_t are treasury and year fixed effects (1770-1799)

- $Z'_{it}\psi$ are pre-determined controls interacted with time dummies

- $\varepsilon_{i,t}$ is an error term clustered by treasury (≈ 80 clusters) or Intendancy (≈ 40 clusters)

Crown revenue increases in treated treasuries after the reform
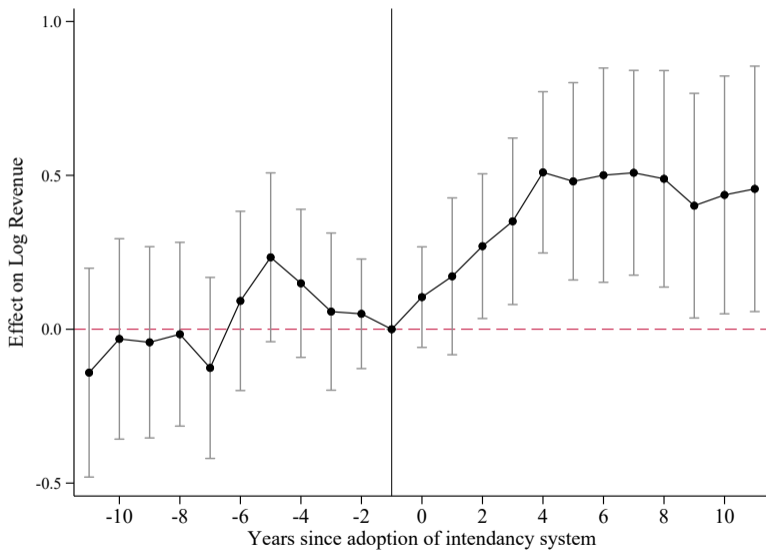
Crown revenue increases in treated treasuries after the reform

	Dependent Variable: Log Total Revenue					
	(1)	(2)	(3)	(4)	(5)	(6)
Intendancy	0.290**	0.360***	0.338**	0.293*	0.318*	0.397**
	(0.115)	(0.136)	(0.154)	(0.152)	(0.155)	(0.153)
Announcement						-0.116
						(0.180)
Mean DV (level)	718,607	718,607	718,607	718,607	718,607	718,607
R-Squared	0.938	0.944	0.948	0.951	0.952	0.952
Observations	1959	1959	1959	1959	1959	1959
Treasuries	79	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Geographic controls		✓	✓	✓	✓	✓
Locational controls			✓	✓	✓	✓
Pre-colonial controls				✓	✓	✓
Political controls					✓	✓

DiD estimators Synthetic control Dropping units Randomization inference

Balanced panel per capita/real Viceroy FE Other reforms

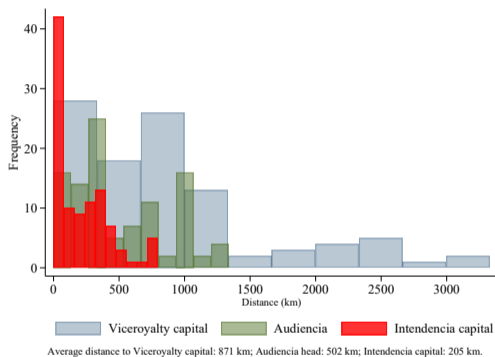# Share of revenue from indigenous poll tax and elite war contributions increases

|	Dependent Variable: Share of Revenue							
	Indigenous	Monopolies	Trade	Mining	Officials	Donativos	Other	Remittances
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Intendencia	0.033*	-0.027	-0.051**	-0.022	-0.033*	0.011*	0.049*	0.038
	(0.018)	(0.028)	(0.021)	(0.025)	(0.019)	(0.006)	(0.029)	(0.035)
Mean Dep. Variable	0.138	0.128	0.220	0.186	0.058	0.015	0.127	0.132
R Squared	0.772	0.645	0.724	0.832	0.403	0.183	0.490	0.555
Observations	1950	1950	1950	1950	1950	1950	1950	1959
Treasuries	79	79	79	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓

Log levels

What explains the positive fiscal impact of the Intendancy system?

1. Decentralization: Intendants increase **state presence** far from traditional centers of power, but have limited impact far from intendancy capitals $\Rightarrow$ Weak oversight of subdelegates (Weaver and Narasimhan, 2022; Angelucci et al. 2023)

    - Larger increase in mapped area $\Rightarrow$ Complementary measure of state capacity and better information

2. More effective intendants are: (i) foreigners, (ii) newcomers, (iii) younger
   $\Rightarrow$ Disruption of local elite capture: **mission alignment** (Spenkuch, Teso and Xu, 2023)

    - Fiscal impact of intendants increases with job tenure $\Rightarrow$ Plausibly returns to experience + career concerns

Decentralization: Intendants increase state presence far from traditional centers of power

Average distance to Viceroyalty capital: 871 km; Audiencia head: 502 km; Intendencia capital: 205 km.

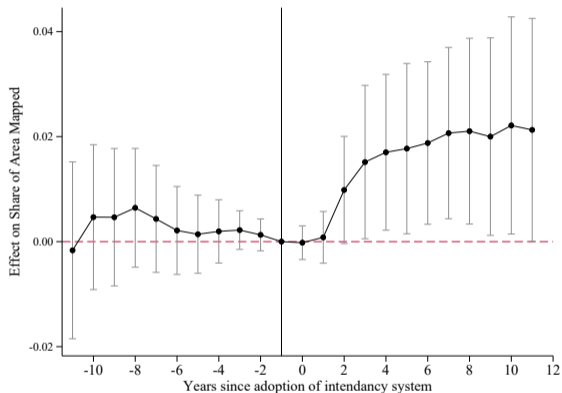(a) Distances to viceroyalties, audiencias and intendencias
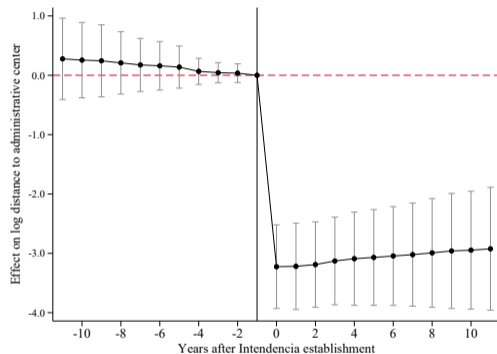
(b) Distance to the nearest Spanish authority

Intendants acquire valuable geographic information for the Crown


(a) Location of mapped regions

(b) Production of new maps

Table

# Larger fiscal impact away from major economic and political centers

	Dependent Variable: Log Total Revenue					
	Intendencia Capital	Diocese	Archdiocese	Audiencia	Port	Mine
	(1)	(2)	(3)	(4)	(5)	(6)
Intendancy	0.185	0.183	0.305**	0.301**	0.334***	0.375***
	(0.140)	(0.120)	(0.117)	(0.121)	(0.122)	(0.119)
Intendancy × Location	0.222	0.382**	-0.116	-0.028	-0.205*	-0.242
	(0.142)	(0.155)	(0.115)	(0.109)	(0.112)	(0.164)
Mean DV (level)	718,607	718,607	718,607	718,607	718,607	718,607
R-Squared	0.939	0.939	0.938	0.938	0.938	0.939
Observations	1959	1959	1959	1959	1959	1959
Treasuries	79	79	79	79	79	79
P-value sum of coefs.=0	0.002	0.001	0.133	0.024	0.273	0.424
Treasury FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓

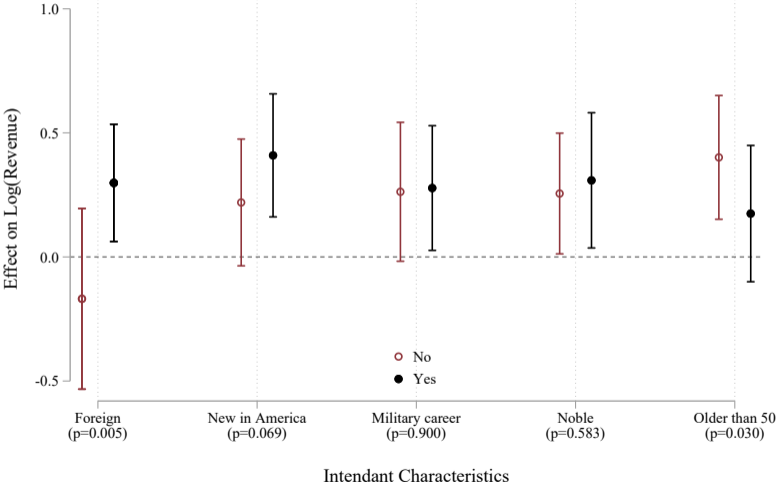# Larger effects: (i) near intendencia capitals (ii) low fiscal capacity
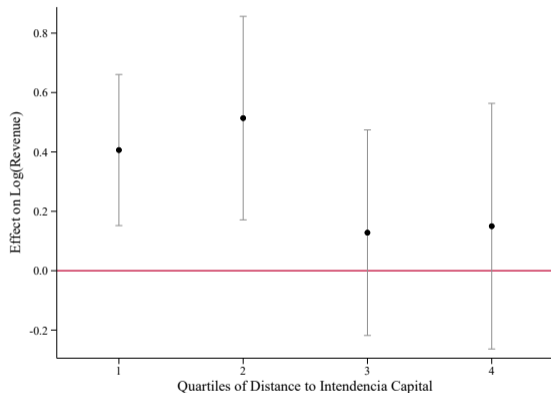
(a) Distance to Intendencia capital
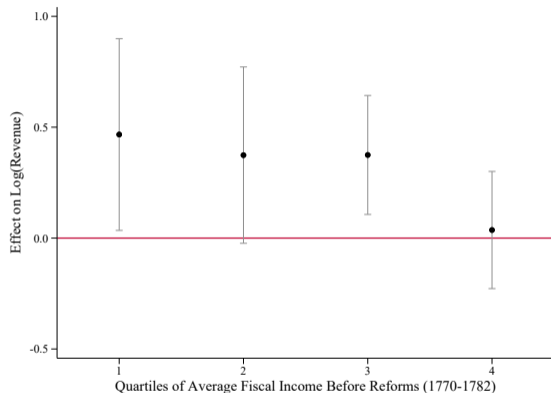
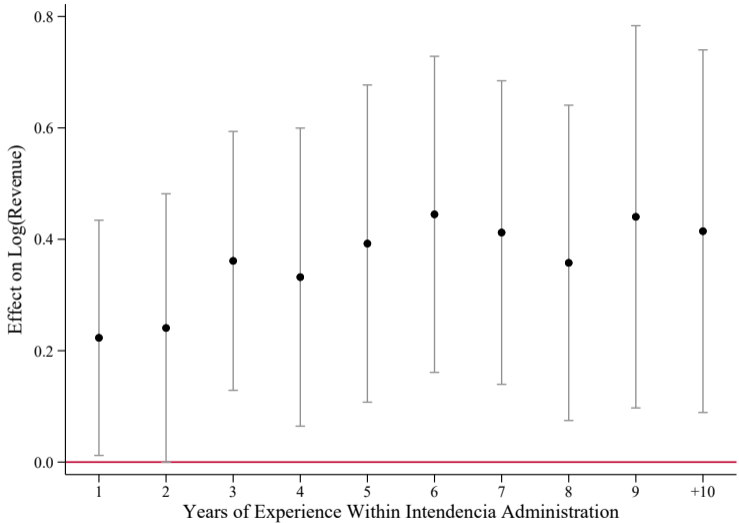(b) Initial Fiscal Capacity

# Mission alignment: Peninsular intendants, without colonial experience, and younger are more effective

Fiscal impact of intendants increases with job tenure

Expenditure increases in treated treasuries after introduction of Intendancy System

- Total spending by treasury increases in line with revenue, null effect on deficit `Table`

- Most spending allocated to war and bureaucracy, little to public goods `Table`

- No impact on post office density `Figure`
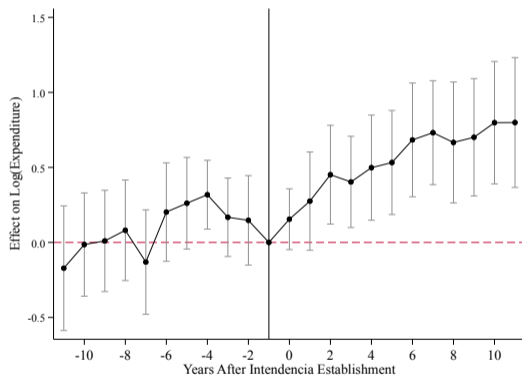
Remittances to Spain increase
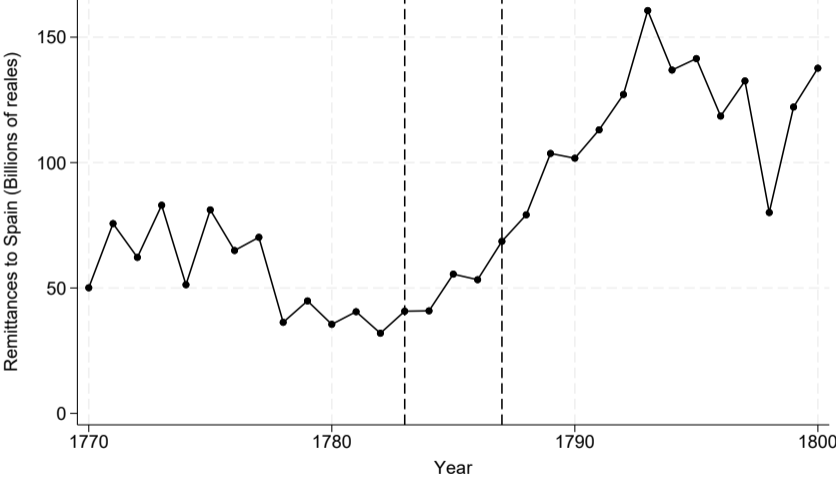
Roadmap

# How did the reform affect political attitudes towards the Crown?

- Indigenous peoples exploited by corregidores and Intendants had a law-and-order mandate

    - Monopoly of violence is another prominent aspect of state capacity (Smith, 1755; Weber, 1918, Besley and Persson, 2011)

    - Tupac Amaru rebellion in Peru (1780-1783)

    $\Rightarrow$ We study the impact of the intendancy system on the incidence of indigenous rebellions

- Intendancy system leads to a loss of privileges for the creole elites `Representation`

    - "The incursions of the Bourbon state impinged upon the political authority and economic interests of local creole oligarchies" (Fisher, 1969)

    $\Rightarrow$ We study the impact of the reform on the share of male newborns named after the Viceroy

# Intendancy system led to fewer indigenous rebellions against the Crown

	Dependent Variable: Indigenous Rebellions					
	Number		Dummy		Log	
	(1)	(2)	(3)	(4)	(5)	(6)
Intendancy	-0.274***	-0.266	-0.165***	-0.222**	-0.150***	-0.168*
	(0.073)	(0.165)	(0.038)	(0.086)	(0.037)	(0.084)
Mean DV	0.238	0.238	0.159	0.159	0.138	0.138
R-Squared	0.306	0.478	0.342	0.529	0.337	0.509
Observations	990	990	990	990	990	990
Administrative units	33	33	33	33	33	33
Administrative unit FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Full controls		✓		✓		✓

Event study   Map

Intendancy system leads to fewer indigenous rebellions against the Crown
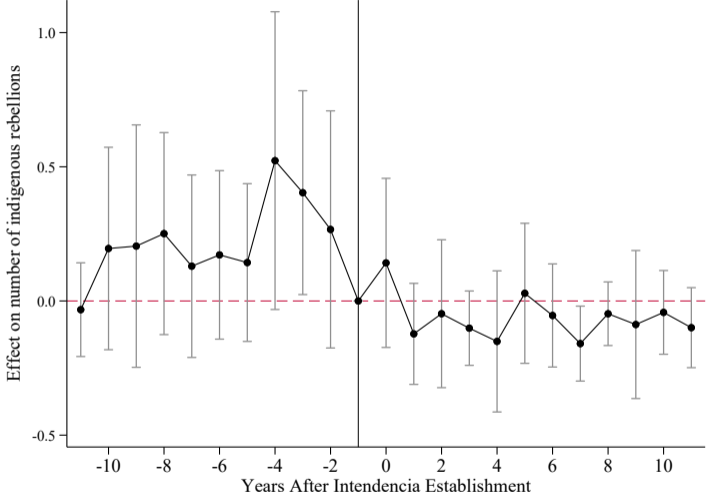
# Naming patterns suggest reduced affinity with the Crown among baptized children

Table   Alternative measures   Births
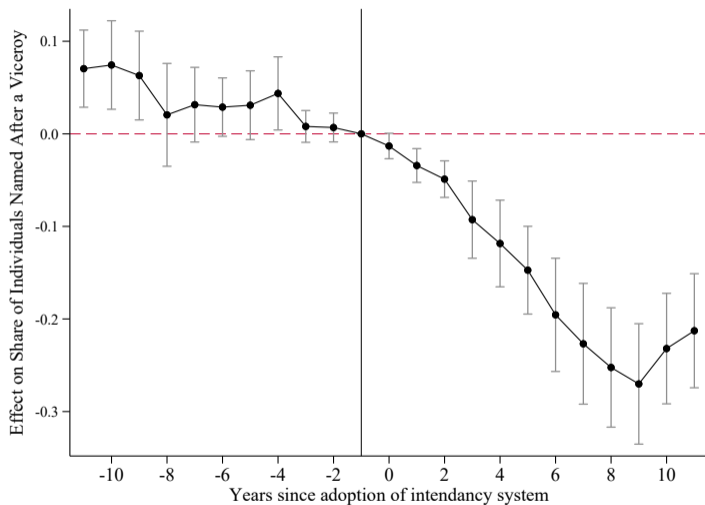
What were the effects of the intendancy system in the medium and long term?

- Paucity of data hinders the analysis of fiscal outcomes after 1800

- Independence movement gathers force after Napoleon's invasion of Spain in 1808

    - 15% of active intendants are killed during first pro-independence wave in 1810 `Graph`

    ⇒ We study localized measures of creole independentist insurrections based on correspondence from 1807-1811

- We construct a harmonized dataset of local public finance and attitudes to study the long-run impact of the intendancy system

The colonial fiscal system collapses in the early XIX century
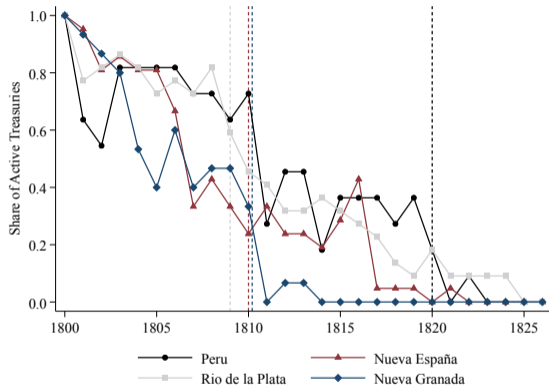
(a) Active treasuries after 1800
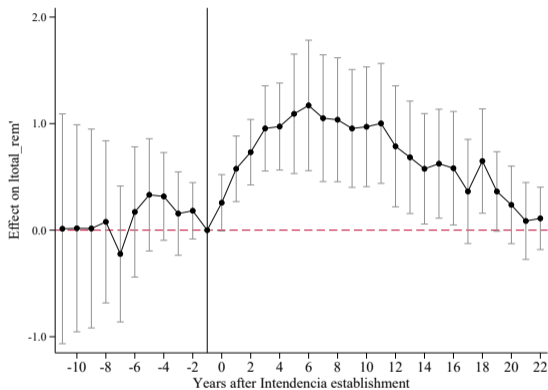
(b) Medium-run fiscal impact

Change in revenue under intendants correlates positively with insurrection

	Dependent Variable: Share of letters with insurrectionist content								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
High Δ Log revenue (=1)	0.183** (0.068)		0.247*** (0.082)		0.267** (0.095)		0.275** (0.096)		0.289*** (0.091)
Δ Log revenue		0.141* (0.078)		0.193** (0.074)		0.241** (0.099)		0.326*** (0.100)	0 (
Mean DV	0.114	0.114	0.114	0.114	0.114	0.114	0.128	0.128	0.114	(
R-Squared	0.214	0.142	0.467	0.353	0.477	0.378	0.477	0.473	0.536	(
Observations	27	27	27	27	27	27	24	24	27	
Viceroyalty FE			✓	✓	✓	✓	✓	✓	✓	
Control for baseline revenue					✓	✓	✓	✓	✓	
Omitting zeros							✓	✓		
Control for change in distance to ports									✓	

Time line Indigenous tax Donativos Local expenditure

↑ colonial revenue under intendants ⇒ ↓ local revenue today + ↑ animosity towards Spain

| | Log Tax revenue PC | Evasion justified | Animosity towards Spain | | | Log Pop | Log Lights |
			Discrete	Continuous	Country		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Δ Log revenue	-0.553**	0.184*	0.048*	0.149*	0.140*	0.185	0.145***
	(0.233)	(0.110)	(0.027)	(0.089)	(0.083)	(0.199)	(0.025)
Mean Dep. Variable	94.247	2.763	0.157	1.554	1.387	42213.428	1.234
R Squared	0.550	0.046	0.037	0.030	0.027	0.388	0.321
Observations	3343	56003	58528	58528	58528	3343	10734
Observation Level	Municipality	Individual	Individual	Individual	Individual	Municipality	Grid Cell
Country FE	✓	✓	✓	✓	✓	✓	✓
Geographic Controls	✓	✓	✓	✓	✓	✓	✓
Locational Controls	✓	✓	✓	✓	✓	✓	✓
Population Controls	✓	✓	✓	✓	✓	✓	✓
Log Revenue pre-reform	✓	✓	✓	✓	✓	✓	✓
Log Dist. to nearest treasury	✓	✓	✓	✓	✓	✓	✓

Map

Intendancy system led to a more capable, but potentially unsustainable state

- We study one of the most ambitious administrative reforms in the colonial world

- The adoption of the intendancy system during the Bourbon reforms led to large increase in Crown revenue

    1. **Decentralization**: stronger state presence in areas far from the traditional centers of power
    2. Disruption of local capture by creole elites, better **oversight** and **mission alignment**

- Politically, fewer indigenous rebellions, but higher creole antipathy towards the Crown, leading to independence

- These findings emphasize the importance of consensual state building and the limits of imposed modernization
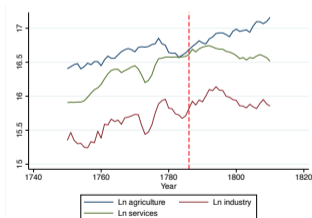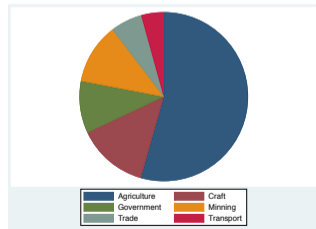
GDP by viceroyalty

(a) ln(GDP) Peru
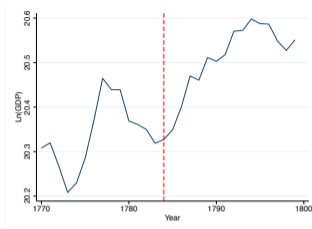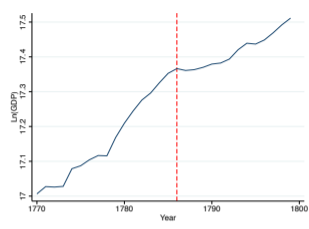
(b) ln(GDP) Nueva España

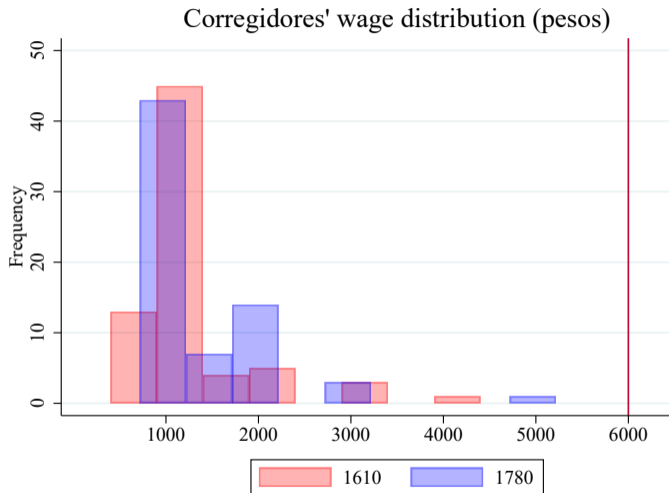(c) Sectoral GDP, Perú

(d) Sectoral GDP, Nueva Granada

Nominal salaries of corregidores were hardly updated over 200 years

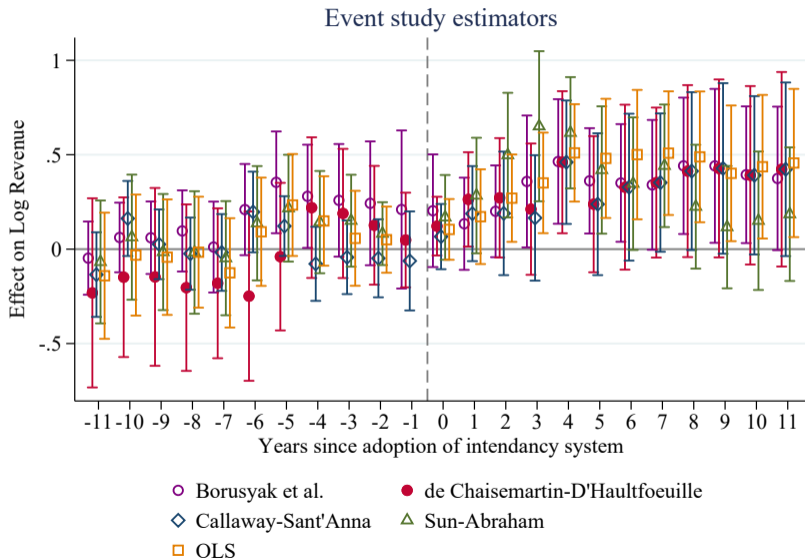Corregidores' wage distribution (pesos)

Note: red line indicates intendant's wage.

Back

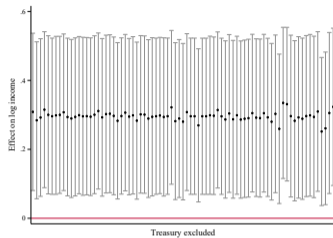# Three centuries of fiscal data for the Spanish Empire
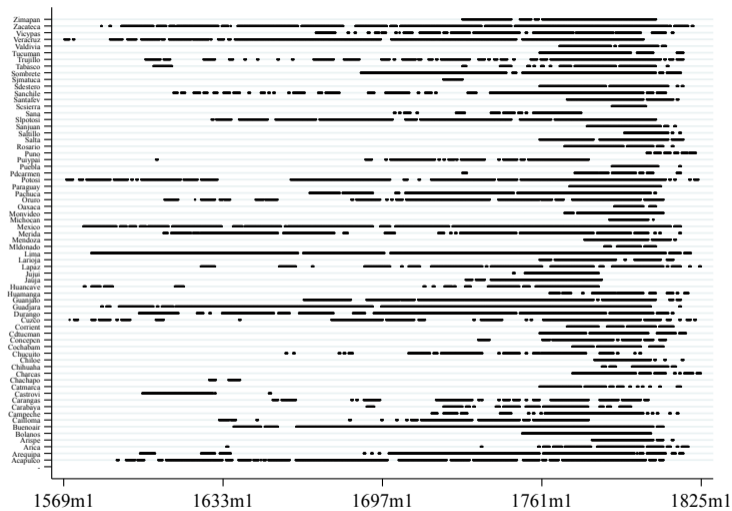
Results are robust to alternative DiD estimators `Back`

Event study estimators

Legend:
- ○ Borusyak et al.
- ◇ Callaway-Sant'Anna
- □ OLS
- ● de Chaisemartin-D'Haultfoeuille
- △ Sun-Abraham
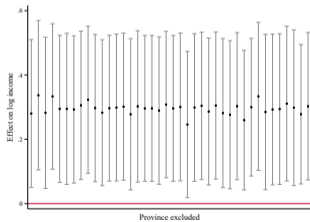
a. Treasuries

b. Intendencias
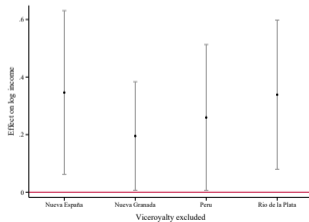
c. Viceroyalties

Total spending increases in treated treasuries after the reform

	Dependent Variable: Log Total Spending				
	(1)	(2)	(3)	(4)	(5)
Intendancy	0.367***	0.371**	0.337**	0.247*	0.241
	(0.127)	(0.147)	(0.135)	(0.141)	(0.149)
Mean DV	721,979	721,979	721,979	721,979	721,979
R-Squared	0.913	0.921	0.926	0.930	0.931
Observations	1937	1937	1937	1937	1937
Treasuries	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Geographic controls		✓	✓	✓	✓
Locational controls			✓	✓	✓
Pre-colonial controls				✓	✓
Political controls					✓

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We consolidate a transcontinental dataset of acts of rebellion
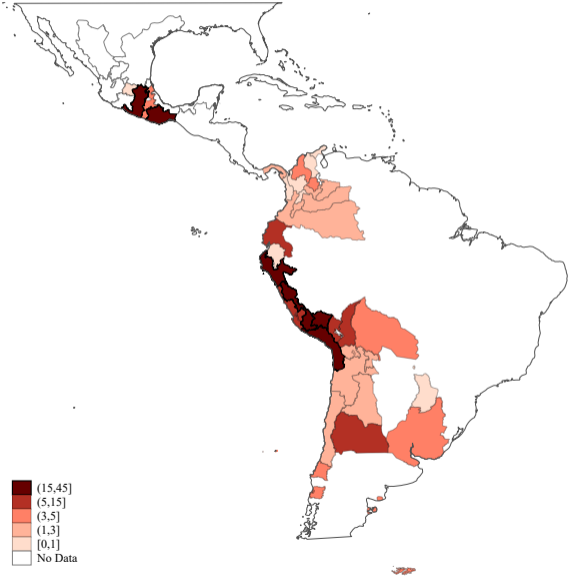
Back

The reform led to increased tax complexity: number of categories
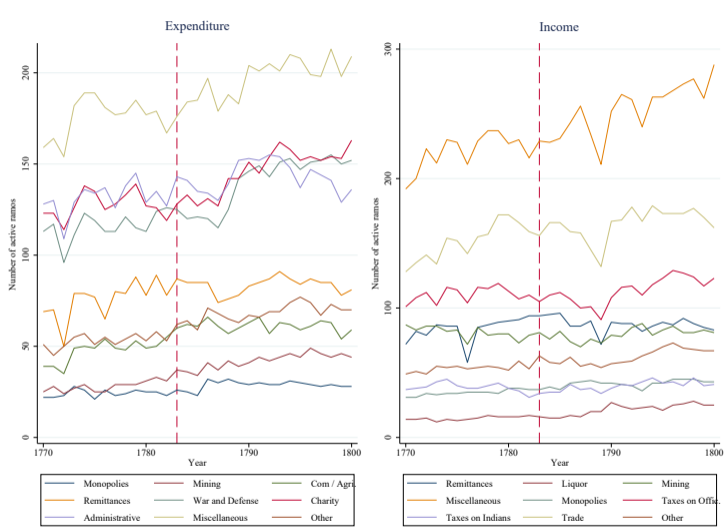
Timing of the reform is mostly uncorrelated with fixed characteristics

(a) Late adopter ($\geq$ 1786)

(b) Annoucement

Alternative strategy: Synthetic control for Nueva Granada Back
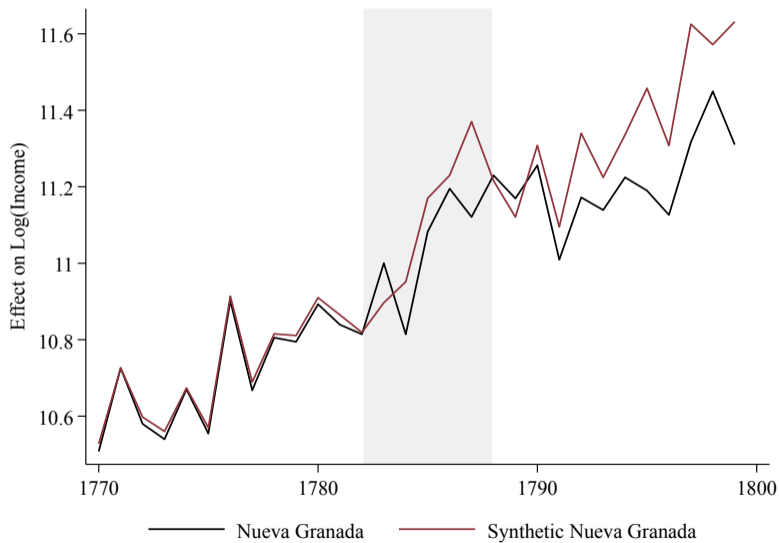
Randomization Inference
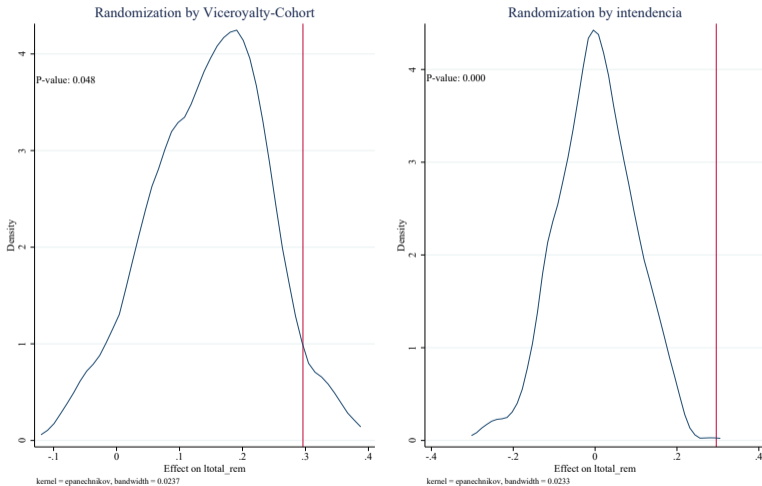
Red line signals true estimated coefficient

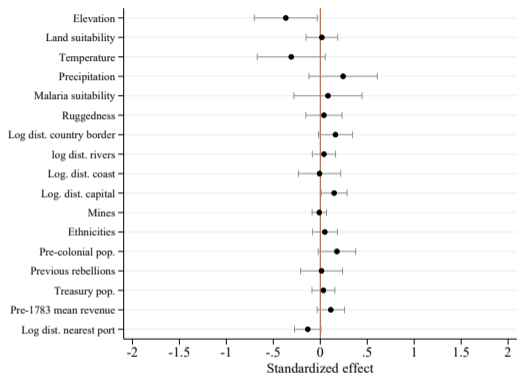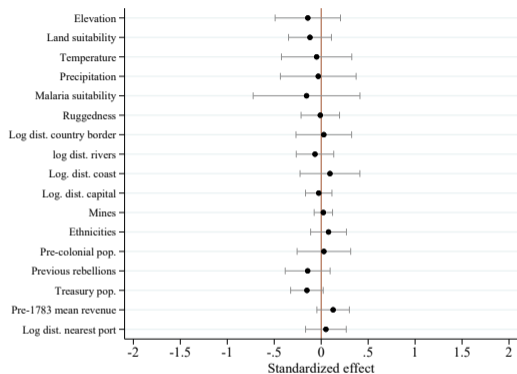|	Dependent Variable: Log Total Revenue								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Intendancy	0.269*	0.249**	0.386***	0.248**	0.302**	0.325**	0.289**	0.266**	0.247*
	(0.161)	(0.099)	(0.117)	(0.122)	(0.127)	(0.125)	(0.120)	(0.102)	(0.134)
Mean DV	714,088	44	840,405	504,449	1,299,862	718,607	718,607	718,607	756,257
R-Squared	0.943	0.917	0.929	0.914	0.891	0.939	0.938	0.938	0.940
Observations	1638	1549	1954	1950	1083	1959	1959	1959	1756
Treasuries	79	64	79	79	40	79	79	79	72
Treasury FE	✓	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓		✓	✓	✓
Excluding interim post-announcement	✓								
DV: Log Total Revenue per Capita		✓							
DV: *Real* Log Total Revenue			✓						
DV: Excluding remittances				✓					
Unit of observation: Province-year					✓				
Extra control: Río de la Plata x Year FE						✓			
Extra control: Distance to nearest active port							✓		
Viceroy FE								✓	
Excluding areas w/ high indigenous rebellions									✓
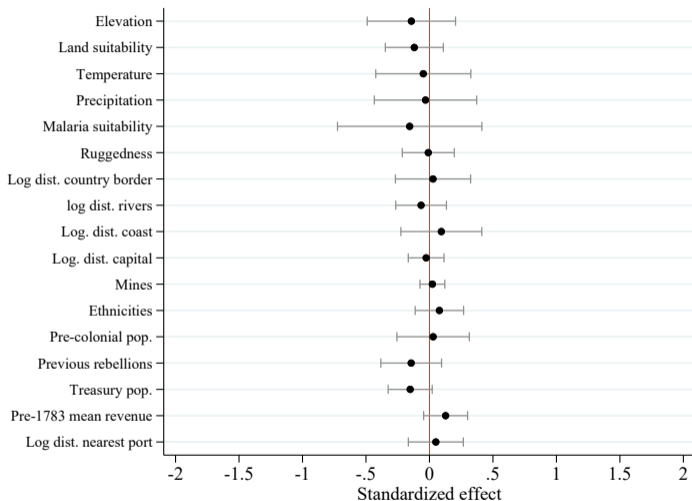
Increase in Crown revenue from multiple sources

				Dependent Variable: Log(Revenue From)				
	Total	Indigenous	Monopolies	Trade	Mining	Donativos	Other	Remittances
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Intendancy	0.290**	1.187*	0.242	0.119	1.113**	1.203***	0.374*	1.167
	(0.115)	(0.609)	(0.317)	(0.311)	(0.430)	(0.416)	(0.218)	(0.757)
Mean DV	718,607	39,558	86,824	84,422	124,210	37,397	132,038	216,476
R-Squared	0.938	0.709	0.659	0.534	0.860	0.548	0.781	0.596
Observations	1959	1950	1950	1950	1950	1950	1950	1959
Treasuries	79	79	79	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓

Back

Intendants acquire valuable geographic information for the Crown

	DV: % of intendencia area mapped			
	Nearest neighbors = 5		Nearest neighbors = 1	
	(1)	(2)	(3)	(4)
Intendancy	0.016***	0.014***	0.004***	0.013*
	(0.004)	(0.003)	(0.001)	(0.007)
Mean Dep. Var.	0.028	0.054	0.006	0.041
R Squared	0.876	0.973	0.866	0.857
Observations	1200	1680	1200	1200
Administrative units	40	40	40	40
Admin. unit FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Start year	1770	1540	1770	1770
Cell length (km)	20	20	20	50

Back

Peninsular intendants, without colonial experience, and younger are more effective

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
				Dependent variable: Log total revenue				
Intendancy	0.273**	-0.217	0.208	0.264*	0.251**	0.391***	-0.146	0.107
	(0.122)	(0.196)	(0.128)	(0.148)	(0.126)	(0.126)	(0.218)	(0.268)
Intendancy x Foreigner		0.518***					0.494**	0.510***
		(0.179)					(0.190)	(0.182)
Intendancy x New in America			0.209*				0.163	0.158
			(0.106)				(0.111)	(0.099)
Intendancy x Military career				0.012			-0.015	-0.101
				(0.127)			(0.130)	(0.133)
Intendancy x Noble					0.059		0.023	-0.037
					(0.097)		(0.097)	(0.080)
Intendancy x Older than 50						-0.221**	-0.186*	-0.157*
						(0.102)	(0.101)	(0.085)
Mean DV (level)								
Mean of characteristic	-	0.974	0.324	0.807	0.395	0.551	-	-
R-Squared								
Observations	1828	1828	1828	1828	1828	1828	1828	1828
Treasuries	79	79	79	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓

Composition of public expenditure does not change much

| | Military | Administrative | | Remittances | Other | Public goods | Local |
| | | Total | Tax collection | | | | |
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
			Dependent Variable: Share of expenditure				
Intendencia	-0.021	-0.044	-0.050**	-0.039	0.111***	-0.004	-0.039
	(0.026)	(0.033)	(0.024)	(0.041)	(0.040)	(0.015)	(0.041)
Mean Dep. Variable	0.171	0.220	0.097	0.299	0.257	0.030	0.299
R Squared	0.667	0.332	0.307	0.611	0.393	0.341	0.612
Observations	1936	1936	1936	1937	1936	1937	1936
Treasuries	79	79	79	79	79	79	79
Treasury FE	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓

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Intendancy system has no impact on post office density
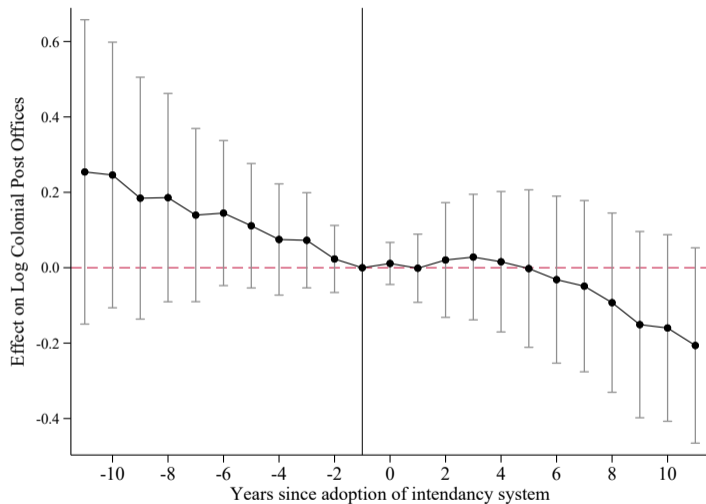
Representation of creoles decreases

Composition of Audiencias

Share of spanish intendants
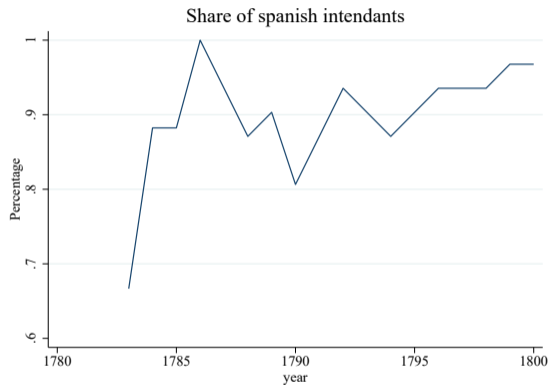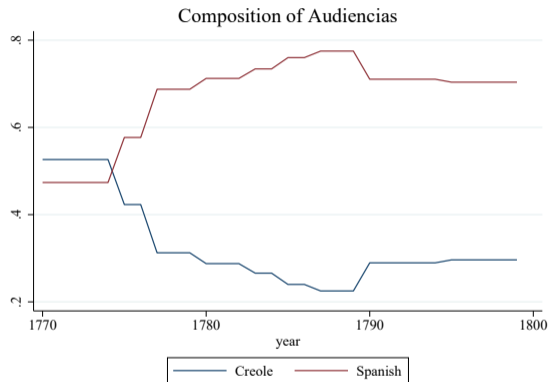
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Places with intendencias report more letters related to revolutionary events

Change in indigenous tax revenue

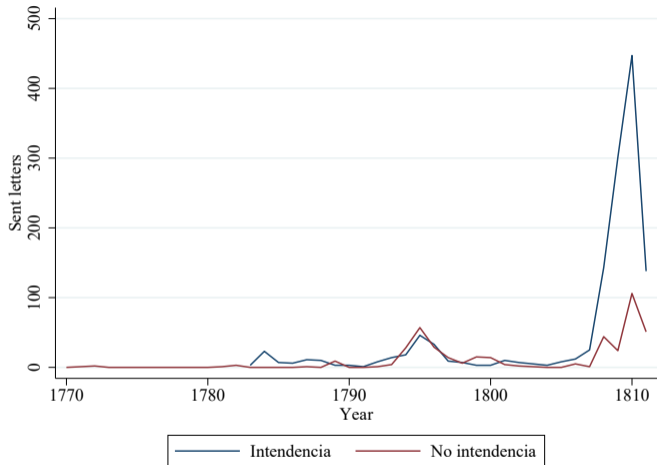|					Dependent Variable: percentage of insurrection related letter				
High Δ Log indig. tax	0.063		0.119		0.110		0.116		0.144	
	(0.077)		(0.092)		(0.089)		(0.093)		(0.102)	
Δ Log indig. tax		0.018		0.021		0.017		0.046		0.028
		(0.029)		(0.026)		(0.028)		(0.051)		(0.031)
Mean Dep. Var.	0.114	0.114	0.114	0.114	0.114	0.114	0.128	0.128	0.114	0.114
R Squared	0.026	0.025	0.188	0.148	0.192	0.153	0.169	0.180	0.229	0.181
Observations	27	27	27	27	27	27	24	24	27	27
Administrative units	27	27	27	27	27	27	24	24	27	27
Viceroyalty FE			✓	✓	✓	✓	✓	✓	✓	✓
Baseline income control					✓	✓	✓	✓	✓	✓
Omitting zeros							✓	✓		
Δ Port distance									✓	✓

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Change in donativos

	Dependent Variable: percentage of insurrection related letter									
High Δ Log donativos	0.122* (0.064)		0.116* (0.061)		0.113* (0.058)		0.130* (0.068)		0.113* (0.060)	
Δ Log donativos		0.048 (0.031)		0.047 (0.029)		0.052 (0.031)		0.088** (0.030)		0.054 (0.031)
Mean Dep. Var.	0.061	0.061	0.061	0.061	0.061	0.061	0.065	0.065	0.061	0.061
R Squared	0.185	0.211	0.249	0.265	0.378	0.443	0.433	0.676	0.378	0.449
Observations	18	18	18	18	18	18	17	17	18	18
Administrative units	18	18	18	18	18	18	17	17	18	18
Viceroyalty FE			✓	✓	✓	✓	✓	✓	✓	✓
Baseline income control					✓	✓	✓	✓	✓	✓
Omitting zeros							✓	✓		
Δ Port distance									✓	✓

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Change in local expenditure

	Dependent Variable: percentage of insurrection related letter									
High Δ Log local exp.	0.073		0.094		0.117		0.129		0.174	
	(0.076)		(0.075)		(0.132)		(0.139)		(0.150)	
Δ Log local exp.		0.038		0.040		0.070		0.086		0.103
		(0.038)		(0.041)		(0.081)		(0.094)		(0.093)
Mean Dep. Var.	0.114	0.114	0.114	0.114	0.114	0.114	0.128	0.128	0.114	0.114
R Squared	0.035	0.035	0.163	0.149	0.169	0.164	0.144	0.145	0.233	0.222
Observations	27	27	27	27	27	27	24	24	27	27
Administrative units	27	27	27	27	27	27	24	24	27	27
Viceroyalty FE			✓	✓	✓	✓	✓	✓	✓	✓
Baseline income control					✓	✓	✓	✓	✓	✓
Omitting zeros							✓	✓		
Δ Port distance									✓	✓

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Naming patterns suggest reduced affinity with the Crown among baptized children

	Dependent Variable: Share of male newborns named after the viceroy						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Intendancy	-0.108***	-0.070**	-0.069***	-0.092***	-0.091***	-0.086***	-0.086***
	(0.033)	(0.024)	(0.024)	(0.025)	(0.029)	(0.028)	(0.028)
Mean DV	0.066	0.066	0.066	0.066	0.066	0.066	0.066
R-Squared	0.344	0.577	0.612	0.643	0.658	0.659	0.663
Observations	1740	1740	1740	1740	1740	1740	1740
Regions	58	58	58	58	58	58	58
Admin. Unit FE	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓
Geographic controls		✓	✓	✓	✓	✓	✓
Locational controls			✓	✓	✓	✓	✓
Pre-colonial controls				✓	✓	✓	✓
Political controls					✓	✓	✓
Baptisms controls						✓	✓
Name controls							✓

Results on naming patterns are robust to alternative measures

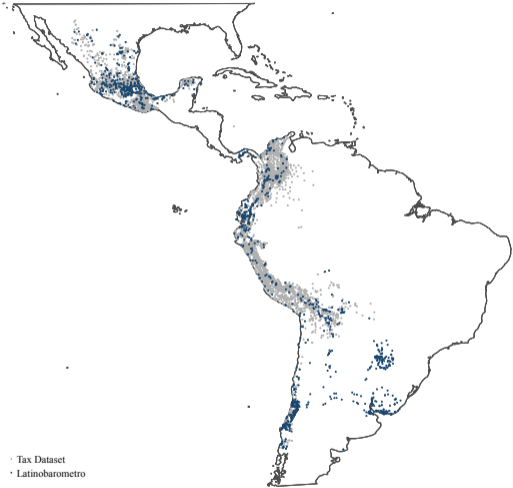|	Dependent Variable: % of individuals named after				
	Viceroy			Viceroy/King	Viceroy/Intendant
	Any Name (1)	Only First (2)	Not Common (3)	Any Name (4)	Any Name (5)
Intendencia	-0.108***	-0.103***	-0.109***	-0.109***	-0.103***
	(0.033)	(0.029)	(0.031)	(0.033)	(0.034)
Mean Dep. Var.	0.066	0.058	0.040	0.071	0.099
R Squared	0.344	0.352	0.362	0.343	0.399
Observations	1740	1740	1740	1740	1740
Regions	58	58	58	58	58
Region FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓

Back

No significant effects on births
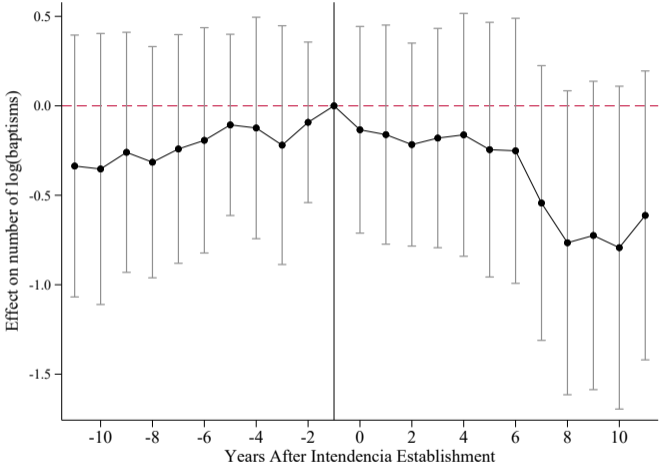
% of intendants murdered

Latin American municipalities with modern fiscal data

· Tax Dataset
· Latinobarometro

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Latin American municipalities with modern fiscal data

· Tax Dataset
· Latinobarometro