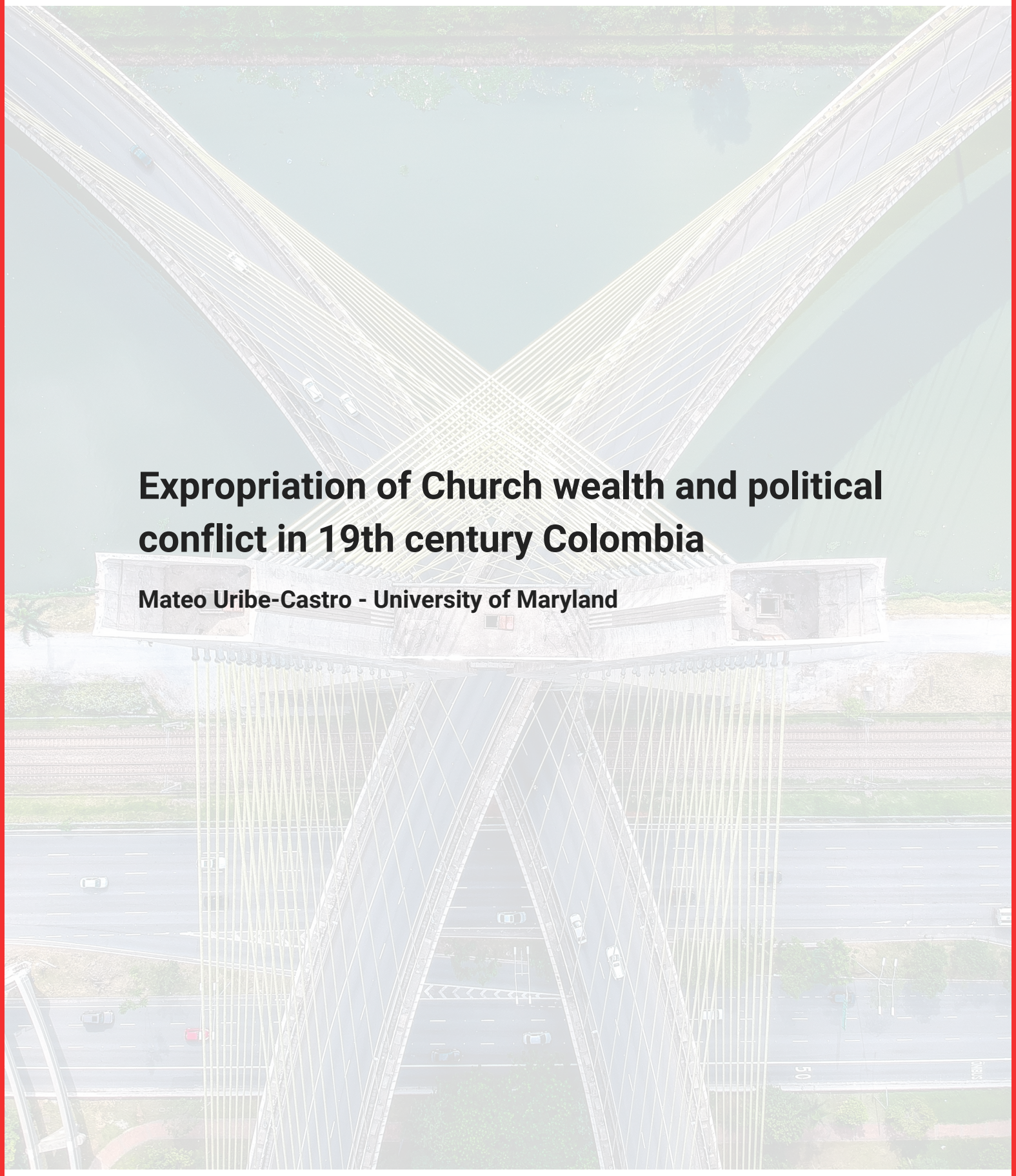

Expropriation of Church wealth and political conflict in 19th century Colombia

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Abstract

The redefinition of the Catholic Church property rights was common in Europe and the Americas during the late eighteenth and nineteenth century. In Latin America, the expropriation of the Church was framed in the violent process of institutional change after independence. This paper measures the impact of the expropriation of Church wealth on political violence, using data from Colombia between 1850 and 1900. Using yearly data on the number of battles per municipality, archival information on the reform, and a difference-in-differences and matching estimation strategies, I document a reduction of political violence in places where the Church was expropriated, and show the reduction was concentrated in municipalities with high political competition. The results are robust to several checks. This paper contests the traditional idea of the disentailment as a source of political violence by highlighting the alliance between the Conservative party and the Church, and the change in the landed elites' incentives to engage in violence. In an environment where elites competed over the rents from power, the modernisation of institutions lead, at least temporarily, to a less violent environment by undermining the bargaining potential of a traditionally powerful group, the Catholic Church.

JEL classification: N46, O17

Keywords: Political violence, property rights, Catholic Church, elites, Latin America

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1 Introduction

In the decades after independence, Latin America experienced significant turmoil and violence. It came in the form of multiple civil wars, rebellions, mutinies, short-lived constitutions, and high government turnover. The nineteenth century political disorder is an important piece to the puzzle about why Latin American economies lagged behind developed countries. Its causes are found in the struggle for privileges, rights, and resources that became available when the Europeans left (North et al., 2000; Coatsworth, 2008; Centeno, 1997). Powerful groups had to bargain over the definition of tax systems, trade policies, contracts that defined labor relationships, and property rights over land. They had to do so while reaching agreements about what constituted legitimate authority (Safford, 1992). Violence and disorder, though costly, were natural consequences of such environment. Coming up with a solution was a necessary condition for subsequent economic growth.

This paper explores the evolution of political violence after a change in the allocation of resources tied to an institutional reform: the disentailment of mortmain, that is, the process by which a government expropriated the Catholic Church and distributed its assets among other members of the society. The reform abolished the land tenure system previously established by the Crown, known as *mortmain*, where land was inalienable, free of taxes, and owned in perpetuity. The redefinition of the Catholic Church property rights was common in Europe and the Americas during the late eighteenth and nineteenth century. Given the Church's influence and wealth, one hypothesis may be that that type of reform fueled political instability and violence by generating grievances between elites. However, the reform may also have led to less conflict if it helped to consolidate "secular" elites and/or if it generated better economic outcomes. The question of the effect of the expropriation of the Church on political violence is therefore an empirical question and is the goal of this paper.

Motivated by the French Revolution and Spain's disentailment reform, most of the countries in Latin America carried out similar reforms in the decades after 1820 (Bazant, 2008). Chile's reform in the 1820s, Mexico's in 1856, and Colombia's in 1861 stand out as important examples. This paper uses data from Colombia in the second half of the nineteenth century to estimate the impact of the disentailment reform on political violence.

Colombia exemplifies how difficult it was for powerful groups to coordinate and solve the problem of violence; its nineteenth century history, with 9 civil wars and 6 different Constitutions, is one of political conflict, representative of the countries in the region (Bergquist et al., 1992; Mazzuca and Robinson, 2009). At the same time the country experienced frequent, highly contested elections (Deas, 1996). The vacuum of power left by the Span-

ish Empire was quickly disputed, both democratically and violently, by different factions within the republican elite, which organized around 1850 in two political parties: Liberal and Conservative.

The Colombian disentailment reform, initiated by the Liberal faction, has traditionally been viewed as a catalyst of conflict because the Conservative party was allied with the Church and defended its interests. Moreover, the Catholic Church participated directly and indirectly in violent conflicts, sending troops, providing support, and preaching in favor of the Conservatives during religious services (Ortiz, 2010, 2013). Shortly after the disentailment decree went into effect, an American diplomat in Colombia wrote: "the war has virtually become one of religion; - the Liberals against the Church, and the most intense fanaticism against anything that may be proposed by them." Adding: "when I commenced preparing the accompanying papers for the Department [of State], it would appeared almost certain that the controversies to which they relate would soon involve the unfortunate country in another Civil War" (Shaw, 1941). That notion has been carried on to Colombia's historiography. For instance, Jaramillo and Meisel (2009) consider that the antagonism between the Church and the Liberal party reached its peak after the 1860s.

However, the relationship between the disentailment reform and political violence has not been rigorously explored yet. This paper offers empirical support for a different interpretation of the consequences of the abolition of the mortmain: by reducing the economic power of the Church and reallocating its real estate properties, the reform changed the incentive of powerful groups to engage in conflict, contributing to alleviate the problem of violence. This idea is related to North et al. (2009) view of how elites allocate rents and privileges to solve the problem of violence and more closely to Bazant (2008) depiction of the Spanish disentailment reform: landowners were sympthetic to the Church's causes until they bought its expropriated properties.

Most of the studies of the economic effect of the expropriation of Church wealth focus on the revenue collected by governments because it was the most cited motivation for such reforms in many countries (Jaramillo and Meisel, 2009; Bazant, 2008). Finley et al. (2017) go beyond the fiscal dimension and show how the redefinition of property rights after the expropriation of the Church in France led to higher levels of land inequality and agricultural productivity.

The effect of land redistribution on violence has been studied both theoretically and empirically for the case where the reform wants to solve the problem of unequal land distribution. For instance, Grossman (1994) shows that land redistribution can deter violence since

it might be an optimal response of landowners facing the threat of expropriation. Domenech and Herreros (2017) find empirical evidence in favor of a negative effect of land redistribution on conflict using data from Spain in the 1930s. However, the case of the Church's wealth redistribution is different since it is not meant to lead to a more equal access to land.

I estimate the impact of the disentailment reform of political violence using a difference-in-differences strategy. I find that the reform had a large, negative effect in political violence. It is statistically significant and robust to different specifications, time frames, sub-samples of municipalities, controls for the dynamics of political conflict, and to different estimations of the standard errors.

There was considerable geographical variation in the amount and value of land involved in the reform and a natural question is how much of that variation was due to pre-existing differences in the amount of land owned by the Church versus variation in the ability of the government to expropriate the Church. Unfortunately, there are no records of how much land the Church owned before the reform in each municipality. Therefore I cannot calculate the share of disentailed land per municipality (intensive margin). I take the data at face value and focus on a measure of the "extensive margin" of the reform. I consider places where the Church was expropriated of at least one of its properties as part of the "treatment group," while municipalities without records of expropriated land are part of the "control group."

Both groups of municipalities are different in several measures. Since the colonial experience defined the Church's ownership of land, municipalities in the treatment group are typically older, closer to the country's capital, more likely to have had both indigenous and Spanish settlements around 1540, and located at higher altitude. Given those differences, I control for a set of municipality's characteristics, their interaction with a reform dummy, and province fixed effects in all the empirical estimations. Moreover, the results are similar when, instead of controlling linearly, I use propensity score matching to build a control group that is closer in observable characteristics to the treatment group.

Although the identification is coming from the parallel trends assumption and not from quasi random assignment to the treatment, this is reassuring of the fact that the reduction in violence is not coming from underlying differences in the municipalities but from the disentailment reform. I also present some evidence about the plausibility of parallel trends between the two groups, in particular, I introduce year dummies interacted with the treatment indicator and confirm they are not significantly different from zero before the reform, and negative after.

Why did violence decrease after the reform? There are several potential causes. First, the reform had a direct wealth effect on the ability of the Church to fund and promote violent confrontations supporting the Conservative faction. Second, the Conservative party, who was allied with the Church, lost part of the reward from supporting the clergy in other policies. In other words, the alliance between the Church and the Conservatives was weakened by the decline in the former's economic power. Finally, powerful landowners who purchased the land and increased their landholdings had less incentive to engage in violent conflicts since a high burden of violence was assumed by them (Safford and Palacios, 2002).

Due to data limitations, I cannot fully disentangle the potential mechanisms. I provide some support for the idea that the reduction in violence is coming mostly from political reasons rather than from economic reasons. I show that most of the negative effect of the disentailment reform was located in politically contested municipalities, as measured by the 1856 presidential elections vote shares, the only election in the nineteenth century where males older than 21 years old or married could vote. This results shows that the effect is not only a mechanical consequence of the Church's lower economic power, which reduced violence, but also a product of the shift in political competition from violence to other strategies like elections.

The following section provides a historical background for the Colombian disentailment reform. I first detail how the main groups interacted and competed over resources, characterizing their motivations and compositions. I then introduce the institutional details of the disentailment reform, framing it on the bigger set of dynamics between the elites. Section 3 describes the data used and the empirical strategy. Section 4 discusses the results and section 5 concludes.

2 Historical background

2.1 Elite competition in nineteenth century Colombia

Two features of the political process became apparent to the elite during the first half of the century: 1) the president had a lot of discretion to exclude certain factions from the political arena. It assigned ministers and the province's governors, controlled the military, and could allocate monopoly rights. 2) It was relatively easy for the excluded group to organize a rebellion. For instance, the loser from the 1837 election, General Obando, organized the movement that started the 1839-1841 civil war, while the Conservative rebellion of 1851 was a response to the election of the Liberal president Jose Hilario López in 1849 (Safford and

Palacios, 2002). This was possible due to, first, the broad range of geographical interests that allowed to form a coalition, and second, (and perhaps more importantly) the weakness of the military. The experience with dictatorship in the 1820s led to a reduction of the size of the military that allowed "civilian bands the parties were able to mobilize [to be] often larger than the national army itself." (Hartlyn, 1988) Colombia's relative poverty[1] also helps to explain how easy it was for political elites to raise an army, especially when accounting for the poor development of labor markets and the dependency of workers to their landlords (Dube and Vargas, 2013).

This set of dynamics was embedded in the political process and led to the striking relationship between elections and violence documented by Posada-Carbó (1995). From the 1830s, presidents, congress members, municipal councils and local assemblies were elected via suffrage, though it was restricted and indirect before 1856. Between 1830 and 1930 there were 27 presidential elections, 25 were highly competitive while just two of them had one clear contestant. Both campaigning and electoral fraud were reasons for violent protests to appear. Most of the times they were short lived demonstrations but in occasions they scaled up to a regional rebellion and in some cases it could lead to a general civil war.

Malcolm Deas (1996) writes: "this republic has had more elections, under more systems, central and federal, direct and indirect, hegemonic and proportional, and with more consequences than any American or European country that could attempt to dispute the title."

And at the same time Mazzuca and Robinson (2009) summarize Colombia's 19th century as "politically chaotic even by Hispanic American standards: the record includes nine national civil wars, dozens of local revolts, mutinies and pronunciamientos, material destruction equivalent to several years of economic output, and at least 250,000 deaths due to political violence."

How to reconcile the coexistence of elections and political violence? Were the roots of conflict and stable electoral process related at all? Fergusson and Vargas (2013) argue that "violence in nineteenth-century Colombia was essentially a technology for political elites to compete for the rents from power." They show that more democratic municipalities, measured by the extent of the franchise after 1853, suffered from less political violence when there were elections, and that the effect was concentrated in older municipalities where the state was better established. Their results show evidence on how the political elites substituted

[1] Around 20% of the US GDP per capita in 1850, compared to, for instance Argentina (63%) or Chile (35%) (Kalmanovitz, 2011; Coatsworth, 2008)

violence and trusted the electoral process more when elections were more representative and legitimate.

Not only in Colombia widespread violence was endemic to the system. Disorder and turmoil are characteristics of what North et al. (2009) call *natural states*. The new countries throughout Latin America "virtually collapsed under the weight of what historians refer to as 'state building'.(...) Lacking self-enforcing institutions, political organization disintegrated into smaller units" (North et al., 2000), which in the Colombian case were represented at a national scale by the Liberal and Conservative parties.

Despite their fierce competition, both factions were relatively similar and homogenous in their socio-economic composition. Hartlyn (1988) defines the parties as "loose confederations of large landowners and merchants who possessed considerable autonomy in their region rather than tightly knit organizations." Safford and Palacios (2002) describe the political elite as "men who were born into the upper class and/or whose social position was confirmed by marriage, through achievement in education and at the bar, in economic enterprise, or by rising through the ranks of the military or the clergy. Most were university-educated professionals or had military careers; in either case, they were also likely to own land and quite possibly also engage in commerce." The conventional notion of conservatives as landowners and members of the military, and liberals as merchants and lawyers is not useful when describing Colombian political and economic elites (Safford and Palacios, 2002).

The similarity between the two parties made it relatively easy to reach agreements over economic policy. Most of the Liberal reforms pushed from 1845 like eliminating state monopolies, instituting civil marriage and universal male suffrage, or shifting tax revenues to regional governments did not find organized opposition from the Conservative party. Even the abolition of slavery, which took almost 30 years to complete, was resolved by compensating the owners (Tovar, 2007). This relatively peaceful way of undertaking economic reforms led Bushnell (1993) to conclude that "economic policy was not an area of clear-cut differences between the parties".

The issue that divided both political factions the most was their attitudes toward the Catholic Church. Safford and Palacios summarize the tension:

> "Liberals, while often Catholic in belief and practice, generally thought that the Church was too powerful and tended to restrain economic productivity and public enlightenment. Most political conservatives, by contrast, came to believe that the Church must play a central role in preserving social and moral order; accordingly, they were willing to concede to the clergy a tutorial role in educating

> the young and guiding poor, less educated people. Political conservatives also viewed the Church as a political ally and as an instrument for mobilizing support for conservative causes (...). The Church related political and ideological differences between conservatives and liberals, already evident in a muffled way in the late 1830s, became sharp and strident in the 1850s and 1860s." (Safford and Palacios, 2002, p. 156)

2.2 The Catholic Church and political violence

Due to its relationship with the Spanish Crown, the Catholic Church received numerous land grants and donations during the Conquest and Colonial period, especially in the seventeenth century (Coatsworth, 2006). Such property was held in mortmain, meaning it was inalienable, was not subject to taxes, and was owned in perpetuity (Jaramillo and Meisel, 2009). The Church also received pious donations and inherited estates so by the end of the colonial period it was the largest landowner in the country (Fazio and Sánchez, 2010). It also held the monopoly of education, controlled the tithe, and was so embedded in the bureaucratic structure of New Granada that becoming a priest was sometimes the only available option to climb up the social ladder.

As a consequence, the Catholic Church had an immense influence on the Colombian society even after the colonial period.

First, local priests were very influential figures in the country side, able to mobilize the masses against their enemies. Second, assets held in mortmain allowed it to generate revenue and maintain a patron-client network. Third, it acted as a monopolist on the market for mortgage loans, which it allocated to "wealthy notables with good political connections." (Coatsworth, 1988). Finally, it was also common for the main political families to have representation in the Catholic Church hierarchy. One of the most striking example is the Mosquera family. Manuel Jose Mosquera was Bogota's Archbishop, while his older brother Tomas Cipriano de Mosquera was the president four times[2]. The Catholic Church also had representation in the legislative body. In 1834, for instance, one third of the Senate and one fourth of the House of Representatives members were priests.

From very early on, the Catholic Church allied with the faction that later became the Conservative party, since both favored social order over freedom and modernization. Even though most of the times both Liberals and Conservatives viewed the institutions related to the Church as a hindrance for economic development (the tithe, religious freedom, monas-

[2]Banco de la Republica: http://www.banrepcultural.org/blaavirtual/biografias/mosqtoma.htm

teries, the mortmain, etc) the latter group recognized the political advantage of protecting the Church's interests.

But not only was the Church involved in politics, it also agitated the masses up to violent uprisings even on occasions where its direct interests were not compromised. During the 1839-1842 civil war, which was instrumental for the formation of political parties, James Semple, an American diplomat placed in Bogotá, registered how:

> "the Archbishop issued a proclamation calling on all the faithful, from the highest to the lowest, to turn out and defend the city of the Holy Faith [Bogotá]. A solemn procession was formed, and an oration delivered by one of the most eloquent of the clergy, closing with a prayer to the Virgin Mary to protect the Holy City. This operation had a great effect, many men of all classes went to the barracks and took arms" (Semple to Forthsyt, November 21, 1840, as quoted by Shaw (1941))

And it participated directly in violent confrontations. President Mosquera, in a letter to Pope Pius IX, complained about how "several priests have joined the revolution, abusing their pastoral ministry to incite the masses to rebel against the constitutional government. Some of them have even provided funds for weapons, and it's not unheard of for a priest to be killed in action while heading a guerrilla."[3] Ortiz (2010) also documents that "parish priests participated in different war activities in almost every region of the country's interior. Bogota's guerrillas recruited 35 priests, while in Antioquia most of the 150 priests preached, helped recruiting soldiers, provided support both in kind and in cash to the Conservative troops, and put together relief funds for widows and orphans from the war."[4]

The Church's power, though, did not impede major Liberal reforms after 1849, like civil marriage and divorce and, more importantly, the abolition of the tithe in 1851, or the declaration of religious freedom in the 1853 Constitution (Gibson, 1948). Those reforms did not find organized opposition from the Conservative party, and more interestingly, were not reversed after Mariano Ospina was elected president for the Conservative party after the 1856 elections, which was the first time a president was elected by direct voting. Also the 1853 Constitution had extended the franchise to include all men older than 21 years old and married men older than 16 years old (Fergusson and Vargas, 2013).

[3]The translation is mine. As quoted by Luis C. Matilla on Credencial Histórica Magazine, ed. 153.

[4]The translation is mine.

2.3 Disentailment reform

General Tomás Cipriano de Mosquera became president after taking over Bogotá in 1861. He was once a conservative Bolivarian and had changed political sides several times[5]. Shortly after taking over the presidency, Mosquera decreed the disentailment of the mortmain.

Four sources of motivation were behind the disentailment reform:

First and foremost, the pressing fiscal situation due not only to the last war, but to the accumulation of debt from wars dating back to 1810 (Díaz, 1977). Both Safford and Palacios (2002) and Jaramillo and Meisel (2009) highlight the fiscal motive as being the most important, and the latter document how profitable it was for the government despite popular belief at the time. In second place, Mosquera's government wanted retaliation against the Catholic Church for aligning with the Conservative party during the war. Third, the government aimed at stimulating local economies by changing the institutional framework under which those properties were owned, hoping that the abolition of the mortmain led to the development of modern land and credit markets.

Finally, there was the issue of democratization of land. The Secretary of Finance, Rafael Nuñez (1962) wrote: "this is about solving with disentailment to the greatest extent possible, the arduous and immense problem of the egalitarian distribution of property."[6]

The 1861 decree established a system for performing the disentailment. It created the Disentailment Agency, which had offices in the different states, and was in charge of the operation of the public auctions. The decree allowed for payments in bonds but a minimum of 10% of the property's value had to be paid in cash. It also tried to divided larger estates into smaller parcels (Fazio and Sánchez, 2010). Finally, to prevent the Catholic Church from hiding their properties, it offered 10% of the property's value to informants that denounced hidden estates.

Despite the Church's natural resistance and logistical problems, the disentailment reform was done rapidly and diligently. Figure 1 shows the pace of the reform. By 1876, the government estimated it was still missing several properties valued in $247,000 pesos. However, it was not a very significant portion of the reform since it has already auctioned off properties for roughly $7 million pesos (Jaramillo and Meisel, 2009). Most of the progress, moreover, was made between 1862 and 1868. 78% of the value disentailed from 1862 to 1881

[5]Allan Burton, a US diplomat in Colombia, commented about President Mosquera: "He was once the idol and worshipper of the very men, or class of men he now pursues, until he saw more inviting fields of ambition among his ancient adversaries."

[6]Quoted by Fazio and Sánchez (2010).

was already auctioned off by 1868. After 1871, the disentailment reform stalled because the remaining estates had low value and were hard to sell and the Disentailment Agency was moved to the Secretary of the Treasury, which had different priorities. Some of the unsold properties were given to the states' governments, and the rest was returned to the Church in 1887 after the Concordato deal between the Pope and the Colombian government was signed. However, the reform was not reversed during the period of Conservative rule (1885-1898) and Jaramillo and Meisel (2009) estimate the government made over $8 million pesos with the disentailment reform, after accounting for the annuity agreed with the Holy See.

Importantly, the reform was not only about the expropriation but it also dealt with the nature of property rights for the Catholic Church, who could not own land perpetually and inalienably, and was subject to civic duties and taxes. The disentailment reform throughout Latin America was about subjecting the Church to the same set of civic rules the other organizations were guided by. As such, it was highly disruptive of the status quo.

The pressing fiscal situation was alleviated with the reform, as was the change in property rights and the increase of land circulating in the market. However, the resulting distribution of land was far from democratic. Fazio and Sánchez (2010) show how the disentailed land had a higher gini coefficient than the lots traded in 1857 in Bogotá, and argue that the auctioned land went to the hands of already powerful elites that consolidated their estates or acquired new ones in different places.

The lower estimates for the value of the reform are around 16% of Colombia's 1860 GDP. As a reference, the Mexican reform undertaken from 1856 to 1875 accounted for 23% of its GDP. However, Colombia's reform surpassed 13 times the central government's revenue, while in Mexico it was only 6 times higher than the federal government expenditures. The Church was stronger and richer in Mexico than in Colombia, but the Colombian government was in a worse shape than Mexico's (Jaramillo and Meisel, 2009).

3 Estimating the effect of the disentailment reform on political violence

3.1 Data

To estimate the effect of the disentailment land reform on conflict and violence in Colombia I rely on four main data sources. First and foremost, data from the disentailment reform from the Colombian National Archives (*Archivo General de la Nacion*) (Fazio and Sánchez, 2010).

It contains information on all the properties that were sold in public auction, including: size, value appraised by surveyors, total price paid, buyer's name, and year of purchase. With this source I build the main independent variable: a dummy that equals one for those municipalities in which land was expropriated from the church and sold in public auction. I also calculate the extent of the reform by measuring, at the municipality level, the total acreage sold, total revenue collected as well as the original value appraised by the Disentailment Agency officials. Finally, I calculate the gini coefficient of the value of disentailed properties at the municipality level for places where more than one individual acquired land.

Second, I coded the information from Riascos Grueso (1950) book Colombia's War Geography to create a yearly panel with the number of battles on each municipality from the late 18th century to 1902. This is the main dependent variable. Notice it is only a measure of political violence, not of the general level of insecurity. Even though Riascos Grueso's book is the most comprehensive measure of political violence in the nineteenth century, it has not been widely used in the literature[7]. As a robustness check, and to deal with plausible measurement error, I also use a dummy variable that equals one for each municipality that had a positive number of violent confrontations in a given year. My main sample uses observations from the period between the 1853 and 1886 Constitutions (1854 to 1885), but the results do not change for a sample centered at 1862, or when using all the years from 1850 to 1900.

Third, I use the data from Bushnell (1970) on the 1856 presidential elections to measure political support. Using data from this election is useful for three reasons: 1) it was the first direct presidential election in Colombia; 2) the 1853 Constitution eliminated property and literacy restrictions to vote, extending the franchise to all men older than 21 years old or younger and married; and 3) the turnout for the election was around 41% according to Bushnell (1970).

In 1856, the race was decided between 3 candidates: Mariano Ospina, for the Conservative party, Manuel Murillo Toro, for the Liberal party, and Tomas C. de Mosquera, as an independent candidate representing his own National Party. The election was won by the Conservative party, and represented a relatively peaceful transition of power from Liberal rule. Ospina won the election with 47% of the total votes. Murillo came in second place with 37.3% and Mosquera received 14.5%.[8]

[7]To my knowledge, only Fergusson and Vargas (2013) use the same source to study the effect of increasing the size of the franchise in political violence

[8]The remaining 1.2% of the votes were casted for "other candidates".

I also calculated the level of political competition using an index ranging from 0, when one candidate gets all the votes, to 1, where the two first candidates split the votes evenly (Fergusson and Vargas, 2013). Let v_i^1, v_i^2 be respectively the vote shares of the winning candidate and the runner up in municipality i. The political competition index is given by:

$$PoliticalCompetition_i = 1 - \left(\frac{v_i^1 - v_i^2}{v_i^1 + v_i^2} \right)$$

Notice it does not provide information on which party was relatively stronger. It only measures how competitive the elections were, with 1 being the most competitive.

Finally, I collected geographic and historical information for each municipality from the Municipalities Panel dataset from Universidad de los Andes' Center for Economic Development Studies (CEDE). In particular, I collected measures of altitude, soil quality, distance to the department's capital, distance to the main food market, and distance to Bogotá (the country's capital), as well as indicators for indigenous population after 1535, and for Spanish settlements from 1510 to 1561, and use them as control variables.

3.2 Measuring the Disentailment reform

The Colombian National Archives hold a rich section on the disentailment reform. The General Office for Disentailed Estates had agents in the biggest cities and the records contain useful information on the process of the reform. However, there were not preliminary estimates of the total amount of the Church land at the municipality level (there were some at the state level), so my main measure of the disentailment is based only on the outcome of the reform aggregating at the municipality level the total value and area disentailed.

The Church had accumulated properties over the years and it was willing to defend its property rights (Coatsworth, 2006). Therefore this outcome, measured either by total area or value, is not only a function of the actual land the Church had, but also of the capacity it had to hide or deter the government from knowing what exactly it did own. In other words, there is non random measurement error in the continuous assessments of the reform (area or value). It is not random because it is correlated to the capacity the Church had to hide their estates, which at the same time can be conceived as affecting the level of political violence.

To alleviate measurement error in this sense, I focus on a discrete measure of the reform: a dummy variable that equals 1 if the Church was expropriated of at least one of its properties in a given municipality. In other words, even though the total value of the mortmain disentailed per municipality may be systematically biased by the Church's relative power,

I assume the Church did not own land in mortmain in municipality with no records of the disentailment reform.

This assumption is plausible for two reasons: one, the incentives the government offered to informants (Jaramillo and Meisel, 2009); and two, the government's ability to expropriate the Church in each municipality should be increasing in the amount of land owned by the Church. To put it differently, the systematic measurement error may exist in the intensive margin of the reform, but not on the extensive margin.

Table 1 compares municipalities with and without the reform on several dimensions. First, notice they differ on the expected ways. Property held in mortmain was a legacy of the Spanish empire, therefore the Catholic church held land in places that were founded earlier and where it was more likely to find indigenous groups, which is in the temperate areas, high in the Andes mountains, and closer to Bogotá (Acemoglu and Robinson, 2012).

However, those two groups do not differ in other geographical variables like the distance to the department's capital or the soil quality index. Using data from the 1856 elections, I find that the Conservative party had a higher vote share where the Church had estates, but the average level of political competition is not different between the two groups of municipalities.

Figure 4 presents more evidence that the geographical variation of the reform obeys to factors different from political competition. It divides municipalities in deciles according to the Conservative party 1856 vote share and shows that the share of "treated" municipalities does not increase systematically with the Conservative support. For instance, municipalities in the 3rd decile of Conservative vote share were as likely to be treated as municipalities where 100% of the votes went to the Conservative candidate (10th decile). A similar conclusion can be drawn from figure 5 for the case of political competition.

3.3 Empirical strategy

To estimate the effect of the distributive land reform on political conflict I exploit geographical variation in the disentailment reform and its timing in a difference-in-differences setting. I compare the change in political violence, before and after 1862, in municipalities where the Church was expropriated with that of municipalities where the Church did not own land in mortmain. My main specification is given by:

$$B_{it} = \alpha_1 + \alpha_2 d_t^{1863} + \alpha_3 DR_i + \gamma(d_t^{1863} * DR_i) + \beta_0 X_i + \sum_{j=1}^{K} \beta_j (x_i^j * d^{1863}) + \delta_p + \delta_t + \epsilon_{it} \quad (1)$$

Where B_{it} is the number of battles in year t in municipality i, DR_i is an indicator equal to 1 if there was a record of the disentailment reform transaction in municipality i, in province p, d_t^{1863} is a dummy variable equal to one from the year of the first recorded purchase in the disentailment reform onwards, $X_i = [x_i^1, ..., x_i^K]$ is a set of controls, δ_t is a full set of year fixed effects, and δ_p is a set of province fixed effects[9], to control for both national trends in conflict and common factors at the province level, respectively. The coefficient of interest is then γ.

X_i include municipalities characteristics, in particular: foundation year, distance to Bogotá and the State's capital, altitude, soil quality index, an indicator for the location of indigenous groups around 1540, and an indicator of early Spanish settlements (1510 to 1560). To control for the level of political partisanship that may drive the political violence, I also include the Conservative party vote share in the 1856 presidential election.

Given the time invariant differences between places that received the reform and those which did not, I include a set of interactions between the control variables in X_i and the dummy for the post period of the reform. In this fashion, I flexibly control for the concern that the underlying characteristics in X_i may be driving the results and not the treatment indicator. In particular, I control for the 1856 election results, to account for underlying ideology and relative power of both parties.

I also estimate equation 1 changing the dummy variable DR_i for various continuous measures of the success of the reform: total amount of land, total value of the land, and ex-post gini coefficient.

Finally, as the level of violence is serially correlated for each municipality, unless otherwise noted, I estimate standard errors clustered at the municipality level.

4 Results

4.1 Difference-in-Differences

Figures 2 and 3 illustrate the main results. The first one shows the raw data, dividing the municipalities in treatment (blue) and control (red). Figure 3 shows the residual level of violence after controlling for municipality characteristics and province fixed effects. After the disentailment reform, the level of violence fell by a greater amount in the municipalities where properties were taken away from the Catholic Church and sold in public auction. The

[9]The results are the same when I used a full set of municipalities fixed effects.

figures also shows that the trends in political conflict between those municipalities in which the reform took place and those in which it did not were relatively similar before 1862, and the message is particularly salient for figure 3. This is reassuring because the identification is coming from assuming both trends were paralell (Angrist and Pischke, 2008).

The main results are presented in table 2, where I estimate equation 1 adding controls step by step. In every column standard errors are clustered at the municipality level. The coefficient of interest, γ is negative and significant at the 95% level in all the specifications, including column (6) where several controls for differential trends after the reform were included. The effect is sizable: it represents 29% of the average number of battles per year in the municipalities that received the reform. It is also robust to the inclusion of controls.

Moreover, political violence increased in the municipalities where the Conservative party received more votes in 1856. In other words, when the government abolished the mortmain institution by expropriating the Church, municipalities where the Church held assets were hurt, the landholder class gained strength and violence fell sharply, while more Conservative places increased their violence level.

The period after 1862 is characterized by a general decrease in the level of violence, however, it is more rapid for those municipalities in which an important sector of one of the three key players was severely weakened by the reform that expropriated and redistributed its properties.

To corroborate this results, I performed a placebo test, estimating the equation in column (6) from table 2 as if the reform had taken place in different years. If differences in the change of political violence between those municipalities that experienced the disentailment reform and those that did not are found for different years, that would cast serious doubts to my conclusion that the reduction in violence because one party is weakened is due to the disentailment reform and not to other factors.

In fact, figure 6 plots the coefficient point estimate and the clustered standard error for those placebo regressions. Notice it is only statistically significant for the year the reform took place and two or three years later (depending on the significance level used). Moreover, it is statistically 0 before the reform, which leads to further confidence on the parallel trends assumption.

Similarly, table 3 reproduces the estimation of equation1 but replacing the dummy variable of the reform for a continuous measure of the extent of the disentailment. Columns (1) and (3) use the natural log of the total area disentailed, columns (2) and (4) use the natural log of the total appraisal of the properties disentailed, and column (5) use the gini

coefficient. While columns (1) and (2) use the whole sample of municipalities, assigning the value of 0 to those that did not have records of the reform, columns (2) and (4) restrict the sample to those which had records of the reform. Column (5) further restricts the sample to the municipalities in which a gini coefficient could be calculated, that is, those in which there was only one buyer. The results are similar to those in table 2. However, the take-away is in the same direction: where the reform had a stronger impact on the Church's estates, political violence decreased faster.

The raw data on figure 3 provides a first pass test on the paralell trends assumption. However, to do it more formally I perform a test similar to Autor (2003). In particular I estimate:

$$B_{it} = \delta_p + \delta_t + \sum_{t=0}^{m} \gamma_{-t} DR_i + \sum_{t=0}^{q} \gamma_{+t} DR_i + \beta_0 X_i + \sum_{j=1}^{K} \beta_j (x_i^j * d^{1863}) + \epsilon_{it} \tag{2}$$

If the trends on political violence before the reform are not different between the treatment and control group, the coefficients for the years leading to the reform should not be statistically different, but the coefficients on the years after the reform should be. A graphic representation of this test is presented by figure 7. It is a validation of the interpretation of the main results as coming from the disentailment reform and not from chance or mean regression.

4.2 Matching estimator

Given the underlying differences between the municipalities that were affected by the reform and those who were not, it may be restrictive to use a dif-in-difs strategy to identify the true effect on political violence, since it assumes the conditional expectation of the number of battles per year is linear on the covariates. I complement the analysis using propensity score matching to build a better comparison group to the municipalities where the Church was expropriated.

First, I estimate the probability of a municipality of being treated by the disentailment reform using a probit model. Then, I pair each one of the treated municipalities with a group of similar control municipalities, based on the propensity score. Finally, I compare the change in average political violence before and after the reform for each group of treatment and controls. In other words, by performing a matching procedure I change the functional form assumptions on the conditional expectation for assumptions on the probability of being treated (Angrist and Pischke, 2008).

In this setting the dependent variable is given by:

$$\Delta \bar{B}_i = \bar{B}_{i,1863-1885} - \bar{B}_{i,1854-1862}$$

where $\bar{B}_{i,t_1-t_2}$ is the average number of battles in municipality i between the years t_2 and t_1. In other words, the dependent variable is the change in average number of battles from after and before the reform.

Table 4 presents the results from the matching function using a probit estimator, and the most relevant controls from table 1. I present in table 4 the results from the matching estimator, varying both the matching algorithm and the number of years in the pre and post period. I use three matching methods based on the Mahalanobis distance of the estimated propensity score: radius (with a caliper of 0.01), nearest five neighbors, and nearest neighbor. In all cases the point estimator of the average treatment effect (ATT) is negative and has roughly the same size than the dif-in-difs results, consistent with the main message of the framework.

4.3 Robustness

I selected the main period of analysis based on the Colombian political history, however I could have chosen the time frame in many different ways. In table 6, I explore whether or not my results are robust to changes in the sample year. Column (1) shows my main results for comparison reasons, column (3) extends the period to cover the second half of the XIX century but leaves out the period from 1899-1902, where the longest civil war took place[10].

During the XIX century, states gained a lot of power in contrast with the central government. The capital cities from the 9 states may be different in many regards to the typical municipality, therefore I estimate my main results removing them from the sample in column (5).

Given the yearly nature of the data and the nature of political conflict, I extend the main results to account for the dynamics of conflict. Table 7 presents the results. Column (1) reproduces the main results for comparison. In column (2) I control for lagged violence and show that political conflict is not serially correlated once I control for year fixed effects, as can be seen from the coefficient on the first lag. In columns (3) and (4), I flexibly control for interactions of the treatment variable (Disentailment) with different years around (column (3)) and after (column(4)) the reform actually happened (Mora and Reggio, 2012). The

[10]Results were unchanged when adding 1899 and 1900.

coefficient remains negative and statistically significant in column (4), but is not significant in column (3), although the interaction with the previous year dummy is now significant.

Bertrand et al. (2004) raise concerns about the calculation of standard errors in difference in differences settings when the dependent variable is serially correlated. Even though this is not the case for the number of battles, as I mentioned earlier, I perform the corrections they suggest for calculating standard errors more accurately. First, I collapse the data in two periods, before (1854-1862) and after (1863-1885) the reform, and estimate equation 1. I show the results in table 9 for two different measures of violence: the average of the number of battles per year and the share of years with at least one battle. The coefficient remains negative, statistically significant, and roughly has the same magnitude, which gives me confidence on my results not being driven by an incorrect estimation of standard errors[11].

Second, I simulate the empirical distribution of γ by randomizing both the year of the reform and the municipalities that were treated, and then estimating $\hat{\gamma}$ from equation 1. Figure 8 shows the empirical distribution when I randomized year and treatment $5,000$ times. The empirical p-value is 0.031. In figure 9 I show the empirical distribution when I only randomized treatment but not the reform year ($N = 800$). The empirical p-value is now smaller than 1%. The red vertical line in both graphs shows where $\hat{\gamma}$ lies in the distribution.

4.4 Mechanism

As a first pass exploration on the main mechanisms, table 8 shows the results from a dif-in-difs trategy when I divide the sample of municipalities in two groups, first by political competition, and second, by the conservative vote share.

The negative effects from the disentailment reform are stronger when political competition is higher than the median. Within the municipalities that were highly contested in 1856, the disentailment reform contributed to a reduction in political violence after 1863. Importantly, as shown in figure 5, both samples have the same share of municipalities that were affected by the reform. It is not the case that most of the "treated" municipalities were highly contested. It is interesting to note that for the municipalities were the effect of the reform is found, the increase in political violence in more conservative municipalities is not observed.

Columns (4) and (5) show the results when I divided the sample by the Conservative's party candidate, Mariano Ospina, vote share, who ended up winning the election and be-

[11] As a final check, table 10 compare the standard errors under 3 different clustering methods: by municipality, two-way year x municipality, and by province using wild-bootstrap

coming president from 1857-1861. Column (4) show results for municipalities where the vote share was higher than the average vote share (45.7%)[12]. The results now are focused in places where the Conservative party was not very strong.

In interpret this results as supporting the simple framework. In places where the Conservative party really could benefit from the Church's help, violence dropped after the reform, when siding with the Church was not beneficial.

5 Conclusion

Understanding civil war and violence is crucial for explaining the divergence in standards of living, especially in Latin America (Blattman and Miguel, 2010; North et al., 2000). This paper shows how the distribution of rents and resources can contribute to alleviate the problem of violence by aligning the incentives of powerful groups. It is not an explanation of how did Colombia achieved stability, but an example of how coordination between elites improved, even for a while, order and peace.

Latin America went through a process of institutional change during the first independent decades that shaped the political environment and generated conflict between powerful groups over the definition of property rights and access to productive assets. I explore one particular reform that was common in the region, the disentailment of mortmain land, using data from Colombia. This paper sheds light over the dynamics of institutional change after independence in Latin America by characterizing the conflict between Liberal and Conservative elites and the role the Church played in the political environment of the newly created republic.

I present a simple framework of political competition, both electoral and violent, to interpret the disentailment reform. I hypothesize the disentailment reform contributed to a reduction in the level of violence due to 1) a weakened economic power of the Church, 2) a weakened link between the Church and the Conservative party motivated by the reduction in the Church's economic power; and 2) a stronger incentive for landowning elites, both Liberal and Conservative, to reduce violence and shy away from the costs of fighting.

Using data from the Colombian National Archives, and both a difference in difference strategy and a matching estimator, I find a robust negative effect of the reform on political violence. In places where the Church owned land and was expropriated, the number of battles per year decreased after the reform, compared to those places where the Church did not own

[12]Results do not change if I divide the sample by the median (41.8%)

any estates. This is consistent with the nypothesis drawn from the simple framework. I also document that most of the effect is concentrated in highly contested municipalities and in places where the Liberal party had already certain advantage.

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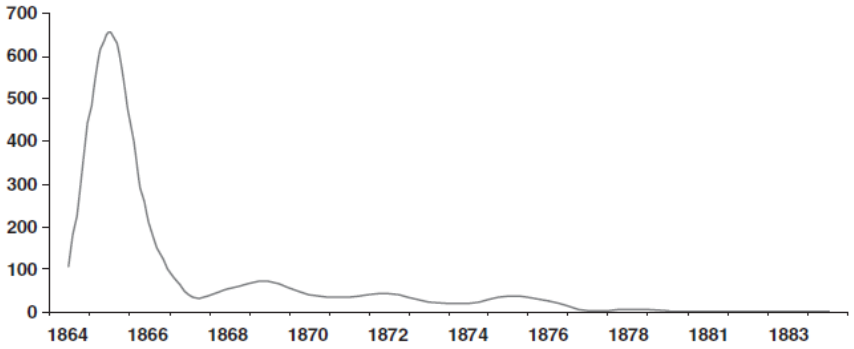
Figures and Tables

Figure 1: Number of purchases per year



Source: Fazio and Sánchez (2010)

Figure 2: Average battles per year by Disentailment Reform status

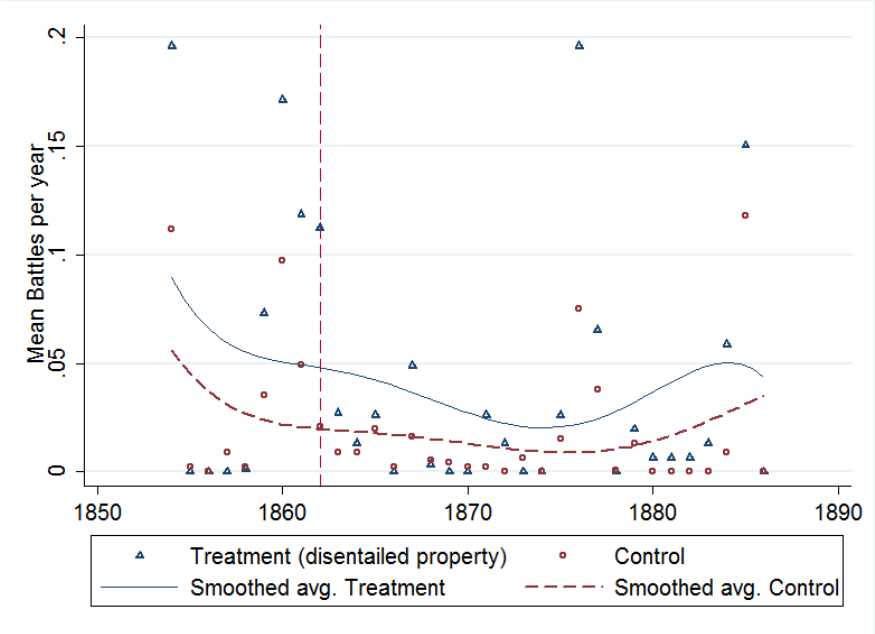


Figure 3: Residual average battles per year by Disentailment Reform status

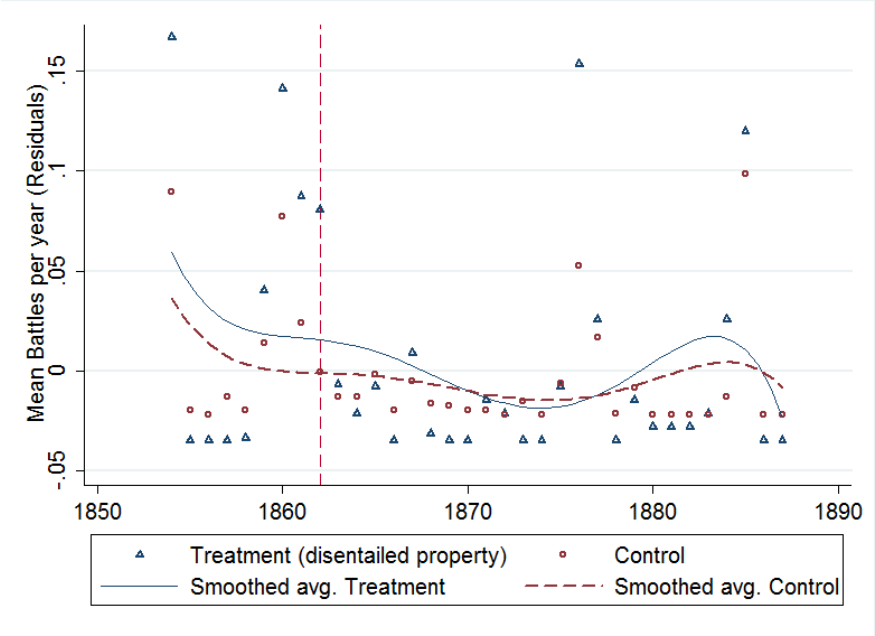


Figure 4: Share of municipalities with disentailed property by decile of Conservative party vote share

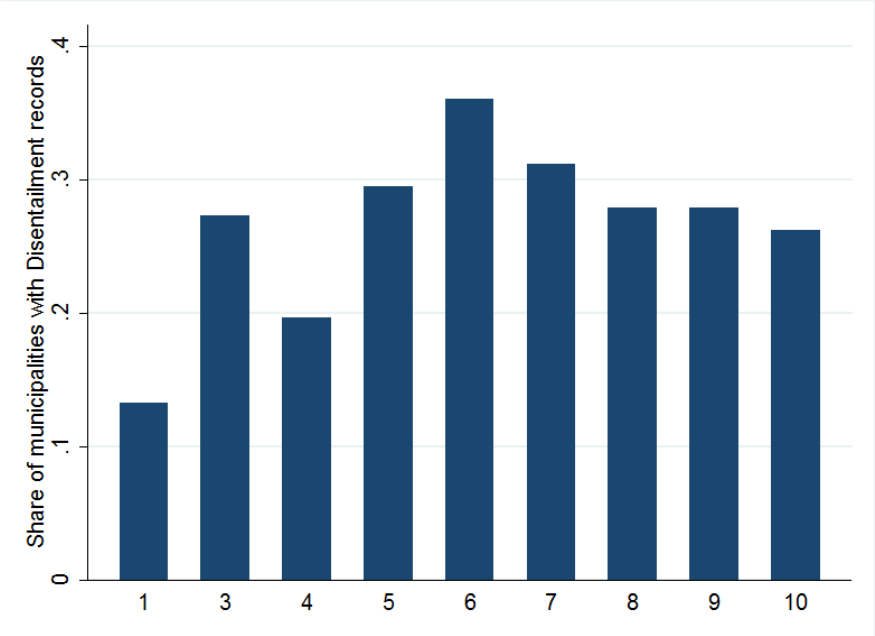


Figure 5: Share of municipalities with disentailed property by decile of political competition

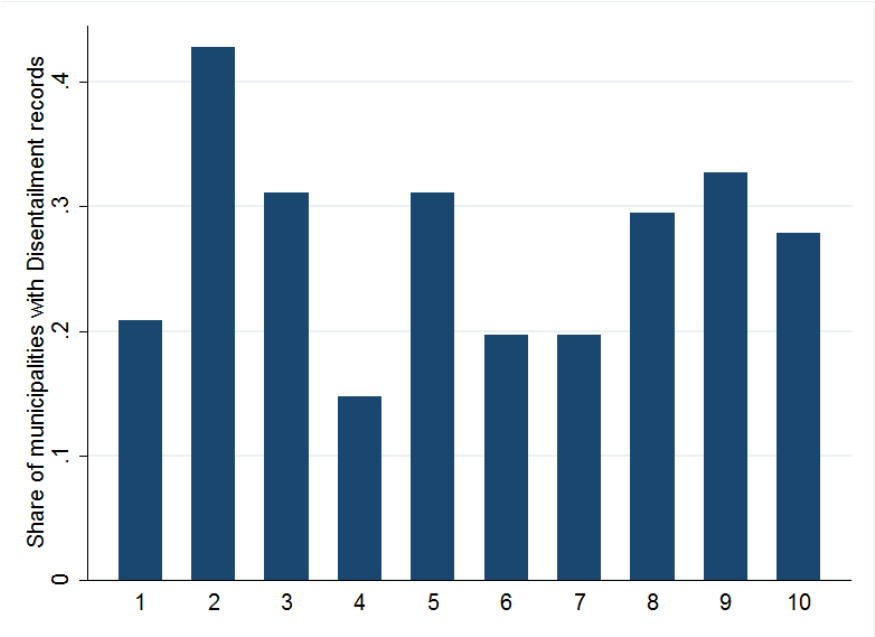


Figure 6: Placebo test: diff-in-diffs estimator (γ in eq. 1) by cut-off year

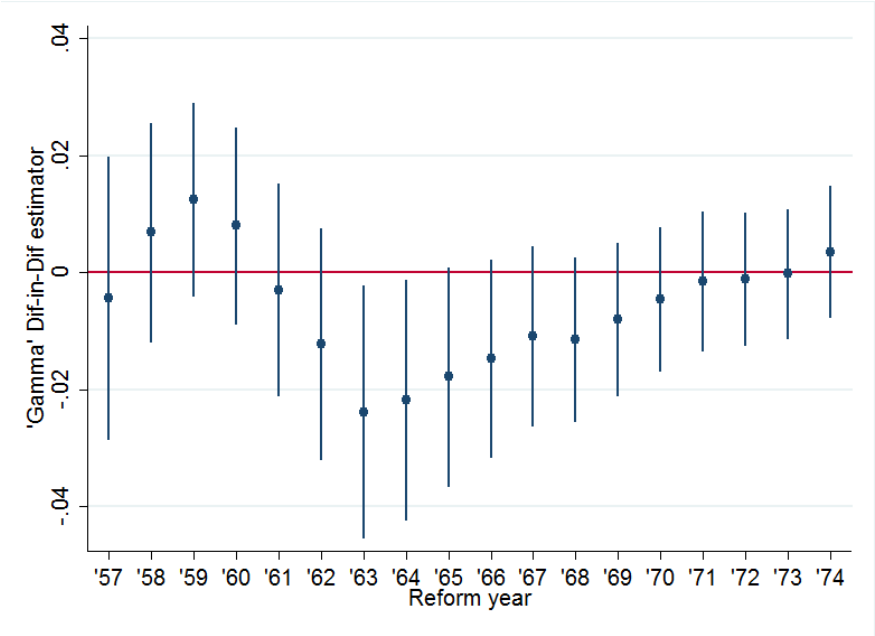


Figure 7: Paralell trends assumption test

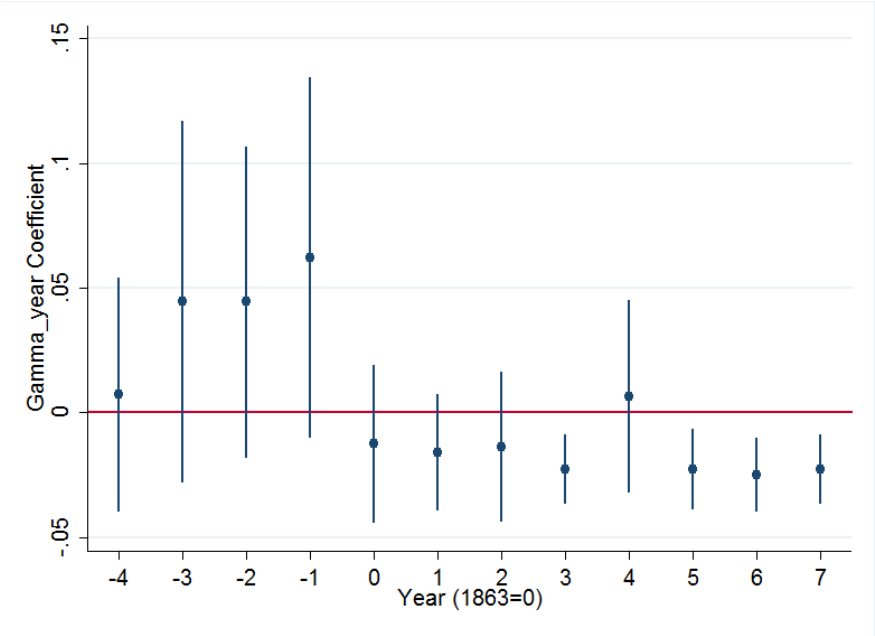


Figure 8: Empirical distribution of γ in eq. 1 when randomizing treatment units and year

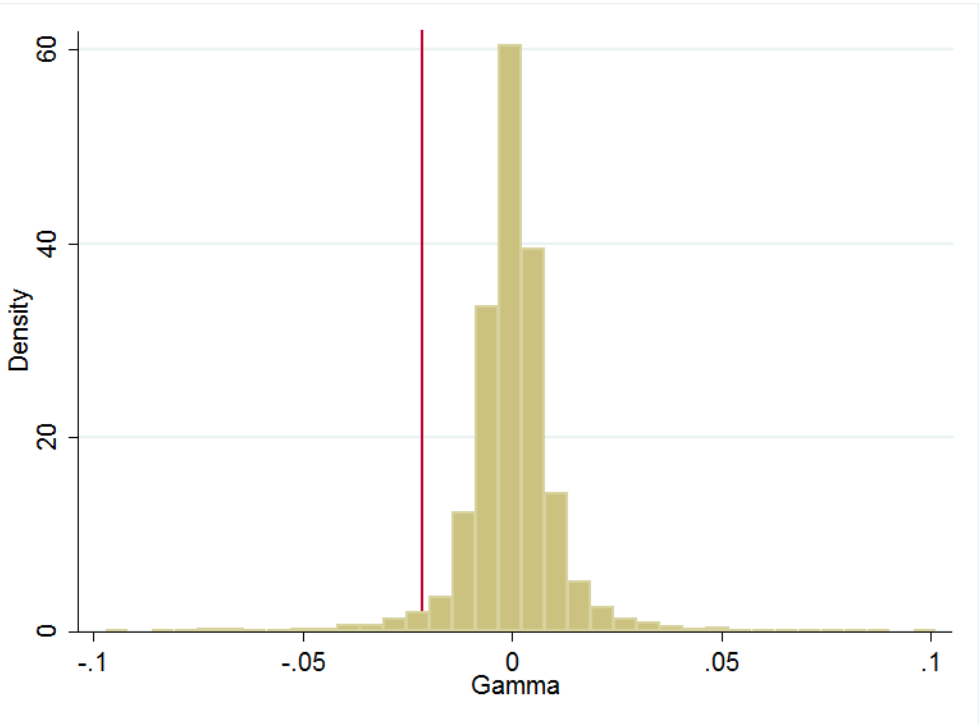


Figure 9: Empirical distribution of γ in eq. 1 when randomizing treatment units

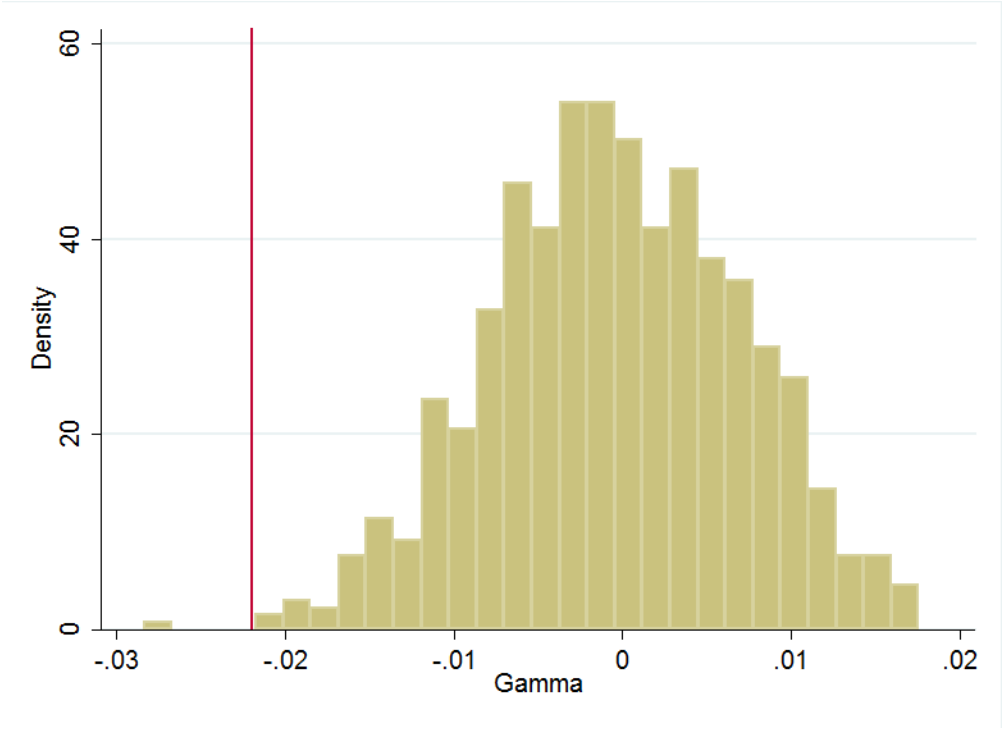


Table 1: Comparison of Municipalities with and without Disentailment reform

Variable	Control		Treatment		Control-Treatment
	N	Mean	N	Mean	t-statistic
		SE		SE	
Dependent variable					
Battles per year (1854-1885)	14,624	0.021	4,896	0.043	
		0.152		0.237	
Municipality characteristics					
Foundation year	448	1833.634	149	1759.698	7.467
		100.740		115.844	
Altitude (mts over sea level)	448	1219.337	149	1796.718	-4.621
		931.986		2096.082	
Distance to Bogota (km)	448	338.366	149	195.817	8.559
		188.670		131.057	
Indigenous population (1535-1540) [dummy]	448	0.482	149	0.584	-2.157
		0.500		0.495	
Spanish occupation (1510-1560) [dummy]	448	0.438	149	0.624	-3.995
		0.497		0.486	
Distance to Department Capital (km)	448	71.983	149	71.293	0.153
		48.306		45.416	
Distance to main market (km)	448	111.825	149	99.611	1.897
		73.228		49.387	
Soil erosion index (2005)	448	1.990	149	2.060	-0.689
		1.070		1.098	
Long run outcomes					
Land owned by religious groups (2005, hm2)	384	22.642	146	21.346	0.136
		108.965		61.630	
Public land (2005, hm2)	384	7658.755	146	5294.451	0.460
		58672.713		33109.284	
Land inequality (2005)	428	0.713	147	0.707	0.750
		0.091		0.095	
La Violencia (fights between 1948-1953) [dummy]	448	0.116	149	0.134	-0.589
		0.321		0.342	
Land disputes (1901-1931) [dummy]	448	0.121	149	0.087	1.114
		0.326		0.283	
Land disputes (1901-1917) [dummy]	448	0.167	149	0.121	1.359
		0.374		0.327	
Vote share 1856 elections					
Conservative (Mariano Ospina)	448	0.434	149	0.531	-2.616
		0.399		0.374	
Liberal (Manuel Murillo)	448	0.355	149	0.390	-1.043
		0.361		0.353	
Independent (Tomas C. Mosquera)	448	0.211	149	0.078	4.546
		0.340		0.182	
Political competition	448	0.326	149	0.363	-1.221
		0.316		0.333	

Note: Control: No records of disentailed property. Treatment: Records of disentailed property

Table 2: Difference-in-differences estimator: Effect of the disentailment reform on political violence

	(1)	(2)	(3)	(4)	(5)	(6)
Dependent variable:			*# Battles per year*			
Sample years:			*1854-1885*			
d^{1863}	-0.015***		-0.018***			
	(0.003)		(0.003)			
Disentailment	0.036***	0.036***	0.041***	0.041***	0.034***	0.032***
	(0.011)	(0.011)	(0.012)	(0.012)	(0.011)	(0.012)
d^{1863} x Disentailment	-0.022**	-0.022**	-0.022**	-0.022**	-0.023**	-0.021**
	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)	(0.010)
Conservative vote share (1856)					-0.006	-0.018**
					(0.005)	(0.009)
d^{1863} x Cons. vote share						0.017**
						(0.008)
Constant	0.031***	0.003	0.017***	-0.013**	0.084	0.118**
	(0.003)	(0.004)	(0.004)	(0.006)	(0.070)	(0.060)
Control Variables					X	X
d^{1863} x Control						X
Province FE			X	X	X	X
Year FE		X		X	X	X
R2	0.006	0.051	0.014	0.059	0.073	0.075
N	22,048	22,048	19,584	19,584	19,104	19,104
Municipalities	689	689	612	612	597	597

Standard errors clustered at the municipality level in parentheses. The dependent variable is the *number of battles per year*, built from Riascos Grueso (1950). *Disentailment* is a dummy variable equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal to 1 for years $\geq t$. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 3: Continuous measures of the disentailment reform

	(1)	(2)	(3)	(4)	(5)
Dependent variable:	*# Battles per year*				
Sample years:	*1854-1885*				
Sample:	All		Disentailment=1		
Conservative vote share	-0.018**	-0.018**	-0.033	-0.037	-0.050
	(0.009)	(0.009)	(0.027)	(0.027)	(0.038)
Cons. vote share x d^{1863}	0.018**	0.017**	0.021	0.026	0.031
	(0.008)	(0.008)	(0.024)	(0.023)	(0.035)
d_{1863} x ln(Area)	-0.004***		-0.003		
	(0.001)		(0.004)		
d_{1863} x ln(Appraisal)		-0.004***		-0.011*	
		(0.001)		(0.006)	
d_{1863} x Gini coefficient					0.007
					(0.033)
Constant	0.229***	0.229***	0.310*	0.307*	0.363***
	(0.059)	(0.060)	(0.179)	(0.182)	(0.136)
Control Variables	X	X	X	X	X
d^{1863} x Control	X	X	X	X	X
Province FE	X	X	X	X	X
Year FE	X	X	X	X	X
R2	0.075	0.076	0.114	0.116	0.144
N	19,104	19,104	4,768	4,768	3,072
Municipalities	597	597	149	149	96

Standard errors clustered at the municipality level in parentheses. The dependent variable is the *number of battles per year*, built from Riascos Grueso (1950). *Disentailment* is equal to 1 for municipalities where the Church was expropriated of at least one of its properties and 0 otherwise. *Area* and *Appraisal* are, respectively, the total size in hectares and total value in pesos of the properties expropriated from the Church in the disentailment reform. *Gini coefficient* measures the resulting inequality of the disentailed properties at the municipality level. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 4: Matching function (probit)

Variable	Coef.	Std. Error
Foundation Year	-0.003***	(0.001)
ln(Area)	0.055	(0.065)
ln(Altitude)	0.051	(0.055)
ln(Distance State Capital)	-0.114*	(0.062)
ln(Distance closest market)	0.211**	(0.086)
ln(Distance Bogota)	-0.587***	(0.097)
1= Native population (1500-1534)	0.136	(0.121)
1= Spanish occupation (1534-1550)	0.318**	(0.132)
Soil quality index	0.065	(0.061)
Pseudo R2	0.1667	
N	675	

The dependent variable is *Disentailment*, a dummy equal to 1 for municipalities where the Church was expropriated of at least one of its properties and 0 otherwise. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 5: Matching estimator

Dependent variable:	$\Delta \bar{B}_i = \bar{B}_{i,1863-T} - \bar{B}_{i,t-1862}$					
Matching method	ATT	Std. Error	t stat.	ATT	Std. Error	t stat.
Sample years (t-T)		1854-1885			1857-1870	
Radius (Caliper=0.01)	-0.023	0.010	-2.341	-0.044	0.014	-3.180
Nearest 5 neighbors	-0.017	0.012	-1.380	-0.034	0.017	-2.025
Nearest neighbor	-0.020	0.013	-1.527	-0.038	0.017	-2.243
Sample years (t-T)		1854-1873			1850-1898	
Radius (Caliper=0.01)	-0.029	0.012	-2.495	-0.016	0.008	-2.125
Nearest 5 neighbors	-0.023	0.014	-1.569	-0.012	0.009	-1.367
Nearest neighbor	-0.030	0.016	-1.933	-0.015	0.010	-1.473

Bootstraped standard errors are reported. The dependent variable is the change in *average number of battles per year* before and after the reform, built from Riascos Grueso (1950). *ATT* is the average treatment effect on the treated. A municipaly is defined as *treated* if the Church was expropriated of at least one of its properties. The control group is built using 3 different methods: Radius, Nearest 5 neighbors, and Nearest neighbor, based on the Mahalanobis distance between the propensity scores estimated on table 4.

Table 6: Robustness checks

	(1)	(2)	(3)	(4)	(5)
Dependent variable	*# Battles*	1(*Battles* > 0)	*# Battles*	*# Battles*	*# Battles*
Sample years	*1854-1885*	*1854-1885*	*1850-1898*	*1862* ±20	*1854-1885*
Sample municipalities	All	All	All	All	No capitals
Disentailment	0.032***	0.028***	0.026***	0.024***	0.031***
	(0.012)	(0.010)	(0.009)	(0.009)	(0.012)
d^{1863} x Disentailment	-0.021**	-0.021**	-0.017**	-0.024***	-0.022**
	(0.010)	(0.009)	(0.008)	(0.009)	(0.011)
Conservative vote share	-0.018**	-0.007	-0.013**	-0.014**	-0.019**
	(0.009)	(0.008)	(0.007)	(0.007)	(0.009)
d^{1863} x Cons. vote share	0.017**	0.005	0.012*	0.017**	0.017**
	(0.008)	(0.008)	(0.006)	(0.007)	(0.008)
Control Variables	X	X	X	X	X
d^{1863} x Control	X	X	X	X	X
Province FE	X	X	X	X	X
Year FE	X	X	X	X	X
r2	0.075	0.076	0.072	0.070	0.069
N	19,104	19,104	28,656	14,925	18,848
Municipalities	597	597	597	597	589

Standard errors clustered at the municipality level in parentheses. The dependent variable is either the number of battles or a dummy equal to 1 for years with a positive number of battles (1(*Battles* > 0)), built from Riascos Grueso (1950). *Disentailment* is a dummy variable equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal to 1 for years $\geq t$. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 7: Robustness checks: Dynamics

	(1)	(2)	(3)	(4)
Dependent variable:		*# Battles per year*		
Sample years:		*1854-1885*		
# Battles (t-1)		0.081***		
		(0.019)		
# Battles (t-2)		0.007		
		(0.013)		
# Battles (t-3)		0.023		
		(0.018)		
d^{1860} x Disentailment			-0.000	
			(0.046)	
d^{1861} x Disentailment			0.018	
			(0.040)	
d^{1862} x Disentailment			-0.075*	
			(0.041)	
d^{1863} x Disentailment	-0.021**	-0.020**	-0.013	-0.032**
	(0.010)	(0.009)	(0.017)	(0.015)
d^{1864} x Disentailment			0.002	0.002
			(0.019)	(0.019)
d^{1865} x Disentailment			0.009	-0.009
			(0.015)	(0.015)
d^{1866} x Disentailment			0.029	0.029
			(0.020)	(0.020)
R2	0.075	0.081	0.077	0.076
N	19,104	19,104	19,104	19,104
Municipalities	597	597	597	597

Standard errors clustered at the municipality level in parentheses. The dependent variable is the *number of battles per year*. *Disentailment* is a dummy equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal 1 for years $\geq t$. All results include control variables, interaction between controls and d^{1863}, and province and year fixed effects. Control variables are defined at the municipality level and include: 1856 presidential elections Conservative vote share, foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 8: Mechanisms

	(1)	(2)	(3)	(4)	(5)
Dependent variable:	*# Battles per year, 1854-1885*				
		Political Comp.		Vote in 1856	
Sample	All	High	Low	Conservative	Liberal
Disentailment	0.032***	0.044**	0.009	0.009	0.058**
	(0.012)	(0.018)	(0.012)	(0.010)	(0.022)
d_{1863} x Disentailment	-0.021**	-0.035**	-0.000	-0.001	-0.040**
	(0.010)	(0.015)	(0.012)	(0.009)	(0.019)
Conservative vote share	-0.018**	-0.021	-0.019**	-0.048*	0.069
	(0.009)	(0.020)	(0.010)	(0.025)	(0.053)
d^{1863} x Cons. vote share	0.017**	0.005	0.021**	0.049**	-0.032
	(0.008)	(0.018)	(0.010)	(0.022)	(0.041)
Control Variables	X	X	X	X	X
d^{1863} x Control	X	X	X	X	X
Province FE	X	X	X	X	X
Year FE	X	X	X	X	X
R2	0.075	0.125	0.072	0.093	0.112
N	19,104	9,536	9,568	9,344	9,760
Municipalities	597	298	299	292	305

Standard errors clustered at the municipality level in parentheses. The dependent variable is the *number of battles per year*, built from Riascos Grueso (1950). *Political Competition* is measured using an index distributed between 0 and 1, where 0 means one candidate got all the votes and 1 means the candidates split the votes perfectly. Columns (2) and (3) use, respectively, municipalities where Political Competition was higher and lower than the median. Columns (4) and (5) use, respectively municipalites where the Conservative candidate's vote share was higher and lower than the mean. *Disentailment* is a dummy variable equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal to 1 for years $\geq t$. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 9: Only one pre and post period

	(1)	(2)	(3)	(4)	(5)
Dependent variable:	*Avg. # battles per year*				*% years with battles*
Sample years:	*Pre= 1854-1862; Post= 1863-1885*				
Disentailment	0.036***	0.036***	0.040***	0.031***	0.027**
	(0.006)	(0.011)	(0.012)	(0.012)	(0.010)
Post x Disentailment	-0.022**	-0.022**	-0.022**	-0.021**	-0.021**
	(0.009)	(0.009)	(0.009)	(0.011)	(0.009)
Conservative vote share				-0.016*	-0.006
				(0.009)	(0.008)
Post x Cons. vote share				0.017**	0.005
				(0.008)	(0.008)
Constant	0.031***	0.031***	0.020***	0.068	0.004
	(0.003)	(0.003)	(0.004)	(0.099)	(0.056)
Control Variables	X	X	X	X	X
Post x Control	X	X	X	X	X
Province FE	X	X	X	X	X
Year FE	X	X	X	X	X
R2	0.046	0.046	0.109	0.227	0.189
N	1,378	1,378	1,224	1,194	1,194
Municipalities	689	689	612	597	597

Standard errors clustered at the municipality level in parentheses. The dependent variable for columns (1) to (4) is the *average number of battles per year*. The dependent variable for column (5) is the *percentage of years with at least one battle*. Both are built from Riascos Grueso (1950). There are two periods for each municipality, the pre-period goes from 1854 to 1862 and the post-period is from 1863 to 1885. *Post* is a dummy variable equal to 1 for the post-period. *Disentailment* is a dummy variable equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal to 1 for years $\geq t$. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 10: Standard errors: different clustering methods

Dependent variable:	(1)	(2)	(3)	(4)
	# Battles per year (1854-1885)			
	Coefficient	Standard errors clustered at		
		Municipality	Year*Municipality	Province
Disentailment	0.032	(0.0117)	(0.0144)	[0.007]
d^{1863} x Disentailment	-0.021	(0.0104)	(0.0138)	[0.072]
Conservative vote share (1856)	-0.018	(0.0089)	(0.0107)	[0.055]
d^{1863} x Cons. vote share	0.017	(0.0083)	(0.0112)	[0.078]
Number of Clusters		597	32 x 597	22
Control Variables	X			
d^{1863} x Control	X			
Province FE	X			
Year FE	X			
R2	0.075			
N	19,104			
Municipalities	597			

Columns (2) and (3) report, in brackets, standard errors clustered at municipality level and two-way year*municipality, respectively. Column (4) reports, in square brackets, the p-value corresponding to the F-statistic estimated using wild bootstrap. The dependent variable is the *number of battles per year*, built from Riascos Grueso (1950). *Disentailment* is a dummy variable equal to 1 for municipalities where the Church was expropriated of at least one of its properties. d^t is a dummy equal to 1 for years $\geq t$. *Conservative vote share (1856)* is the share of total votes won by Mariano Ospina, the Conservative party candidate in the 1856 presidential election. Control variables are defined at the municipality level and include: foundation year, altitude, total area of the municipality, distance to the State's capital (log), distance to Bogota (log), distance to the closest main market (log), a dummy indicating early indigenous settlements (by 1534), a dummy indicating early Spanish settlements (by 1560), and soil quality index.