

DISCUSSION OF: BOURBON REFORMS AND STATE CAPACITY IN THE SPANISH EMPIRE BY CHIOVELLY ET AL. (2022)

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- **New evidence on the relationship between Intendencias Reform on State Capacity in the colonial world.**
 - Adoption of intendencias lead to a 30% increase in total collected revenue.
 - The effect persisted up to 10 years
 - Robust to some variations of the specification and controls.
 - Reduced indigenous rebellions and uprisings by at least 10%.
- **Potential Mechanisms:**
 - Monitoring: intendants entrenched to the local elite exhibited a subpar performance.
 - Extending territorial reach: Previously isolated and low fiscal capacity locations increased revenue in a higher extent.
- **Suggestive evidence on the potential relationship between the reform and Independence wars across the Americas.**

- **Building a novel history dataset around geographical data on royal treasuries that combines :**
 - Fiscal data (revenue and expenditure) for royal treasuries located in colonial municipalities.
 - Geographical data (precipitation, land ruggedness, ...).
 - Indigenous rebellions and uprisings. Biographical information of Intendants.
 - Public good provision (postal offices).
 - Sentiment towards the Spanish Crown.
 - Modern taxation outcomes.
- **Develop an empirical analysis based on a difference-in-difference research design:**
 - Before and after and between places that adopted and did not adopt the reform.
 - Under the hypothesis of quasi-experimental variation in the timing of introduction of Intendants.

Is *Intendencias* adoption an **exogenous event to unobservable factors also influencing the pattern of revenues and/or spending?**

- The authors state is quasi-experimental but the paper lacks a detailed explanation about the reasons to believe it, which I think will strengthen the paper.
- Lots of controls to exhaust the omitted variable problem → never enough to state causality.

Some factors potentially related to the shock and state capacity that are not accounted:

- Date of *Ordenanza* vs Arrival of Intendant: Anticipation effects not necessarily homogenous across territories.
- Intendencias were established first in higher precipitation and pre-colonial population. The authors include these controls in the regression but there are yet some omitted variables that one could think of: the efficiency of the previous *Corregidor*, *colonos* attachment to the Crown, ...
 - *Why not including “sentiment to the Crown” as control? Given it is available.*
- Selection of Intendants with more experience in different territories and time.
 - *The reform seems to impact more on further to the Capital and lower initial fiscal capacity places, which is a particular combination of characteristics.*

GRACIAS POR SU ATENCIÓN

