

THE MISSION: Human Capital Transmission, Economic Persistence, and Culture in South America

Valencia Caicedo (2019)

Presented by “Alper Sukru Gencer”

New York University

March 27, 2023

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 - 10% lower poverty rates (according to an Unsatisfied Basic Needs index)

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 - What are the causal mechanisms through which the human capital shock persisted?

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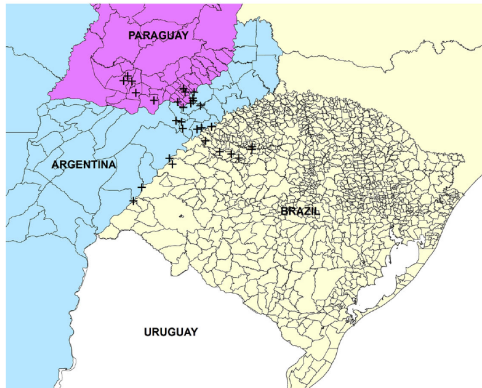
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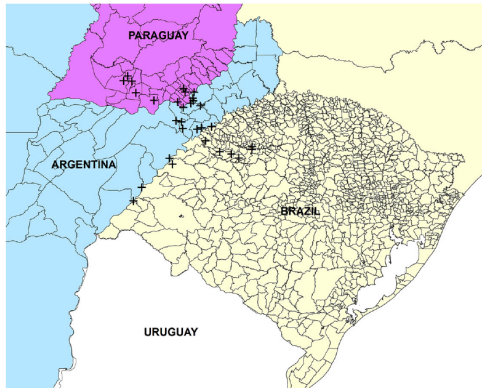
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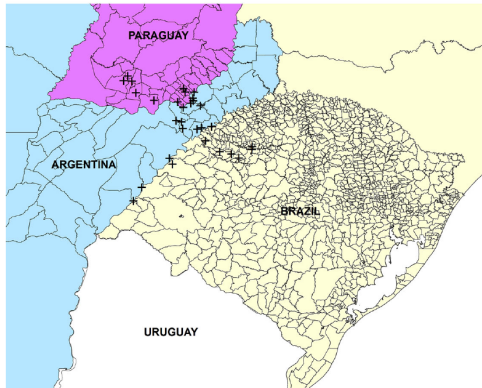
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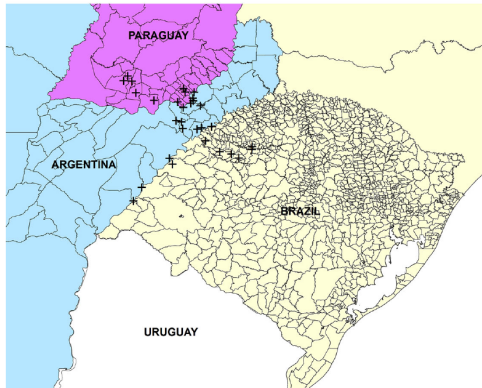
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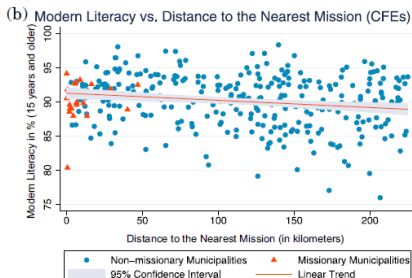
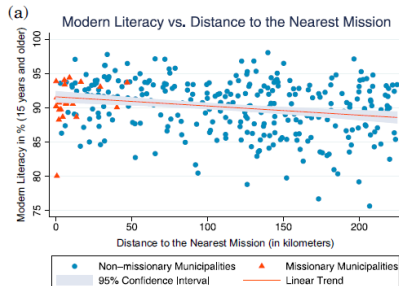
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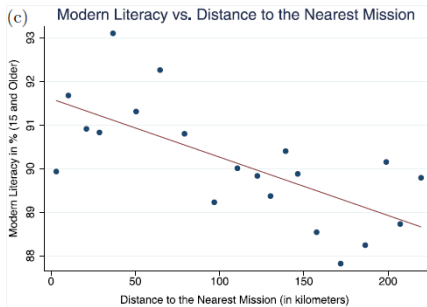
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 - GEO is a vector of geographic and weather controls
 - μ_j a state-fixed effect

Empirical Findings - 1



Empirical Findings - 2



(c) Binscatter of Literacy on Missionary Distance

Figure 3: Baseline Model w Unconditional Bins

Empirical Findings - 2

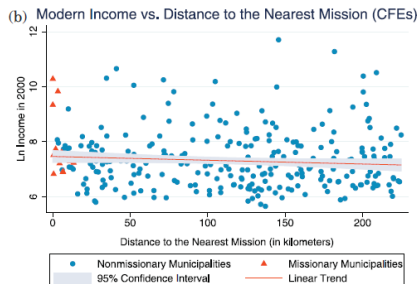
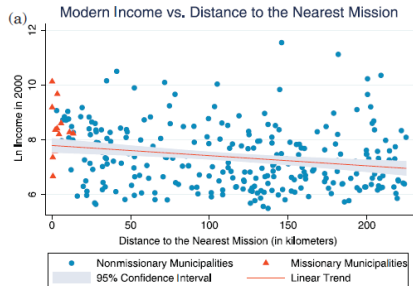
TABLE II
MISSIONARY EFFECT ON MODERN EDUCATION

	Illiteracy							
	Argentina, Brazil, and Paraguay		Brazil		Argentina		Paraguay	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mission distance	0.0105*** (0.004) {0.004}	0.0112** (0.005) {0.005}	0.0200*** (0.007) {0.007}	0.0313*** (0.010) {0.010}	0.0157** (0.007) {0.008}	0.0669*** (0.022) {0.023}	0.00451 (0.012) {0.016}	0.0138 (0.027) {0.026}
Geo controls	No	Yes	No	Yes	No	Yes	No	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	547	548	467	467	42	42	40	39
Within R^2	0.037	0.068	0.052	0.091	0.102	0.567	0.003	0.250
R^2	0.042	0.073	0.056	0.095	0.165	0.669	0.004	0.251

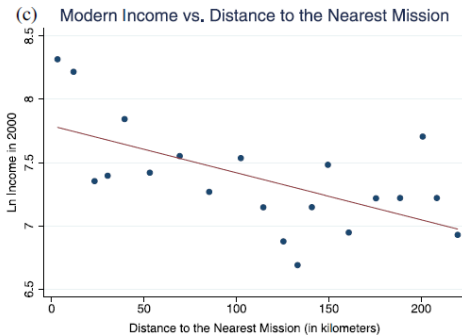
Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers (equation (1)). The dependent variable is illiteracy for people aged 15 years and older in 2000 in percentages for Argentina, Brazil, and Paraguay. Geographic controls include distance to the nearest coast, distance to the nearest river, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Mesoregion fixed effects are included for Brazil. Please refer to Section I of the Online Appendix for units and additional details of these variables. Estimation is by OLS with state fixed effects. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$.

Figure 4: Baseline Model across Countries

Empirical Findings - 3



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Figure 6: Baseline Model with Income Outcome

Empirical Findings - 3

TABLE III
MISSIONARY EFFECT ON DEVELOPMENT PROXIES IN BRAZIL, ARGENTINA, AND PARAGUAY

	Median years of schooling Brazil		Ln income Brazil and Paraguay		Individual poverty index Argentina and Paraguay	
	(1)	(2)	(3)	(4)	(5)	(6)
Mission distance	-0.00247** (0.001) {0.001}	-0.00679*** (0.002) {0.002}	-0.00166*** (0.000) {0.000}	-0.00204*** (0.001) {0.001}	0.0409*** (0.014) {0.018}	0.0938** (0.043) {0.046}
Geo controls	No	Yes	No	Yes	No	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	82	81
Within R^2	0.013	0.142	0.029	0.036	0.035	0.064
R^2	0.042	0.171	0.869	0.876	0.704	0.733

Figure 7: Baseline Model with Other Outcomes

Empirical Findings - 4

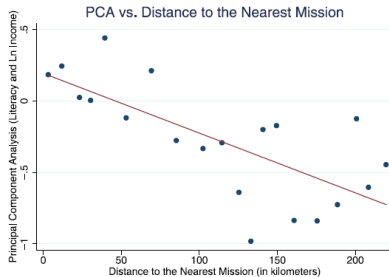


FIGURE IV

Literacy and Income on Missionary Distance: Principal Component Analysis

Figure 8: Baseline Model with PCA of Different Outcomes

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- **Assumption 3:** Historically treated and today's populations are related
- **Assumption 4:** If the effect is present today, it must be present 20-50 years ago as well.

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 - Accounting for geographic and weather-related covariates:
 - area, altitude, latitude, longitude, temperature, rainfall, ruggedness, slope, distance to the nearest river, distance to the nearest coast, a landlocked dummy, and closest Franciscan mission

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 - area, altitude, latitude, longitude, temperature, rainfall, ruggedness, slope, distance to the nearest river, distance to the nearest coast, a landlocked dummy, and closest Franciscan mission
 - **Implicit Assumption:** geographic and weather-related covariates are time-invariant (so that pre-treatment covariates)

Robustness Check - 2

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TABLE IV
PLACEBO EFFECT OF ABANDONED JESUIT MISSIONS ON MODERN EDUCATION

	Illiteracy						
	Argentina, Brazil, and Paraguay						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alto Paraná mission distance	-0.0201*** (0.007) {0.007}			-0.000503 (0.013) {0.019}	0.0185 (0.028) {0.028}	-0.0031 (0.017) {0.019}	0.00399 (0.027) {0.027}
Guayrá mission distance		0.00422 (0.009) {0.010}		-0.0015 (0.010) {0.010}	0.0476*** (0.015) {0.015}	-0.00932 (0.010) {0.011}	0.0267* (0.016) {0.016}
Itatín mission distance			-0.0497*** (0.014) {0.014}	-0.00728 (0.023) {0.033}	-0.135** (0.055) {0.055}	-0.0469 (0.030) {0.034}	-0.0956* (0.052) {0.052}
Jesuit mission distance						0.0244*** (0.005) {0.010}	0.0216*** (0.006) {0.006}
Geo controls	Yes	Yes	Yes	No	Yes	No	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	548	548	548	549	548	549	548
Within R^2	0.077	0.063	0.083	0.028	0.108	0.078	0.121
R^2	0.082	0.068	0.088	0.032	0.113	0.078	0.126

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 - Inoperative Missions: initially picked by Jesuit missionaries but ended up not being treated with those that received the full missionary “treatment.”

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Within R^2	0.077	0.063	0.083	0.028	0.108	0.078
R^2	0.082	0.068	0.088	0.032	0.113	0.078

Robustness Check - 2

- **Placebo Test:** Looking at the effect of proximity to inoperative missions

TABLE V
PLACEBO EFFECT OF ABANDONED JESUIT MISSIONS ON DEVELOPMENT PROXIES IN BRAZIL, ARGENTINA, AND PARAGUAY

	Median years of schooling Brazil		Ln income Brazil and Paraguay		Individual Poverty index Argentina and Paraguay	
	(1)	(2)	(3)	(4)	(5)	(6)
Alto Paraná mission distance	0.0155 (0.018) (0.017)	0.0245 (0.019) (0.018)	-0.0005 (0.003) (0.002)	-0.0012 (0.002) (0.001)	-0.387** (0.155) (0.151)	-0.224 (0.155) (0.157)
Guayrá mission distance	-0.009 (0.010)	0.00501 (0.013)	-0.00555*** (0.001)	-0.00386*** (0.001)	-0.0073 (0.212)	0.375 (0.255)
Itatín mission distance	0.0027 (0.039) (0.038)	-0.0346 (0.046) (0.045)	0.00864* (0.005) (0.005)	0.00699 (0.005) (0.005)	0.408 (0.273) (0.248)	0.128 (0.292) (0.261)
Jesuit mission distance		-0.00681** (0.003) (0.003)		-0.00252*** (0.001) (0.001)		0.137*** (0.042) (0.051)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.161	0.169	0.039	0.041	0.110	0.132
R^2	0.190	0.198	0.879	0.881	0.758	0.777

Figure 10: Placebo

Robustness Check - 2

- **Placebo Test:** Looking at the effect of proximity to inoperative missions

TABLE V
PLACEBO EFFECT OF ABANDONED JESUIT MISSIONS ON DEVELOPMENT PROXIES IN BRAZIL, ARGENTINA, AND PARAGUAY

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Figure 10: Placebo

- **Implicit Assumption:**

Robustness Check - 2

- **Placebo Test:** Looking at the effect of proximity to inoperative missions

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Guayrá mission distance	-0.009 (0.010)	0.00501 (0.013)	-0.00555*** (0.001)	-0.00386*** (0.001)	-0.0073 (0.212)	0.375 (0.255)
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Jesuit mission distance		-0.00681** (0.003) (0.003)		-0.00252*** (0.001) (0.001)		0.137*** (0.042) (0.051)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.161	0.169	0.039	0.041	0.110	0.132
R^2	0.190	0.198	0.879	0.881	0.758	0.777

Figure 10: Placebo

- **Implicit Assumption:**
 - The failure of mission is not systematic

Robustness Check - 2

- **Placebo Test:** Looking at the effect of proximity to inoperative missions

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PLACEBO EFFECT OF ABANDONED JESUIT MISSIONS ON DEVELOPMENT PROXIES IN BRAZIL, ARGENTINA, AND PARAGUAY

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Alto Paraná mission distance	0.0155 (0.018) (0.017)	0.0245 (0.019) (0.018)	-0.0005 (0.003) (0.002)	-0.0012 (0.002) (0.001)	-0.387** (0.155) (0.151)	-0.224 (0.165) (0.157)
Guayrá mission distance	-0.009 (0.010)	0.00501 (0.013)	-0.00555*** (0.001)	-0.00386*** (0.001)	-0.0073 (0.212)	0.375 (0.255)
Itatín mission distance	0.0027 (0.039) (0.038)	-0.0346 (0.046) (0.045)	0.00864* (0.005) (0.005)	0.00699 (0.005) (0.005)	0.408 (0.273) (0.248)	0.128 (0.292) (0.261)
Jesuit mission distance		-0.00681** (0.003) (0.003)		-0.00252*** (0.001) (0.001)		0.137*** (0.042) (0.051)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.161	0.169	0.039	0.041	0.110	0.132
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Figure 10: Placebo

- **Implicit Assumption:**
 - The failure of mission is not systematic
 - The regions with inoperative missions have not differ from the regions with operative missions

Robustness Check - 3

- **Assumption 2:** The effect is driven by human capital shock, not conversion or religion

TABLE VI
FRANCISCAN AND JESUIT MISSIONARY EFFECT ON MODERN EDUCATION

	Illiteracy						
	Argentina, Brazil, and Paraguay				Brazil	Argentina	Paraguay
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Franciscan mission distance	0.00579 (0.005) {0.006}	-0.00899 (0.008) {0.011}	-0.01200 (0.008) {0.009}	-0.0335*** (0.008) {0.012}	-0.0618*** (0.019) {0.019}	-0.0529* (0.029) {0.030}	-0.03500 (0.025) {0.026}
Jesuit mission distance			0.0131** (0.005) {0.005}	0.0183*** (0.005) {0.006}	0.0518*** (0.009) {0.010}	0.111*** (0.029) {0.032}	0.0208 (0.024) {0.029}
Geo controls	No	Yes	No	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	549	548	549	548	467	42	39
Within R^2	0.026	0.062	0.036	0.077	0.116	0.674	0.494
R^2	0.031	0.067	0.041	0.082	0.120	0.737	0.495

Figure 11: Placebo

Robustness Check - 3

- **Assumption 2:** The effect is driven by human capital shock, not conversion or religion
- Can we parse out the effect of religious conversion from human capital shock?

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FRANCISCAN AND JESUIT MISSIONARY EFFECT ON MODERN EDUCATION

	Illiteracy						
	Argentina, Brazil, and Paraguay				Brazil	Argentina	Paraguay
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Franciscan mission distance	0.00579 (0.005) {0.006}	-0.00899 (0.008) {0.011}	-0.01200 (0.008) {0.009}	-0.0335*** (0.008) {0.012}	-0.0618*** (0.019) {0.019}	-0.0529* (0.029) {0.030}	-0.03500 (0.025) {0.026}
Jesuit mission distance			0.0131** (0.005) {0.005}	0.0183*** (0.005) {0.006}	0.0518*** (0.009) {0.010}	0.111*** (0.029) {0.032}	0.0208 (0.024) {0.029}
Geo controls	No	Yes	No	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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Figure 11: Placebo

Robustness Check - 3

- **Assumption 2:** The effect is driven by human capital shock, not conversion or religion
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 - **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions

TABLE VI
FRANCISCAN AND JESUIT MISSIONARY EFFECT ON MODERN EDUCATION

	Illiteracy						
	Argentina, Brazil, and Paraguay				Brazil	Argentina	Paraguay
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Franciscan mission distance	0.00579 (0.005) {0.006}	-0.00899 (0.008) {0.011}	-0.01200 (0.008) {0.009}	-0.0335*** (0.008) {0.012}	-0.0618*** (0.019) {0.019}	-0.0529* (0.029) {0.030}	-0.03500 (0.025) {0.026}
Jesuit mission distance			0.0131** (0.005) {0.005}	0.0183*** (0.005) {0.006}	0.0518*** (0.009) {0.010}	0.111*** (0.029) {0.032}	0.0208 (0.024) {0.029}
Geo controls	No	Yes	No	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	549	548	549	548	467	42	39
Within R^2	0.026	0.062	0.036	0.077	0.116	0.674	0.494
R^2	0.031	0.067	0.041	0.082	0.120	0.737	0.495

Figure 11: Placebo

Robustness Check - 3

- **Assumption 2:** The effect is driven by human capital shock, not conversion or religion
- Can we parse out the effect of religious conversion from human capital shock?
 - **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions
 - Guarani Franciscan missions: Less emphasis on education and technical training

TABLE VI
FRANCISCAN AND JESUIT MISSIONARY EFFECT ON MODERN EDUCATION

	Illiteracy						
	Argentina, Brazil, and Paraguay				Brazil	Argentina	Paraguay
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Franciscan mission distance	0.00579 (0.005)	-0.00899 (0.008)	-0.01200 (0.008)	-0.0335*** (0.008)	-0.0618*** (0.019)	-0.0529* (0.029)	-0.03500 (0.025)
	[0.006]	[0.011]	[0.009]	[0.012]	[0.019]	[0.030]	[0.026]
Jesuit mission distance			0.0131** (0.005)	0.0183*** (0.005)	0.0518*** (0.009)	0.111*** (0.029)	0.0208 (0.024)
			[0.005]	[0.006]	[0.010]	[0.032]	[0.029]
Geo controls	No	Yes	No	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	549	548	549	548	467	42	39
Within R^2	0.026	0.062	0.036	0.077	0.116	0.674	0.494
R^2	0.031	0.067	0.041	0.082	0.120	0.737	0.495

Figure 11: Placebo

Robustness Check - 3

- **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions

TABLE VII
FRANCISCAN AND JESUIT MISSIONARY EFFECT ON DEVELOPMENT PROXIES IN BRAZIL, ARGENTINA, AND PARAGUAY

	Median years of schooling Brazil		Ln income Brazil and Paraguay		Individual poverty index Argentina and Paraguay	
	(1)	(2)	(3)	(4)	(5)	(6)
Franciscan mission distance	-0.00175 (0.004) {0.004}	0.0111*** (0.004) {0.004}	-0.00010 (0.001) {0.001}	0.00356*** (0.001) {0.001}	-0.0225 (0.042) {0.045}	-0.0867 (0.056) {0.052}
Jesuit mission distance		-0.0103*** (0.002) {0.002}		-0.00356*** (0.001) {0.001}		0.130** (0.062) {0.057}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.119	0.166	0.032	0.039	0.070	0.088
R^2	0.138	0.185	0.872	0.879	0.762	0.780

Figure 12: Placebo

Robustness Check - 3

- **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions

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	(1)	(2)	(3)	(4)	(5)	(6)
Franciscan mission distance	-0.00175 (0.004) {0.004}	0.0111*** (0.004) {0.004}	-0.00010 (0.001) {0.001}	0.00356*** (0.001) {0.001}	-0.0225 (0.042) {0.045}	-0.0867 (0.056) {0.052}
Jesuit mission distance		-0.0103*** (0.002) {0.002}		-0.00356*** (0.001) {0.001}		0.130** (0.062) {0.057}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.119	0.166	0.032	0.039	0.070	0.088
R^2	0.138	0.185	0.872	0.879	0.762	0.780

Figure 12: Placebo

- **Implicit Assumption:**

Robustness Check - 3

- **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions

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Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.119	0.166	0.032	0.039	0.070	0.088
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Figure 12: Placebo

- **Implicit Assumption:**
 - The failure of mission is not systematic

Robustness Check - 3

- **Placebo Test:** Looking at the effect of proximity to Guarani Franciscan missions

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Jesuit mission distance		-0.0103*** (0.002) {0.002}		-0.00356*** (0.001) {0.001}		0.130** (0.062) {0.057}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	427	427	506	506	81	81
Within R^2	0.119	0.166	0.032	0.039	0.070	0.088
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Figure 12: Placebo

- **Implicit Assumption:**
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 - The regions with inoperative missions have not differ from the regions with operative missions

Robustness Check - 4

- **Assumption 3:** Historically treated and today's populations are related

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- Can we show that population treated and observed are related?

Robustness Check - 4

- **Assumption 3:** Historically treated and today's populations are related
- Can we show that population treated and observed are related?
 - The migration and urbanization are not the drivers of human capital and economic outcomes

Robustness Check - 5

- **Assumption 4:** If the effect is present today, it must be present 20-50 years ago as well.

TABLE VIII
MISSIONARY EFFECT ON HISTORICAL AND POSTWAR EDUCATION

Panel A: Illiteracy in Argentina							
	1895, OLS				ML Probit		
	Argentinean (1)	Males (2)	Females (3)	Foreigners (4)	1970 (5)	1980 (6)	1991 (7)
Mission distance	0.0505*** (0.018) {0.029}	0.0395** (0.016) {0.020}	0.0841*** (0.017) {0.021}	-0.0412*** (0.005) {0.006}	0.00439* (0.002)	0.00462*** (0.002)	0.00368*** (0.001)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	No	No	No	No	Yes	Yes	Yes
Observations	32	33	34	33	13,532	175,706	109,887
Within R^2	—	—	—	—	0.023	0.008	0.009
R^2	0.598	0.714	0.872	0.877	0.023	0.009	0.010
Panel B: Education in Brazil							
	Illiteracy in Brazil 1920, OLS			Median years of schooling ML probit			
	Total (1)	Brazilian (2)	Foreigners (3)	1980 (4)	1991 (5)		
Mission distance	0.176** (0.071) {0.081}	0.183*** (0.066) {0.087}	0.110 (0.071) {0.076}	-0.00993*** (0.003)	-0.00906*** (0.003)		
Geo controls	Yes	Yes	Yes	Yes	Yes		
State fixed effects	No	No	No	Yes	Yes		
Observations	71	71	71	232,717	331,498		
Within R^2	—	—	—	0.0583	0.051		
R^2	0.149	0.17	0.444	0.061	0.054		

Figure 13: Persistence of Human Capital

Theory:

- Theory's suggest that historical human capital shocks is one of the most important determinants of today's human capital and economic growth

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 - **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities

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 - Shift from agriculture to manufactuaring
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Theory:

- Theory's suggest that historical human capital shocks is one of the most important determinants of today's human capital and economic growth
 - **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities
 - Shift from agriculture to manufactuaring
 - Specialization in industries that require more skill-intensive manufacturing
 - **Technology Adoption in Agriculture:**

Theory:

- Theory's suggest that historical human capital shocks is one of the most important determinants of today's human capital and economic growth
 - **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities
 - Shift from agriculture to manufacturing
 - Specialization in industries that require more skill-intensive manufacturing
 - **Technology Adoption in Agriculture:**
 - Adoption and use of newer technologies

Mechanisms - 1

“In his 1827 visit to the former mission of Loreto, Argentina, French naturalist Alcide d’Orbigny reported how indigenous inhabitants still lived “following the old missionary customs” (cited in G’alvez 1995, 392).

- **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities

TABLE IX
MISSIONARY EFFECT ON STRUCTURAL TRANSFORMATION IN BRAZIL, ARGENTINA, AND PARAGUAY

	Brazil 2010 Employed in			Argentina 2001 Employed in			Paraguay 2012 Employed in		
	Agriculture (1)	Manufacturing (2)	Commerce (3)	Agriculture (4)	Manufacturing (5)	Commerce (6)	Agriculture (7)	Manufacturing (8)	Commerce (9)
Panel A: Without Geographic Controls									
Mission distance	0.0174 (0.027)	-0.0587*** (0.012)	0.00737 (0.008)	0.00543*** (0.002)	-0.00022 (0.001)	-0.00164*** (0.001)	0.0133** (0.006)	-0.00755 (0.005)	-0.0112** (0.005)
Observations	466	466	466	48,476	48,476	48,476	1,962	1,962	1,962
Within R ²	0.045	0.221	0.032	0.079	0.001	0.007	0.044	0.014	0.026
R ²	0.168	0.274	0.104	0.105	0.002	0.008	0.061	0.014	0.026
Panel B: With Geographic Controls									
Mission distance	0.151*** (0.048)	-0.0877*** (0.022)	-0.0300** (0.013)	0.0218*** (0.008)	-0.000228 (0.003)	-0.00908*** (0.003)	0.0147* (0.009)	-0.0189*** (0.007)	-0.0171*** (0.005)
Observations	426	426	426	48,476	48,476	48,476	1,928	1,928	1,928
Within R ²	0.135	0.287	0.190	0.148	0.013	0.014	0.100	0.050	0.054
R ²	0.301	0.357	0.272	0.167	0.014	0.014	0.117	0.051	0.054

Notes: The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are the percentage of the population working in agriculture, manufacturing, and commerce in Brazil in columns (1) to (3); whether a person is working in agriculture, manufacturing, and commerce in Argentina in 2001 in columns (4) to (6); and Paraguay in 2012 in columns (7) to (9). Mesoregion fixed effects are included for Brazil and state fixed effects for Argentina and Paraguay throughout. Geographic controls in Panel B include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section 1 of the Online Appendix for units and additional details of these variables. Estimation is by OLS in columns (1) to (3) and probit elsewhere

Mechanisms - 1

“In his 1827 visit to the former mission of Loreto, Argentina, French naturalist Alcide d’Orbigny reported how indigenous inhabitants still lived “following the old missionary customs” (cited in G’alvez 1995, 392).

- **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities
 - Shift from agriculture to manufacturing

TABLE IX
MISSIONARY EFFECT ON STRUCTURAL TRANSFORMATION IN BRAZIL, ARGENTINA, AND PARAGUAY

	Brazil 2010 Employed in			Argentina 2001 Employed in			Paraguay 2012 Employed in		
	Agriculture (1)	Manufacturing (2)	Commerce (3)	Agriculture (4)	Manufacturing (5)	Commerce (6)	Agriculture (7)	Manufacturing (8)	Commerce (9)
Panel A: Without Geographic Controls									
Mission distance	0.0174 (0.027)	-0.0587*** (0.012)	0.00737 (0.008)	0.00543*** (0.002)	-0.00022 (0.001)	-0.00164*** (0.001)	0.0133** (0.006)	-0.00755 (0.005)	-0.0112** (0.005)
Observations	466	466	466	48,476	48,476	48,476	1,962	1,962	1,962
Within R ²	0.045	0.221	0.032	0.079	0.001	0.007	0.044	0.014	0.026
R ²	0.168	0.274	0.104	0.105	0.002	0.008	0.061	0.014	0.026
Panel B: With Geographic Controls									
Mission distance	0.151*** (0.048)	-0.0877*** (0.022)	-0.0300** (0.013)	0.0218*** (0.008)	-0.000228 (0.003)	-0.00908*** (0.003)	0.0147* (0.009)	-0.0189*** (0.007)	-0.0171*** (0.005)
Observations	426	426	426	48,476	48,476	48,476	1,928	1,928	1,928
Within R ²	0.135	0.287	0.190	0.148	0.013	0.014	0.100	0.050	0.054
R ²	0.301	0.357	0.272	0.167	0.014	0.014	0.117	0.051	0.054

Notes: The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are the percentage of the population working in agriculture, manufacturing, and commerce in Brazil in columns (1) to (3); whether a person is working in agriculture, manufacturing, and commerce in Argentina in 2001 in columns (4) to (6); and Paraguay in 2012 in columns (7) to (9). Mesoregion fixed effects are included for Brazil and state fixed effects for Argentina and Paraguay throughout. Geographic controls in Panel B include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section 1 of the Online Appendix for units and additional details of these variables. Estimation is by OLS in columns (1) to (3) and probit elsewhere.

Mechanisms - 2

- **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities

TABLE X
MISSIONARY EFFECT ON SKILL-INTENSIVE INDUSTRIES IN BRAZIL

HCINT	Brazil 2010									
	Iron and steel 11.425 (1)	Tobacco products 11.509 (2)	Nonferrous metals 11.547 (3)	Fabricated metal products 11.577 (4)	Plastic products 11.678 (5)	Beverages industries 11.967 (6)	Transport equipment 12.346 (7)	Electric machinery 12.357 (8)	Industrial chemicals 12.704 (9)	Chemicals other 13.031 (10)
Mission distance	-0.00255** (0.001)	-0.000104*** (0.000)	-0.0265*** (0.009)	-0.00230*** (0.001)	-0.000349 (0.003)	-0.0103*** (0.003)	-0.00552** (0.002)	-0.00685* (0.004)	-0.00367* (0.002)	-0.00203 (0.002)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964
Within R ²	0.025	0.007	0.046	0.072	0.077	0.026	0.123	0.051	0.013	0.044
R ²	0.025	0.009	0.046	0.075	0.084	0.034	0.124	0.055	0.024	0.046

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variable is an indicator variable that equals 1 if an individual reports working in the iron and steel, tobacco products, nonferrous metals, fabricated metal products, plastic products, beverages industries, transport equipment, electric machinery, industrial chemicals, and other chemicals industries in Brazil in 2010, ordered from least to most by their HCINT according to *Ceccone and Papagno (2009)*. Mesoregion fixed effects are included. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to [Section 1](#) of the [Online Appendix](#) for units and additional details of these variables. Estimation is for a probit model and errors clustered at the municipality level are in parentheses *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 15: Persistence of Human Capital

Mechanisms - 2

- **Structural Transformation:** Human capital shock leads to sectoral shift in economic activities
 - Specialization in industries that require more skill-intensive manufacturing

TABLE X
MISSIONARY EFFECT ON SKILL-INTENSIVE INDUSTRIES IN BRAZIL

HCINT	Brazil 2010									
	Iron and steel	Tobacco products	Nonferrous metals	Fabricated metal products	Plastic products	Beverages industries	Transport equipment	Electric machinery	Industrial chemicals	Chemicals other
	11.425 (1)	11.509 (2)	11.547 (3)	11.577 (4)	11.678 (5)	11.967 (6)	12.346 (7)	12.357 (8)	12.704 (9)	13.031 (10)
Mission distance	-0.00255** (0.001)	-0.000104*** (0.000)	-0.0265*** (0.009)	-0.00230*** (0.001)	-0.000349 (0.003)	-0.0103*** (0.003)	-0.00552** (0.002)	-0.00685* (0.004)	-0.00367* (0.002)	-0.00203 (0.002)
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964	174,964
Within R ²	0.025	0.007	0.046	0.072	0.077	0.026	0.123	0.051	0.013	0.044
R ²	0.025	0.009	0.046	0.075	0.084	0.034	0.124	0.055	0.024	0.046

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variable is an indicator variable that equals 1 if an individual reports working in the iron and steel, tobacco products, nonferrous metals, fabricated metal products, plastic products, beverages industries, transport equipment, electric machinery, industrial chemicals, and other chemicals industries in Brazil in 2010, ordered from least to most by their HCINT according to *Ceccone and Papagno (2009)*. Mesoregion fixed effects are included. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to [Section 1 of the Online Appendix](#) for units and additional details of these variables. Estimation is for a probit model and errors clustered at the municipality level are in parentheses *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 15: Persistence of Human Capital

Mechanisms - 3

● Technology Adoption in Agriculture:

TABLE XI
MISSIONARY EFFECT ON TECHNOLOGY ADOPTION IN AGRICULTURE (GENETICALLY ENGINEERED SOY) AND STRUCTURAL TRANSFORMATION IN BRAZIL

	Brazil 1996–2006						
	Change in			Agricultural productivity	Share in		
	Total soy farmed	GE soy	Non-GE soy		Agriculture	Manufacturing	Services
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mission distance	−0.00117*** (0.0002) {0.0002}	−0.00164*** (0.0003) {0.0003}	0.000721*** (0.0002) {0.0002}	−0.00240* (0.0012) {0.0012}	0.0507** (0.0233) {0.0324}	−0.0393*** (0.0094) {0.0129}	−0.00907 (0.0166) {0.0231}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	509	245	239	262	524	524	524
Within R^2	0.259	0.362	0.229	0.069	0.065	0.249	0.029
R^2	0.608	0.552	0.553	0.117	0.329	0.313	0.254

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are total area planted with soy, changes in genetically engineered (GE) soy and non-GE soy from 1996 to 2006, the logarithm of agricultural productivity, and the share of the labor force in agriculture, manufacturing, and services in Brazil in percentages in 1996 and 2006. Mesoregion fixed effects are included. Geographic controls include latitude, longitude, distance to the nearest Franciscan mission, and soy suitability in columns (1) to (3). Data are from Bunes, Capretini, and Pontiroli (2016). Please refer to Section 1 of the Online Appendix for units and additional details of these variables. Estimation is by OLS. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 16: Persistence of Human Capital

Mechanisms - 3

- **Technology Adoption in Agriculture:**
 - Adoption and use of newer technologies

TABLE XI
MISSIONARY EFFECT ON TECHNOLOGY ADOPTION IN AGRICULTURE (GENETICALLY ENGINEERED SOY) AND STRUCTURAL TRANSFORMATION IN BRAZIL

	Brazil 1996–2006						
	Change in			Share in			
	Total soy farmed (1)	GE soy (2)	Non-GE soy (3)	Agricultural productivity (4)	Agriculture (5)	Manufacturing (6)	Services (7)
Mission distance	−0.00117*** (0.0002) {0.0002}	−0.00164*** (0.0003) {0.0003}	0.000721*** (0.0002) {0.0002}	−0.00240* (0.0012) {0.0012}	0.0507** (0.0233) {0.0324}	−0.0393*** (0.0094) {0.0129}	−0.00907 (0.0166) {0.0231}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	509	245	239	262	524	524	524
Within R^2	0.259	0.362	0.229	0.069	0.065	0.249	0.029
R^2	0.608	0.552	0.553	0.117	0.329	0.313	0.254

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are total area planted with soy, changes in genetically engineered (GE) soy and non-GE soy from 1996 to 2006, the logarithm of agricultural productivity, and the share of the labor force in agriculture, manufacturing, and services in Brazil in percentages in 1996 and 2006. Miseregeon fixed effects are included. Geographic controls include latitude, longitude, distance to the nearest Franciscan mission, and soy suitability in columns (1) to (3). Data are from Busco, Capretini, and Pontoldi (2016). Please refer to Section 1 of the Online Appendix for units and additional details of these variables. Estimation is by OLS. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 16: Persistence of Human Capital

Alternative Mechanisms - 1

- Population Density → Urbanization → Better Economic and Human Capital Outcomes

TABLE XII
MISSIONARY EFFECT ON ALTERNATIVE TRANSMISSION MECHANISMS

	Argentina, Brazil, and Paraguay			
	Population density (1)	Precolonial pop. density (2)	Road density (3)	Railroad density (4)
Panel A				
Mission distance	0.340* (0.205) {0.207}	1.028 (1.119) {1.138}	-0.00916*** (0.002) {0.002}	0.00136*** (0.0004) {0.0004}
Geo controls	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes
Observations	548	69	548	548
Within R^2	0.176	0.057	0.408	0.181
R^2	0.180	0.302	0.626	0.351

Figure 17: Persistence of Human Capital

Alternative Mechanisms - 2

- Role of infrastructure

TABLE XII
CONTINUED

	Brazil		Paraguay Visits		Brazil Median years of schooling	
	Health index (1)	Touristic activities (2)	Museum (3)	Monument (4)	Resident (5)	Nonresident (6)
Panel B						
Mission distance	-0.0889*** (0.021) {0.022}	0.0009 (0.001) {0.001}	-0.00116* (0.001) {0.001}	-0.00333** (0.002) {0.001}	-0.00281*** (0.001) {0.001}	-0.00019 (0.002) {0.002}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	467	427	890	890	266	201
Within R^2	0.162	0.033	0.020	0.039	0.123	0.093
R^2	0.164	0.048	0.021	0.042	0.130	0.114

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are population density and precolonial population density in Panel A, columns (1) and (2), and road and railroad density in columns (3) and (4). The Brazilian IFDM Health Index is the dependent variable in Panel B column (1), prevalence of tourism in percentages in column (2), visits to museums and national monuments in columns (3) and (4), and median years of schooling in Brazil for residents and nonresidents in columns (5) and (6). Mesoregion fixed effects are included for Brazil. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section I of the Online Appendix for units and additional details of these variables. Estimation is by OLS with state fixed effects. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 18: Persistence of Human Capital

Alternative Mechanisms - 2

- Role of infrastructure
- Tourism

TABLE XII
CONTINUED

	Brazil		Paraguay Visits		Brazil Median years of schooling	
	Health index (1)	Touristic activities (2)	Museum (3)	Monument (4)	Resident (5)	Nonresident (6)
Panel B						
Mission distance	-0.0889*** (0.021) {0.022}	0.0009 (0.001) {0.001}	-0.00116* (0.001) {0.001}	-0.00333** (0.002) {0.001}	-0.00281*** (0.001) {0.001}	-0.00019 (0.002) {0.002}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	467	427	890	890	266	201
Within R^2	0.162	0.033	0.020	0.039	0.123	0.093
R^2	0.164	0.048	0.021	0.042	0.130	0.114

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are population density and precolonial population density in Panel A, columns (1) and (2), and road and railroad density in columns (3) and (4). The Brazilian IFDM Health Index is the dependent variable in Panel B column (1), prevalence of tourism in percentages in column (2), visits to museums and national monuments in columns (3) and (4), and median years of schooling in Brazil for residents and nonresidents in columns (5) and (6). Mesoregion fixed effects are included for Brazil. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section I of the Online Appendix for units and additional details of these variables. Estimation is by OLS with state fixed effects. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 18: Persistence of Human Capital

Alternative Mechanisms - 2

- **Role of infrastructure**
- **Tourism**
- **Health Outcomes:** As alternative Outcome to Human Capital

TABLE XII
CONTINUED

	Brazil		Paraguay Visits		Brazil Median years of schooling	
	Health index (1)	Touristic activities (2)	Museum (3)	Monument (4)	Resident (5)	Nonresident (6)
Panel B						
Mission distance	-0.0889*** (0.021) {0.022}	0.0009 (0.001) {0.001}	-0.00116* (0.001) {0.001}	-0.00333** (0.002) {0.001}	-0.00281*** (0.001) {0.001}	-0.00019 (0.002) {0.002}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	467	427	890	890	266	201
Within R^2	0.162	0.033	0.020	0.039	0.123	0.093
R^2	0.164	0.048	0.021	0.042	0.130	0.114

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are population density and precolonial population density in Panel A, columns (1) and (2), and road and railroad density in columns (3) and (4). The Brazilian IFDM Health Index is the dependent variable in Panel B column (1), prevalence of tourism in percentages in column (2), visits to museums and national monuments in columns (3) and (4), and median years of schooling in Brazil for residents and nonresidents in columns (5) and (6). Mesoregion fixed effects are included for Brazil. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section I of the Online Appendix for units and additional details of these variables. Estimation is by OLS with state fixed effects. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 18: Persistence of Human Capital

Alternative Mechanisms - 2

- Role of infrastructure
- Tourism
- Health Outcomes: As alternative Outcome to Human Capital
- Migration

TABLE XII
CONTINUED

	Brazil		Paraguay Visits		Brazil Median years of schooling	
	Health index (1)	Touristic activities (2)	Museum (3)	Monument (4)	Resident (5)	Nonresident (6)
Panel B						
Mission distance	-0.0889*** (0.021) {0.022}	0.0009 (0.001) {0.001}	-0.00116* (0.001) {0.001}	-0.00333** (0.002) {0.001}	-0.00281*** (0.001) {0.001}	-0.00019 (0.002) {0.002}
Geo controls	Yes	Yes	Yes	Yes	Yes	Yes
State fixed effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	467	427	890	890	266	201
Within R^2	0.162	0.033	0.020	0.039	0.123	0.093
R^2	0.164	0.048	0.021	0.042	0.130	0.114

Notes. The table shows the coefficient of distance to the nearest Jesuit mission in kilometers. The dependent variables are population density and precolonial population density in Panel A, columns (1) and (2), and road and railroad density in columns (3) and (4). The Brazilian IFDM Health Index is the dependent variable in Panel B column (1), prevalence of tourism in percentages in column (2), visits to museums and national monuments in columns (3) and (4), and median years of schooling in Brazil for residents and nonresidents in columns (5) and (6). Mesoregion fixed effects are included for Brazil. Geographic controls include distance to the nearest coast, distance to the nearest river, distance to the nearest Franciscan mission, altitude, ruggedness, temperature, area, rainfall, latitude, and longitude. Please refer to Section I of the Online Appendix for units and additional details of these variables. Estimation is by OLS with state fixed effects. Robust standard errors are in parentheses and Conley standard errors are in curly brackets *** $p < .01$, ** $p < .05$, * $p < .1$.

Figure 18: Persistence of Human Capital

References I

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