

Bourbon Reforms and State Capacity in the Spanish Empire

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Abstract :

We study the impact of large-scale administrative reform on state capacity in the Spanish empire in the Americas. During the late 18th century, the Spanish Crown entirely overhauled the provincial colonial government, introducing a new corps of *Intendants* to replace the existing body of local Crown representatives (*Corregidores*). Our empirical strategy leverages the staggered timing of this reform across different parts of the empire, extending from modern-day Mexico to Argentina, and yields three main findings. First, using granular administrative data from the network of royal treasuries, we show that the reform led to a sizable increase in public revenue (i.e. fiscal capacity). Second, the reform also led to a reduction in the incidence of acts of insurrection by the indigenous population, which had been harshly exploited by the *corregidores* (i.e., legal capacity). However, we show in third place that the reform also heightened tensions with the local creole elites, as reflected by naming patterns, potentially contributing to the subsequent demise of the colonial system.