God's not dead, just overregulated: state history and the regulation of religion at various stages of development

Ọláyínká Oyèkọlá
Department of Economics, University of Exeter, UK
E-mail: o.oyekola@exeter.ac.uk

ABSTRACT

Intensity of governmental interference with religion differs extensively across the world. We suggest that part of this variation is entrenched in the historical development of statehood, which has played a crucial role in shaping many aspects of modern-day society, and propose that this further depends on a country's relative stage of economic development. Using data on a cross-section of countries, our indicator of state history reveals a substantially positive effect on measures of current religious regulation. In addition to this persistent influence, we show that state history exhibits differential effects on religious regulations across countries. The empirical results indicate that the state history - religious regulation nexus is strongest in middle-income countries, followed by low-income countries. However, this association is rarely observed amid high-income countries.

1. Introduction

For a long time, economic and non-economic effects of religion have been widely deliberated upon in the academic literature (Smith 1776; Durkheim 1897; Weber 1904). A more recent contribution reported that religious beliefs, doctrines, norms, rules, and values play wide ranging roles in socio-behavioural choices, economic activities, and material prospects of numerous individuals, groups, and societies (Iannaccone 1998). Consequently, apart from being found to lead to higher income per capita and growth (Barro and McCleary 2003; Guiso et al. 2003; Noland 2005) and to improvements in financial market performance (Stulz and Williamson 2003; Hilary and Hui 2009; Mersland et al. 2013), religion has also been shown to be an important predictor of political outcomes (Lankina and Getachew 2012; Woodberry 2012; Bazzi et al. 2020), suicide rates (Helliwell 2007; Becker and Woessmann 2018), educational attainment and human capital accumulation (Becker and Woessmann 2009; Gallego and Woodberry 2010; Wantchekon et al. 2015), involvement in crime (Bainbridge 1989; Evans et al. 1995), marital stability and dissolution (Heaton and Pratt 1990; Lehrer and Chiswick 1993), subjective well-being and physiological/mental health (Dolan et al. 2008; Deaton and Stone 2013; Popova 2014; Fruehwirth et al. 2019; Shattuck and Muehlenbein 2020; Garssen et al. 2021), gender equality and women's reproductive rights (Seguino 2011; Forman-Rabinovici 2018), trade, globalisation and tourism (Helble 2007; Lewer and Van den Berg 2007; Thompson 2007; Fourie et al. 2015), and so on.

The popular media has also devoted a lot of attention to religion, which shows its pervasiveness and significance within modern society. Although the prevailing evidence intimates that religion has been both a terrific and terrible constant since the beginning of human history, the vast majority of today's headline news often revolve around its atrocious legacies; examples of these include the terrorist attacks of 7/7 in London and 9/11 in New York. Evidently, these results and experiences suggest that the sway of religion in both historic and contemporary times have been mixed, with such effects oscillating between being good, bad, or, downright ugly. It is, therefore, no wonder that most countries seek to regulate religion. In this paper, we seek to shed additional empirical light on the causes of state religious regulation, as well as provide new insights into the economic characteristics of countries where religious interferences are most prevalent.

The literature attempting to explain the pattern of cross-country differences in religious regulation fall under two broad headings. First, many existing studies have emphasised the effects of contemporaneous determinants of religious regulation and are largely driven by the theories of secularisation (Weber 1904; Wilson 1966; Berger 1967; Chaves 1994), economics of religion (Smith 1776; Stark and Bainbridge 1987; Iannaccone 1991; Finke and Iannaccone 1993; Stark and Iannaccone 1994), and the clash of civilisation (Huntington 1993, 1996). According to the secularisation theory, economic development should lead to a separation between religions and other spheres of modern society. As a result, religious institutions will

[2]

begin to assume diminished roles within the legal, political, and social structures of a country (Casanova 1994; Bruce 2003; Norris and Inglehart 2004). In the same vein, individuals become less religious, which is reflected in reductions in attendance rates at places of worship. Accordingly, increasing secularisation, or modernisation, is proposed as a harbinger of decreasing religious regulation. For its part, economics of religion introduces religious entrepreneurs and political leaders to the costs, preferences, and competitions related to the provision of religious goods. In this setting, majority (minority) religions prefer more (less) regulations, and the equilibrium is determined through bargaining between political and religious actors. The idea of the economics of religion is that the incentives and opportunity structure available to a country is likely to lead to the adoption of an institutional framework that guarantees religious pluralism, such that regulation is typically unwarranted (Gill 2008). Finally, the clash of civilisation hypothesis explores the influence that world civilisations (religions) can have in bringing about social conflicts in the Cold War aftermaths, suggesting that countries should pursue cultural homogeneity and religious regulation to avoid battles and achieve peace. In this paper, we borrow from the position of Buckley and Mantilla (2013), who argue that these research areas are more interested in individual or societal religiosity, rather than on state regulation of religion. Unlike them, we emphasise the impact of historical state capacity and not state capacity today.

Second, other works have stressed the significance of the long-run dimension in the developments of state-religion arrangements, asserting that historical context must be fully engaged with as we hunt for an understanding of religious regulation in the world today (Stark 2007; Driessen 2014; Vaubel 2017; Coşgel et al. 2018). For example, Coşgel and Miceli (2009) modelled a historically founded state-religion affiliation in an economic environment in which the objective of the state is to maximise its tax revenue, and where religious firms benefit the government by legitimising its authority and by producing religious goods to satiate the utility of citizens. Depending on the power and magnitude of the previous effect (religious legitimation versus de-legitimation), the state then decides optimally whether, or not, to regulate religion. The driving forces determining whether the state will seek religious regulation in this model are the degree of religious loyalty lending legitimacy to the political regime, greater competition in the religion market, and democratic polity. Similarly, Johnson and Koyama (2013) construct a decision-theoretic model, which employs the argumentation of religious legitimation to elucidate the channels by which historic states enhance their capacity to enforce the preferred religious outcome of the governing regime. Iyer (2016) views the continued existence of religions and the variegated practices of religious entities in the face of secularisation as puzzling. Meanwhile, Oyekola (2021) accounts for this durability of religious traditions; arguing, in the context of the persistence of state religion, that the intermingling of state and religious organisations in history was perpetuated to the current period. According to these lines of research, religious regulation or tolerance is more likely to emerge and consolidate when countries have

a long history of state subordinating religion. In this paper, we follow this latter strand of the literature in thinking about how important history may be for present-day regulation of religion.

Hence, our argument is that it takes time to build a capable state bureaucracy necessary to formulate, roll out, and enforce governmental policies, including those meant for religious organisations. Hence, as a country accumulates statehood experience, we expect them to possess sufficiently rich bank of know-how that may prove vital for more successfully administering religious regulation. Whether policymakers are benevolent or malevolent (Barro and McCleary 2005), the influence that longer state history will exert on the religion market will go in one of two directions, leading either to an increase or a decrease in the regulation of religion. This notwithstanding, what may be more interesting than determining the link between state history and religious regulation is identifying whether the effects disproportionately fall on different clusters of countries based on their level of economic development. We suggest that economic differences impose distinctive opportunity sets for different governments. Our foremost goal in this paper is to empirically assess this claim. Our main contribution lies in showing that historical state capacity has a persistent impact on modern religious regulation, and in establishing that these effects do vary depending on a country's stage of development.

In evaluating the impact of state history on religious regulation, our paper closely follows Oyekola (2021). Here, we extend the inquiry by probing whether those effects have systematic components that depend on the level of economic development. We utilise five polychotomous measures of the regulation of religion that allow for the degree of governmental involvement, as opposed to a dichotomous indicator. For our analysis, we employ a broad sample of up to 144 countries and, as is common in related literature, we use ordinary least squares (OLS) method to establish our baseline results. Our findings are supportive of prior empirical work, which unearths that the length of state history matters for the extent of religious regulations across countries (Coşgel et al. 2018; Oyekola 2021). Additionally, our empirical analysis presents new results on the differential effects of longer statehood experience on religious regulations over stages of economic development. Further, the findings are corroborated by probit and instrumental variables estimation methods. More specifically, we show that state history has a strong positive effect on all measures of religious regulation in use. Beyond this, we provide evidence revealing that the effects of state history on religious regulation do indeed vary in systematic ways across countries at various stages of economic development. Our main result on this is that the influence that state history wields on religious regulation is positive and statistically significant only up to a certain development threshold, which we show to happen for middle-income countries. In the low-income countries, the findings are mixed depending on the measure of religious regulation. Meanwhile, the role of state history in explaining religious regulation is mostly statistically indifferent from zero for the group of high-income countries. Lastly, we confirm that these results are robust to a sundry of econometric tests.

[4]

An important contribution brought by our results is that they provide a more refined empirical portrait of the historical origins of religious regulation. The evaluation is beneficial for advancing what we understand in relation to the persistent effects of longer state history; not just for the differences in distributional, economic, financial, and institutional performance of nations (Bockstette et al. 2002; Putterman and Weil 2010; Ang 2013; Borcan et al. 2018), but also on their religious outcomes. Importantly, our findings may help to expedite the prognostication of which countries tend to impose more severe religious regulations and restrictions. Our view is that there exists some level of economic barriers, perhaps formed out of the impact of the historical state capacity, where countries at the beginning stages of economic development are not able to accommodate, protect and uphold religious freedom and tolerance. Going forward, therefore, a properly designed agenda to address issues relating to religious regulations must be equipped with mechanisms to target economic underdevelopment and its implications for topics that have been affected by such regulations, including democracy (Brathwaite and Bramsen 2011; Kettell 2013), forced migration (Kolbe and Henne 2014), and the rights of women (Ben-Nun Bloom 2016), amongst others.

The rest of the paper is organized as follows. Section 2 presents the empirical strategy consisting of the econometric specification, estimation methodology, and data description and initial analysis. Section 3 discusses the results on the effects of state history on religious regulation. Section 4 concludes and offers some policy implications.

2. Empirical strategy

Based on the discussions, in the previous section, of the fundamental role that building nation-states in history has on present-day outcomes, we propose an empirical test of the following hypotheses relating to the effects of statehood experience on religious regulations in this paper:

- Differences in contemporary levels of religious regulations across countries can be explained by differences in state history.

- State history has not only persistent but differential effects on religious regulations that are larger and stronger in developing (low- and middle-income) countries than in developed (high-income) countries.

In the rest of this section, we state our estimating framework and estimation method. We then describe the key data (variables) used to systematically examine the relation between the historical state capacity, observed over 1-1950 AD, and current measures of religious regulation, computed for the year 2000 onwards. To close this section, we provide some elementary evidence on the correlation between our dependent variables and the main independent variable.

2.1. Specifications

The central empirical relationship that we explore is the influence of state history on the regulation of current religion market in different groups of countries, using their levels of economic development. We commence the analysis by relating measures of religious regulation to an index of state history *without* splitting countries in our sample into these development groups. Our basic regression specification is:

$$Z_c = \alpha + \beta Y_c + X_c'\gamma + \varepsilon_c \tag{1}$$

where the dependent variable, Z_c, is one of the five measures of the type and/or the extent of governmental infringements on the religion market in country c: Government Regulation Index (GRI), Government Favouritism Index (GFI), Religious Discrimination Index (RDI), Religious Regulation Index (RRI), and Religious Legislation Index (RLI). In terms of the independent variables, Y_c is state history index (SHI) and X_c is a vector of baseline controls. ε_c is a disturbance term and the intercept parameter is represented by α. Our key coefficient of interest is β: it captures the relationship between the historical state capacity and the regulation of religion today. Put differently, this parameter reflects how the length of statehood experience of country c impacts on its current choice of, or capability to regulate, the market for God. γ houses the coefficients associated with the control variables.

As noted earlier, the above specification is along a similar line to that employed by Oyekola (2021), who studied the role of state history on the persistence of religious states (that is, whether, or not, countries have official state religions). In the present study, the outcome variables are somewhat different in that they concern the degree to which governments are involved in religious affairs rather than a dichotomous choice between religious or secular states in that study. Besides, the primary reason for starting our analysis with the above empirical model is to utilise it as a reference point against which to gauge the results from estimating the impacts of state history on religious regulation *with* splits of countries into three income groups; see below. Having shown that the above specification provides a reasonable framework for analysing cross-country variations in religious regulation, we subsequently examine the potential differential effects of state history on the regulation of religion at different levels of income by maintaining the dependent variables on the left-hand-side and the baseline control variables on the right-hand-side of Equation (1) but replace Y_c, the main explanatory variable, with its analogous values for the three groups of countries based on income levels. In this case, the regression model is specified as:

$$Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X_c'\gamma + \varepsilon_c \tag{2}$$

where the parameters that we focus on are β_j for $j = l, m, h$. We use the OLS estimator for both Equations (1) and (2), as is commonly done in the long-run comparative development literature. We confirm that the baseline findings of the paper are not biased by the choice of the estimation methodology. We re-estimate Equation (2) employing ordered probit model (OPM) due to the ordered nature of our dependent variables.

[6]

Moreover, we address the potential endogeneity bias by performing IV estimation, using identification through heteroskedastic covariance restrictions (Lewbel 2012).

2.2. Data

2.2.1. Religious regulation

These are taken from two existing archives on state interference with the religion market. Our first measure of religious regulation, Government Regulation Index (GRI), is an index that reflects 'the restrictions placed on the practice, profession, or selection of religion by the official laws, policies, or administrative actions of the state' Grim and Finke (2006, p. 7). This variable combines the subscores for whether foreign missionary workers are allowed to operate, whether proselytising, public preaching, and/or conversion is prohibited, whether the government meddles with the rights of individuals to worship, whether the state guarantees religious freedom both by law and in practice, and whether policy actions of the government aid the free practice of religious belief (Grim and Finke 2006). The key source of the information utilised to code GRI is the International Religious Freedom (*IRF*) Reports of the US State Department, which have been published annually since 1999. Importantly, four waves of the *IRF* Reports (2001, 2003, 2005, and 2008) have been coded for empirical analysis. In this study, we have used the average of each country's scores from across the four waves to measure GRI.[1] This variable is located on an eleven-point scale, ranging from 0 to 10, with higher values indicating more restrictive regulations. The maximum value of GRI in the sample is 9.097 (Iran) and the minimum is 0 assigned to 18 countries (e.g., Benin, Grenada, Ireland, Netherlands, Poland, and South Africa). The average level of government regulation in the full sample is 3.079 and the standard deviation is 2.915 (see Table 1, which contains the descriptive statistics).[2]

Our second dependent variable, Government Favouritism Index (GFI), which is also based on the *IRF* Reports, is an index referring to the 'subsidies, privileges, support, or fav[u]orable sanctions provided by the state to a select religion or a small group of religions' Grim and Finke (2006, p. 8). This variable combines the subscores for whether the government funds (either in cash or *in-kind*) religious activities, whether there is a privileged or official religion, whether there is a disproportionate support of some religious factions relative to other religious factions within a society through subsidies or taxes, and whether the state funds unequally any religious activities involving education, religious buildings, clergy salaries, media engagements, charity work, etc. (Grim and Finke 2006). This variable is also located on an eleven-point scale, ranging from 0 to 10, with higher values indicating more religious favouritism. The maximum value of GFI in the sample is 9.125 (Iran) and the minimum is 0 assigned to 5 countries (e.g.,

---

[1] Further details on all measures of the regulation of religion are given in Appendix A (Supporting Information), where we provide the definitions of all variables used in the analysis, and their sources.

[2] Appendix B (Supporting Information) presents a more detailed summary statistics for all the variables used for analysis.

Burkina Faso, Jamaica, and Uruguay). The average level of government favouritism in the full sample is 4.787 and the standard deviation is 2.651.

The remaining three measures (Religious Discrimination Index (RDI), Religious Regulation Index (RRI), and Religious Legislation Index (RLI)) that we consider as dependent variables are taken from the Round 3 of the Religion and State (*RAS3*) dataset compiled by Jonathan Fox. *RAS3* codes 117 measures that cover various aspects of State Religion Policy (*SRP*) on a yearly basis from 1990 to 2014 for 183 countries and self-governing territories into composite forms that can be utilised for empirical studies of state and religion (Fox 2019). In this study, we have used the average of each country's scores for the period 2000 to 2014. Our third dependent variable, RDI, is an index that measures the 'restrictions on the religious practices and institutions of religious minorities which are not placed on the majority religion' (Fox 2019, p. 16). This variable combines the subscores for 36 *SRP* measures. As each *SRP* factor is coded on a 4-point scale of 0 to 3, the value of RDI ranges from 0 to 108, with higher values indicating severer discriminatory practices. The maximum value of RDI in the sample is 69.8 (Iran) and the minimum is 0 assigned to 12 countries (e.g., Burundi, Canada, Niger, and South Korea). The average level of religious discrimination in the full sample is 12.408 and the standard deviation is 14.132.

Our fourth dependent variable, RRI, is an index that measures 'the regulation of the majority religion' (Fox 2019, p. 16), which are frequently similarly applied to minority religions. This index combines the subscores for 29 *SRP* variables, which are also coded on a 4-point scale of 0 to 3. Thus, the value of RRI ranges from 0 to 87, with higher values indicating sterner regulatory environment. The maximum value of RRI in the sample is 56.07 (Uzbekistan) and the minimum is 0 assigned to 5 countries (e.g., Argentina, Italy, and Japan). The average level of religious regulation in the full sample is 10.333 and the standard deviation is 11.511.

Our fifth and final dependent variable, RLI, is an index that measures the degree of 'government support for religion' (Fox 2019, p. 16), including 'legislating and enforcing religious precepts as law, financially supporting religion, and otherwise giving preference or support to the majority religion' (Fox 2011, p. 15). Containing the remaining 52 components of *SRP* and given the assigned 0-1 binary coding for each, the value of RLI ranges from 0 to 52, with higher values indicating stronger legislative support for specific religious sects. The maximum value of RLI in the sample is 36 (Malaysia) and the minimum is 1.533 (Burkina Faso). The average level of religious legislation in the full sample is 9.815 and the standard deviation is 7.236.

By using these various measures of religious regulation from *ARDA* and *RAS* databases, we are better able to guide against the potential shortcomings that may be inherent to them individually, as observed, for example, by Fox (2011) and Grim and Finke (2011).

Table 1. Descriptive statistics

	Summary statistics				t-test of the equality of means		
	Full	Income level			Low vs.	Low vs.	Middle vs.
	sample	Low	Middle	High	Middle	High	High
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
GRI	3.079	3.317	3.900	2.019	0.583	-1.299	-1.882
	(2.915)	(2.962)	(3.190)	(2.236)	[0.628]	[0.536]	[0.562]
	144	*48*	*48*	*48*	*0.356*	*0.017*	*0.001*
GFI	4.787	3.937	5.002	5.422	1.065	1.485	0.421
	(2.651)	(2.640)	(2.919)	(2.167)	[0.568]	[0.493]	[0.525]
	144	*48*	*48*	*48*	*0.064*	*0.003*	*0.425*
RDI	12.408	10.369	16.633	10.221	6.264	-0.148	-6.411
	(14.132)	(13.318)	(16.335)	(11.672)	[3.074]	[2.583]	[2.928]
	141	*47*	*47*	*47*	*0.045*	*0.955*	*0.031*
RRI	10.333	10.111	14.424	6.462	4.313	-3.649	-7.962
	(11.511)	(10.630)	(14.451)	(7.000)	[2.617]	[1.856]	[2.342]
	141	*47*	*47*	*47*	*0.103*	*0.052*	*0.001*
RLI	9.815	9.343	9.955	10.148	0.611	0.804	0.193
	(7.236)	(7.778)	(7.828)	(6.100)	[1.610]	[1.442]	[1.448]
	141	*47*	*47*	*47*	*0.705*	*0.578*	*0.894*
SHI	0.443	0.401	0.441	0.487	0.040	0.087	0.047
	(0.242)	(0.235)	(0.239)	(0.250)	[0.048]	[0.049]	[0.050]
	144	*48*	*48*	*48*	*0.408*	*0.082*	*0.352*

Notes: The table presents the descriptive statistics for the key variables. The summary statistics reported in columns (1)–(4) are means, standard deviations in (parentheses), and the number of observations in *italics*. In columns (5)–(7), the table also reports the tests of mean equality between the groups of countries, displaying the differences between the means, standard errors in [brackets], and the *p*-values of the two-sided *t*-tests in **bold italics**. GRI stands for Government Regulation Index, GFI for Government Favouritism Index, RDI for Religious Discrimination Index, RRI for Religious Regulation Index, RLI for Religious Legislation Index and SHI for state history index. See the text and Appendix A (Supporting Information) for detailed variable definitions and sources. We sort the 144 countries in our sample into three groups based on their year 2000 GDP per capita: low-income countries are the 48 countries with the lowest GDP per capita; middle-income countries are the 48 countries with the middle GDP per capita; and high-income countries are the 48 countries with the highest GDP per capita. Appendix C (Supporting Information) documents the country classification by income level.

2.2.2. *State history*

The state history index is obtained from version 3.1 of the State Antiquity Index (*SAI*), compiled by Putterman (2004) for 151 countries and spans the years 1 AD to 1950 AD. The *SAI* estimates of state history index (SHI) are based on information in *Encyclopaedia Britannica*. Specifically, the 1,950 years

are split into 50-year periods for a modern-day country and a positive score between 0 and 50 is inputted for each period, capturing: (i) the presence of a government at the macro level; (ii) whether this government was external or internal; and (iii) the fraction of the present territory that was covered by the government. These three components are computed, respectively, as follows: (i) a value of 1 is given if a territory was judged to have supra-tribal level polity, and 0 otherwise; (ii) a value of 1, 0.5, and 0.75 are specified, respectively, for a state's polity that is internal, external (relating to countries under colonial rule), and internal-external hybrid; and (iii) a value of 1 is recorded if more than 1/2 of the current territory is covered by the type of government existing in the relevant 50-year period, 0.75 if between 1/4 and 1/2, 0.5 if between 1/10 and 1/4, and 0.3 if less than 1/10 (see, e.g., Putterman (2008), Putterman and Weil (2010), and Ang (2013) for additional details on calculating the state history index).

Figure 1: Map of state history around the world, 1-1950 AD
Notes: The figure shows the quintile distributions of state history index (SHI) for our sample of countries. Darker regions signal longer statehood experiences.

Further, the scores awarded for each of the three components are multiplied by one another and by 50, so that for a given 50-year period, a country has a maximum score of 50 if it was an autonomous society, 0 if it lacked macro-level polity, 25 if the whole territory had a ruling system imposed by an overseas country, etc. Consistent with the empirical literature on the significance of historical state capacity for current outcomes (e.g., Bockstette et al. 2002), we employ SHI, with 5% discount rate on every previous 50-year period, as the benchmark.[3] By construction, the final index of SHI is located on a fifty-one-point scale, ranging from 0 to 50, with higher values indicating the presence of a longer state in a territory. For our analysis, the index is re-scaled to lie on a 0-1 scale. The maximum value of SHI in the sample is 0.964

---

[3] For robustness, we have used other discount rates and explain their implications for our results.

(Ethiopia) and the minimum is 0.021 (Papua New Guinea). The average level of SHI in the full sample is 0.443 and the standard deviation is 0.242.

There is extensive coverage and considerable cross-national differences in state history, with each continental bloc having countries with varying lengths of statehood experiences, illustrated in Figure 1. More specifically, there are 46 African countries in our sample, 26 from the Americas, 32 from Asia, 36 from Europe, and the remaining 4 countries are in Oceania. Splitting SHI into quintiles, we observe that most countries in Africa (particularly sub-Saharan) and Americas, as well as all the countries in Oceania have shorter statehood experiences, falling in the bottom half of the SHI distribution. Whereas countries in Asia and Europe tend, on average, to have longer history of states, with many countries in both continents falling in the top half of the distribution. We also note that both Asia and Europe have no countries represented in the first quintile of the state history index.

2.3. Prefatory analysis

Once we assembled data from various sources, including the conditioning baseline control variables declared below, our sample consists of 144 observations for examining measures of religious regulation from *ARDA* (GRI and GFI) and 141 observations for inspecting the parallel *RAS3* indicators (RDI, RRI, and RLI).[4] As revealed beforehand, our motivation is to evaluate whether state history affects religious regulation at various levels of economic development (taken to be income per capita). To isolate these effects, we categorise the countries in our sample into three groups (low-, middle-, and high-income), determined by sorting and ranking the GDP per capita data in 2000.[5] This results in equal-sized number of countries in each subsample (48 when studying the *ARDA* measures and 47 for the *RAS3* ones).

In addition to the descriptive statistics for the whole sample, Table 1 also contains means and standard deviations for the various measures just described separately for each income group—low-income in column (2), middle-income in column (3) and high-income in column (4). Mostly, the average values for the middle-income group are higher than those of the low- and high-income countries, except for GFI and SHI (see also Figure 2). Although not as conspicuous, high-income countries, on average, also provide more legislative support to privileged religious sects than do middle-income countries (panel *(e)*). We also notice that the mean values for the middle-income countries are, on average, greater than those of the full sample, except for SHI (0.441 vs. 0.443; see Table 1).

---

[4] Grenada, Sao Tome and Principe, and Seychelles are missing from the *RAS3* dataset.
[5] The income data is from the Penn World Table, version 6.2 (Feenstra et al. 2015). A list of countries, with their measures of religious regulation, state history and real GDP per capita for 2000, and grouped by income level, is documented in Appendix C (Supporting Information).
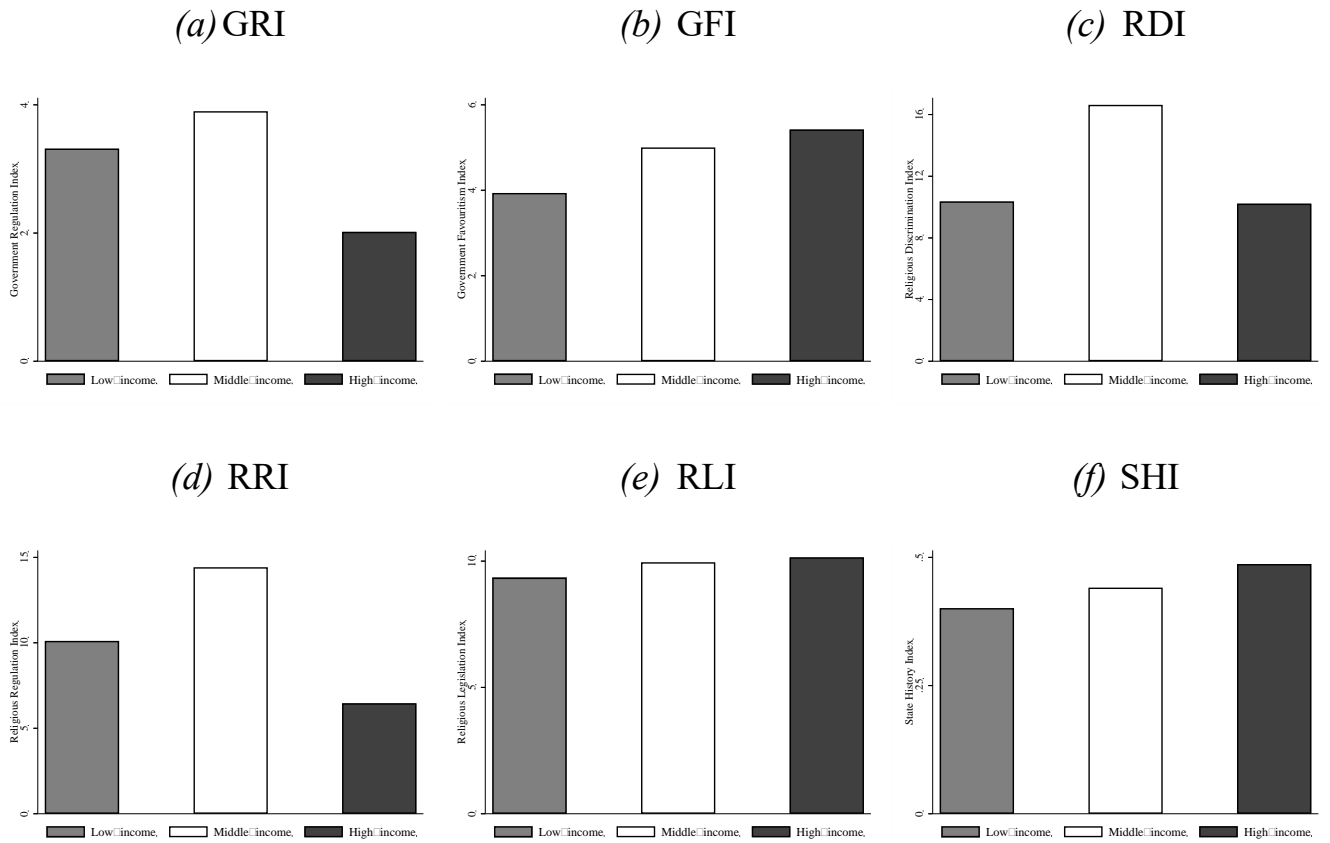
Figure 2: Decomposing religious regulations and state history by income level

Notes: The figure shows the distribution of the key variables by income level. GRI stands for Government Regulation Index, GFI for Government Favouritism Index, RDI for Religious Discrimination Index, RRI for Religious Regulation Index, RLI for Religious Legislation Index and SHI for state history index. See the text and Appendix A (Supporting Information) for detailed variable definitions and sources. We sort the 144 countries in our sample into three groups based on their year 2000 GDP per capita: low-income countries are the 48 countries with the lowest GDP per capita; middle-income countries are the 48 countries with the middle GDP per capita; and high-income countries are the 48 countries with the highest GDP per capita. Appendix C (Supporting Information) documents the country classification by income level.

To home in on the differences in the mean values of these various measures between the three income levels, the last three columns of Table 1 report the statistical results on the *t*-tests of the equality of means. More specifically, the columns document the following test statistics: differences between the means, the standard errors, and the *p*-values of the two-sided *t*-tests. In almost all the measures in Table 1 (apart from RLI), we find that there are significant differences between at least one of the income groups examined. As examples: (i) GRI—the difference in the means of low-income compared to high-income is -1.299 (*t*-test *p*-value = 0.017); (ii) GFI—the difference in the means of low-income compared to high-income is 1.485 (*t*-test *p*-value = 0.003); (iii) RDI—the difference in the means of middle-income compared to high-income is -6.411 (*t*-test *p*-value = 0.031); (iv) RRI—the difference in the means of middle-income compared to high-income is -7.962 (*t*-test *p*-value = 0.001); and finally, (v) SHI—the difference in the means of low-income compared to high-income is 0.087 (*t*-test *p*-value = 0.082). Additionally, Figure 3 depicts the distribution of the five measures of religious regulation and state history by income level using kernel density estimators, based on the Epanechnikov function. As shown, similar pictures emerge given

[12]

that, in most of the panels, at least one income group's line is noticeably divergent from those of the other groups of countries, except in cases already outlined (e.g., RLI in panel (e)).
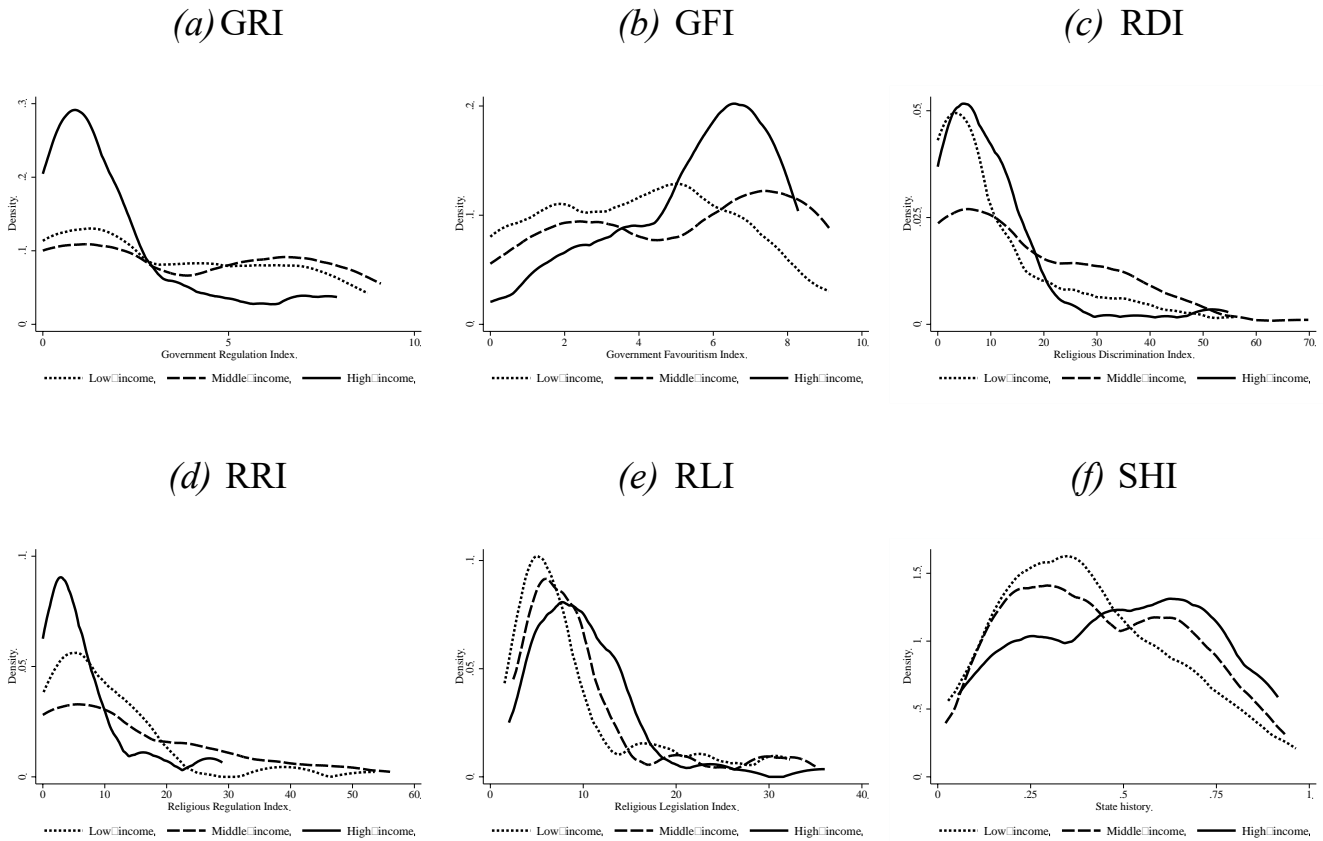
Figure 3: Density distribution of religious regulations and state history by income level

Notes: The figure shows the kernel density estimates of the distribution of the key variables based on Epanechnikov function. GRI stands for Government Regulation Index, GFI for Government Favouritism Index, RDI for Religious Discrimination Index, RRI for Religious Regulation Index, RLI for Religious Legislation Index and SHI for state history index. See the text and Appendix A (Supporting Information) for detailed variable definitions and sources. We sort the 144 countries in our sample into three groups based on their year 2000 GDP per capita: low-income countries are the 48 countries with the lowest GDP per capita; middle-income countries are the 48 countries with the middle GDP per capita; and high-income countries are the 48 countries with the highest GDP per capita. Appendix C (Supporting Information) documents the country classification by income level.

Although not conclusive, the descriptive evidence provided so far is persuasive enough for us to forge ahead with the goal to systematically explore the impact of state history on religious regulation at various levels of economic development. Markedly, the foregone analysis suffers from omitted variables. In the analysis that we carry out in the next section, we therefore follow related literature by conditioning on climatic and geographical factors as well as other historical events that may potentially affect the current variations in world-wide regulations of religion. In the baseline model, these controls comprise of land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil agricultural suitability, population share living in the tropics, ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. We also add continent identifiers to ensure that results are not spuriously

[13]

affected by unobserved time-invariant regional characteristics. In further robustness tests, we show that expanding the control set to include cross-national differences in culture, market size, and political environment, based on existing theories of religious regulation, do not alter our core findings.

3. State history and the regulation of the market for God

3.1. *Baseline results*

In Table 2, we document our baseline empirical findings on the relation between longer experiences of statehood and each of our five measures of religious regulation (panels (*A*)-(*E*)). Subpanel *(a)* displays the effects of state history on measures of religious regulation, ignoring the splits of countries into different income groups, using Equation (1). Subpanel *(b)* shows the estimated effects of state history on measures of religious regulation, considering the splits of countries into income groups, using Equation (2). In both subpanels, two models are estimated for each measure of religious regulation, culminating in ten columns. The odd-numbered columns of the table estimate the bivariate regression models between state history and the various indicators of religious regulation in subpanel *(a)*, while the estimates are for the differential effects of state history, categorised by income level, on measures of religious regulation in subpanel *(b)*. The even-numbered columns in both subpanels report the estimated effects from the multivariate regressions that include our full set of baseline controls. In the rest of this section, we first briefly discuss the results concerning each of the measures of religious regulation, after which, we describe the implemented tests of robustness. Meanwhile, to conserve on space, we did not report the full set of estimated coefficients in most of the tables showing results throughout this paper, selecting to present mainly the effects of historical state capacity on the regulation of religion in the modern period.

In columns (1) and (2) of Table 2, the dependent variable is Government Regulation Index, GRI. As shown, longer state history, SHI, is positively related to this measure of religious regulation in subpanel *(a)*, being 5.037 (s.e.=0.899) and 2.817 (s.e.=1.341) in columns (1) and (2), respectively. Moreover, these estimates of β are statistically significant and are economically large. Using the estimate in column (2) to demonstrate, when state history index increases by 0.242 (one standard deviation), government regulation index increases by 0.682. In the model excluding the baseline controls in column (1), we note that the R-squared value indicates that historical state capacity alone can explain 17.5% of the cross-national discrepancies in GRI. The model's power to account for cross-country differences in this measure of religious regulation is estimated to rise to over 60% with the introduction of additional controls in column (2). In subpanel *(b)*, we find that the coefficients of SHI for all three income groups are also positively and statistically significantly related to GRI in column (1), with no additional controls. Whereas the three estimated effects continue to be positively associated with GRI in column (2), when the baseline controls are included in the regression model, we find that the high-income coefficient has reduced in size and is

not statistically significant. The coefficient for the low-income group is significant at the 10% level, while that of the middle-income countries remains statistically significant at the 1% level. Besides, we notice that β_m estimates are larger than the corresponding estimates for β_l and β_h in both columns. More specifically, the estimates are β_l=7.020 (s.e.=1.107), β_m=7.552 (s.e.=0.927) and β_h=2.478 (s.e.=0.782) in column (1) and β_l=2.674 (s.e.=1.422), β_m=3.762 (s.e.=1.311) and β_h=0.633 (s.e.=1.8) in column (2).

In columns (3) and (4) of Table 2, the dependent variable is Government Favouritism Index, GFI. As shown in subpanel *(a)*, SHI is positively related to this measure of religious regulation, where it is found to be 5.419 (s.e.=0.725) and 3.695 (s.e.=1.275) in columns (3) and (4), respectively. These estimates of β are also statistically significant and are economically large. According to the estimate in column (4), when state history index increases by 0.242 (one standard deviation), government favouritism index increases by 0.894. In the model excluding the baseline controls in column (3), the R-squared value implies that historical state capacity alone can explain 24.5% of the cross-national discrepancies in GFI, while the power of the model to account for cross-country variations in this measure of religious regulation rises to 44% once we introduce the baseline controls in column (4). In subpanel *(b)*, we estimate that the SHI coefficients for all three income groups are positive and statistically significant in relation to GFI, regardless of whether we exclude, in column (3), or include, in column (4), the additional controls. Nevertheless, we find that middle-income countries enter with the highest statistical significance of 1% level in both columns, whereas the significance levels of both low- and high-income countries drop from 1% in column (3) to 5% and 10%, respectively, in column (4). Furthermore, we obtain that β_m estimates are larger than the corresponding estimates for β_l and β_h in the two columns. More specifically, the estimates are β_l=4.134 (s.e.=0.959), β_m=5.976 (s.e.=0.864) and β_h=5.625 (s.e.=0.837) in column (3) and β_l=3.440 (s.e.=1.351), β_m=4.077 (s.e.=1.388) and β_h=3.303 (s.e.=1.671) in column (4).

In columns (5) and (6) of Table 2, the dependent variable is Religious Discrimination Index, RDI. As shown in subpanel *(a)*, SHI is positively related to this measure of religious regulation. The estimated effects are 27.00 (s.e.=4.673) and 16.89 (s.e.=7.059) in columns (5) and (6), respectively. Reassuringly, these estimates are again statistically significant and economically large. Given the estimated coefficient in column (6), when state history index rises by 0.242 (one standard deviation), religious discrimination index rises by 4.087. When we do not include the baseline controls in column (5), the R-squared value suggests that historical state capacity alone is able to explain 21.2% of the cross-national discrepancies in RDI, while the power of the model to account for cross-country distinctions in this measure of religious regulation rises to 52.7% once we condition on the additional controls in column (6). In subpanel *(b)*, we find that the SHI coefficients for all three income groups are also positively and statistically significantly related to RDI in column (5), which includes no additional controls. Although the three estimated effects continue to be positively associated with RDI in column (6), when the baseline controls are included in

the regression specification, we find that the high-income coefficient is no longer statistically significant. The coefficient for the low-income group is significant at the 10% level, while that of the middle-income countries remains statistically significant at the 1% level. Furthermore, we see that β_m estimates are larger than the equivalent estimates for β_l and β_h in both columns. More specifically, the estimates are β_l=28.11 (s.e.=6.362), β_m=38.59 (s.e.=5.971) and β_h=18.83 (s.e.=3.791) in column (5) and β_l=14.71 (s.e.=8.121), β_m=21.52 (s.e.=6.657) and β_h=9.619 (s.e.=9.978) in column (6).

In columns (7) and (8) of Table 2, the dependent variable is Religious Regulation Index, RRI. As shown in subpanel *(a)*, SHI is positively related to this measure of religious regulation. The estimated effects are 16.73 (s.e.=4.086) and 10.05 (s.e.=5.779) in columns (7) and (8), respectively, which are again found to be statistically significant and economically large. Based on the estimated coefficient in column (8), when state history index increases by 0.242 (one standard deviation), religious regulation index increases by 2.432. In the model specification without the baseline controls in column (7), the R-squared value intimates that historical state capacity can account for 12.3% of the cross-national discrepancies in RRI, while the power of the model to account for cross-country dissimilarities in this measure of religious regulation rises to 53.8% once we control for the baseline covariates in column (8). In subpanel *(b)*, we find that the SHI coefficients for all three income groups are also positively and statistically significantly related to RRI in column (7), which includes no additional controls. Although the three estimated effects continue to be positively associated with RRI in column (8), when the baseline controls are included in the regression, we find that both low- and high-income coefficients are now statistically insignificant. By contrast, the coefficient for the middle-income countries continues to be statistically significant, albeit at the 5% level. Additionally, we obtain that β_m estimates are larger than the equivalent estimates for β_l and β_h in both columns. More specifically, the estimates are β_l=19.83 (s.e.=5.123), β_m=28.15 (s.e.=5.058) and β_h=7.812 (s.e.=2.911) in column (7) and β_l=4.461 (s.e.=6.015), β_m=14.66 (s.e.=6.364) and β_h=10.95 (s.e.=7.423) in column (8).

In columns (9) and (10) of Table 2, the dependent variable is Religious Legislation Index, RLI. As shown in subpanel *(a)*, SHI is positively related to this measure of religious regulation. The estimated effects are 12.16 (s.e.=2.361) and 5.672 (s.e.=3.274) in columns (9) and (10), respectively. These effects are also statistically significant and are economically large. Using the estimated coefficient in column (10) to illustrate, when state history index increases by 0.242 (one standard deviation), religious legislation index increases by 1.373. In the model specification without the baseline controls in column (9), the R-squared value implies that historical state capacity explains 16.4% of the cross-national discrepancies in RLI, while the explanatory power of the model to account for cross-country variations in this measure of religious regulation rises to 54% once we control for the baseline controls in column (10). In subpanel *(b)*, we find that the SHI coefficients for all three income groups are also correlated with RLI positively

and significantly in column (9), which includes no additional controls. While the three estimated effects continue to be positively associated with RLI in column (10), when the baseline controls are included in the regression, we find that both low- and high-income coefficients are now statistically insignificant. In contrast, the middle-income coefficient remains statistically significant, notwithstanding at the 10% level. We further note that, of all the measures of religious regulation, the differential effects of state history on RLI are the least powerful; this is likewise confirmed in robustness findings reported below. Besides, unlike in all the other regression model specifications, we find that β_m estimate is smaller than the one for β_l in column (9). Notably, this is achieved without additional controls and once we remedy this in column (10), middle-income coefficient is again the largest of the three. Interestingly, it is also the only one that is now statistically significant—see column (10). More specifically, the estimates are β_l=13.69 (s.e.=3.770), β_m=13.42 (s.e.=3.213) and β_h=10.66 (s.e.=2.451) in column (9) and β_l=5.352 (s.e.=3.412), β_m=6.508 (s.e.=3.661) and β_h=4.179 (s.e.=6.186) in column (10).

3.2. Robustness checks

In Tables 3-6, we perform various important robustness tests to evaluate, and generate more confidence in, our baseline empirical results. In these instances, we have focussed on the regression model specified in Equation (2), with splits of countries by income level, and one that includes the full set of baseline controls. In other words, we are employing the model in the even-numbered columns of Table 2, subpanel *(b)*. Moreover, we centre the robustness exercises presented on four issues. First, we inspect how sensitive the results are to the use of alternative discount rates for the state history index in Table 3. While we have followed the standard practice in the literature in preferring an SHI with a 5% discount rate in our baseline analysis, we now use alternative discount rates of 0% and 10%, respectively, in panels *(A)* and *(B)*. As shown, we find that the estimated coefficients of state history on all five measures of religious regulation remain broadly similar to the baseline results, with the middle-income countries having the largest values and highest significance levels.

Table 2. State history and religious regulation: baseline results

	Dependent variables									
	Panel (A): GRI		*Panel (B)*: GFI		*Panel (C)*: RDI		*Panel (D)*: RRI		*Panel (E)*: RLI	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Base controls	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Subpanel (a): Effects of state history on religious regulation without splits into income levels										
SHI	5.037***	2.817**	5.419***	3.695***	27.00***	16.89**	16.73***	10.05*	12.16***	5.672*
	(0.899)	(1.341)	(0.725)	(1.275)	(4.673)	(7.059)	(4.086)	(5.779)	(2.361)	(3.274)
Obs.	144	144	144	144	141	141	141	141	141	141
R^2	0.175	0.606	0.245	0.441	0.212	0.527	0.123	0.538	0.164	0.540
Subpanel (b): Effects of state history on religious regulation with splits into income levels										
SHI_low	7.020***	2.674*	4.134***	3.440**	28.11***	14.71*	19.83***	4.461	13.69***	5.352
	(1.107)	(1.422)	(0.959)	(1.351)	(6.362)	(8.121)	(5.123)	(6.015)	(3.770)	(3.412)
SHI_middle	7.552***	3.762***	5.976***	4.077***	38.59***	21.52***	28.15***	14.66**	13.42***	6.508*
	(0.927)	(1.311)	(0.864)	(1.388)	(5.971)	(6.657)	(5.058)	(6.364)	(3.213)	(3.661)
SHI_high	2.478***	0.633	5.625***	3.303*	18.83***	9.619	7.812***	10.95	10.66***	4.179
	(0.782)	(1.800)	(0.837)	(1.671)	(3.791)	(9.978)	(2.911)	(7.423)	(2.451)	(6.186)
Obs.	144	144	144	144	141	141	141	141	141	141
R^2	0.343	0.628	0.266	0.444	0.303	0.543	0.271	0.561	0.174	0.542

Notes: The table presents regression results of contemporary religious regulation on historical state capacity. The regression model specification estimated in subpanel (*a*) is: $Z_c = \alpha + \beta Y_c + X'_c \gamma + \varepsilon_c$. In subpanel (*b*), it is: $Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X'_c \gamma + \varepsilon_c$. Both subpanels (*a*) and (*b*) show OLS estimates, where the dependent variable, Z_c, is Government Regulation Index (GRI) in columns (1)-(2), Government Favouritism Index (GFI) in

[18]

columns (3)-(4), Religious Discrimination Index (RDI) in columns (5)-(6), Religious Regulation Index (RRI) in columns (7)-(8), and Religious Legislation Index (RLI) in columns (9)-(10). The key explanatory variable, Y_c, in subpanel (a) is state history index (SHI) without splits into income. In subpanel (b), state history index is split into three income levels, denoted by SHI_low, SHI _middle, and SHI _high, respectively. The odd-numbered columns report results excluding the baseline controls (X_c), while the even-numbered columns include them. Baseline controls include land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil suitability for agriculture, population share living in the tropics, terrain ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. All regressions include unreported constant term. See the text and Appendix A (Supporting Information) for variable definitions and data sources. Robust standard errors are given in parentheses. ***, **, and * designate significance at the 1%, 5%, and 10% levels, respectively.

Table 3. State history and religious regulation: alternative discount rates

	GRI	GFI	RDI	RRI	RLI
	(1)	(2)	(3)	(4)	(5)
Base controls	Yes	Yes	Yes	Yes	Yes
Panel (A): 0%					
SHI_low	2.751*	3.302***	13.86	4.322	6.039*
	(1.468)	(1.232)	(8.981)	(5.929)	(3.498)
SHI_middle	3.882***	3.854***	20.79***	14.36**	6.307*
	(1.280)	(1.280)	(7.154)	(6.698)	(3.344)
SHI_high	0.302	2.723	5.750	9.580	2.485
	(1.867)	(1.642)	(10.77)	(7.530)	(6.320)
Obs.	144	144	141	141	141
R^2	0.633	0.445	0.547	0.560	0.546
Panel (B): 10%					
SHI_low	2.174	2.932**	13.51*	4.005	3.826
	(1.391)	(1.429)	(7.234)	(6.166)	(3.300)
SHI_middle	3.241**	3.635**	20.29***	13.92**	5.504
	(1.368)	(1.525)	(6. 521)	(6.445)	(3.835)
SHI_high	0.476	3.054*	10.06	10.61	3.724
	(1.737)	(1.721)	(9.244)	(7.445)	(5.874)
Obs.	144	144	141	141	141
R^2	0.620	0.433	0.537	0.558	0.538

Notes: The table presents regression results of contemporary religious regulation on historical state capacity. The regression model specification estimated is: $Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X'_c \gamma + \varepsilon_c$. The dependent variable, Z_c, is Government Regulation Index (GRI) in column (1), Government Favouritism Index (GFI) in column (2), Religious Discrimination Index (RDI) in column (3), Religious Regulation Index (RRI) in column (4), and Religious Legislation Index (RLI) in column (5). The key explanatory variable in all panels is state history index (SHI) with splits into three income levels, denoted by SHI_low, SHI_middle, and SHI_high, respectively. The applied discount rates in panels (A) and (B) are 0% and 10%, respectively. All regressions include the baseline controls (X_c): land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil suitability for agriculture, population share living in the tropics, terrain ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. All regressions include unreported constant term. See the text and Appendix A (Supporting Information) for variable definitions and data sources. Robust standard errors are given in parentheses. ***, **, and * designate significance at the 1%, 5%, and 10% levels, respectively.

Table 4. State history and religious regulation: alternative samples

	GRI	GFI	RDI	RRI	RLI
	(1)	(2)	(3)	(4)	(5)
Base controls	Yes	Yes	Yes	Yes	Yes

Panel (A): Robust regressions to deal with atypical observations

	GRI	GFI	RDI	RRI	RLI
SHI_low	3.463**	3.460**	13.63**	4.524	5.409*
	(1.390)	(1.605)	(6.070)	(4.317)	(3.173)
SHI_middle	4.287***	4.187***	19.58***	10.78**	5.802*
	(1.341)	(1.548)	(5.826)	(4.143)	(3.045)
SHI_high	0.338	3.152	2.331	1.719	3.037
	(1.656)	(1.912)	(7.182)	(5.107)	(3.754)
Obs.	144	144	141	141	141
R^2	0.619	0.406	0.580	0.487	0.543

Panel (B): Observations omitted using Cook's distance

	GRI	GFI	RDI	RRI	RLI
SHI_low	3.202***	2.968**	15.68***	2.987	5.353*
	(1.180)	(1.358)	(5.471)	(3.937)	(3.167)
SHI_middle	3.564***	3.345**	23.08***	14.59***	6.211**
	(1.149)	(1.359)	(5.431)	(4.494)	(2.805)
SHI_high	-0.172	3.169*	7.482	10.44*	4.288
	(1.477)	(1.604)	(6.516)	(5.269)	(4.100)
Obs.	135	136	124	123	131
R^2	0.719	0.513	0.727	0.687	0.631

Notes: The table presents regression results of contemporary religious regulation on historical state capacity. The regression model specification estimated is: $Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X'_c \gamma + \varepsilon_c$. The dependent variable, Z_c, is Government Regulation Index (GRI) in column (1), Government Favouritism Index (GFI) in column (2), Religious Discrimination Index (RDI) in column (3), Religious Regulation Index (RRI) in column (4), and Religious Legislation Index (RLI) in column (5). The key explanatory variable in all panels is state history index (SHI) with splits into three income levels, denoted by SHI_low, SHI_middle, and SHI_high, respectively. To remove the effects of atypical observations, robust regressions are implemented in panel (A) and alternative samples of countries based on Cook's distance are employed in panel (B). All regressions include the baseline controls (X_c): land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil suitability for agriculture, population share living in the tropics, terrain ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. All regressions include unreported constant term. See the text and Appendix A (Supporting Information) for variable definitions and data sources. Robust standard errors are given in parentheses. ***, **, and * designate significance at the 1%, 5%, and 10% levels, respectively.

Table 5. State history and religious regulation: alternative estimation methods

	GRI	GFI	RDI	RRI	RLI
	(1)	(2)	(3)	(4)	(5)
Base controls	Yes	Yes	Yes	Yes	Yes
Panel (A): Ordered probit regressions					
SHI_low	1.059	1.450**	2.006***	1.126	1.361**
	(0.740)	(0.636)	(0.755)	(0.708)	(0.587)
SHI_middle	1.757**	1.945***	2.665***	2.010**	1.636***
	(0.736)	(0.688)	(0.687)	(0.787)	(0.609)
SHI_high	0.301	1.357*	1.703*	1.167	1.159
	(0.879)	(0.783)	(0.912)	(0.841)	(0.965)
Obs.	144	144	141	141	141
Pseudo R^2	0.099	0.06	0.089	0.073	0.074
Panel (B): Instrumental variable estimates					
SHI_low	2.314***	2.835***	12.30***	5.030*	2.075
	(0.681)	(0.812)	(3.543)	(3.038)	(1.507)
SHI_middle	3.148***	3.438***	19.23***	14.73***	4.158**
	(0.619)	(0.835)	(3.598)	(2.441)	(1.644)
SHI_high	-0.568	2.291**	4.729	8.290**	3.665
	(0.798)	(0.975)	(3.678)	(3.660)	(2.615)
Obs.	144	144	141	141	141
R^2	0.616	0.433	0.527	0.541	0.514
KP F-statistic	40.321	40.321	29.54	29.54	29.54

Notes: The table presents regression results of contemporary religious regulation on historical state capacity. The regression model specification estimated is: $Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X_c'\gamma + \varepsilon_c$. The dependent variable, y_c, is Government Regulation Index (GRI) in column (1), Government Favouritism Index (GFI) in column (2), Religious Discrimination Index (RDI) in column (3), Religious Regulation Index (RRI) in column (4), and Religious Legislation Index (RLI) in column (5). The key explanatory variable in both panels is state history index (SHI) with splits into three income levels, denoted by SHI_low, SHI_middle, and SHI_high, respectively. Ordered probit regressions are carried out in panel (*A*). IV estimates, using identification through heteroskedastic covariance restrictions (Lewbel 2012), are reported in panel (*B*). The KP F-statistic is the Kliebergen and Paap (2006) rk Wald F-statistic and corresponds to a test of the null of jointly weak instruments. All regressions include the baseline controls (X_c): land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil suitability for agriculture, population share living in the tropics, terrain ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. All regressions include unreported constant term. See the text and Appendix A (Supporting Information) for variable definitions and data sources. Robust standard errors are given in parentheses. ***, **, and * designate significance at the 1%, 5%, and 10% levels, respectively.

Table 6. State history and religious regulation: additional controls

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Base controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Add. controls	GDP p.c.	Urban. rate	Life exp.	Schooling	Govt. eff.	Internet use	Population	Rel. frag.	Rel. homo.	Rel. culture	Democracy	Com. Ideo.
Panel (A): GRI												
SHI_low	3.181**	3.504**	2.521*	1.606	2.596*	2.786*	2.222	2.777**	2.610*	2.658**	2.909**	2.253*
	(1.386)	(1.406)	(1.422)	(1.874)	(1.380)	(1.414)	(1.561)	(1.349)	(1.403)	(1.279)	(1.231)	(1.332)
SHI_middle	3.562***	3.784***	3.042**	3.527**	4.134***	3.756***	3.337**	3.861***	3.688***	3.616***	3.599***	3.434***
	(1.328)	(1.314)	(1.341)	(1.436)	(1.337)	(1.279)	(1.435)	(1.295)	(1.314)	(1.293)	(1.151)	(1.296)
SHI_high	-0.203	-0.183	-0.377	0.960	2.049	1.160	0.311	0.683	0.582	2.911*	1.143	-0.187
	(2.022)	(1.731)	(1.845)	(2.059)	(2.048)	(1.799)	(1.849)	(1.790)	(1.799)	(1.666)	(1.757)	(1.815)
Obs.	144	144	144	125	144	144	144	144	144	144	139	144
R^2	0.631	0.645	0.635	0.626	0.638	0.637	0.631	0.628	0.628	0.714	0.664	0.648
Panel (B): GFI												
SHI_low	3.196**	3.629**	3.378**	2.714	3.383**	3.564***	3.500**	2.693*	2.738**	2.200	3.319**	3.791***
	(1.432)	(1.457)	(1.395)	(1.709)	(1.325)	(1.357)	(1.454)	(1.378)	(1.343)	(1.557)	(1.372)	(1.335)
SHI_middle	4.173***	4.082***	3.782**	3.847**	4.349***	4.070***	4.133***	3.362**	3.258**	2.975*	3.986***	4.350***
	(1.381)	(1.392)	(1.481)	(1.480)	(1.404)	(1.371)	(1.488)	(1.358)	(1.296)	(1.536)	(1.417)	(1.389)
SHI_high	3.706**	3.118*	2.889	3.718**	4.338**	3.884**	3.345*	2.937*	2.746*	3.910**	3.496**	3.985**
	(1.836)	(1.663)	(1.773)	(1.783)	(1.879)	(1.700)	(1.695)	(1.633)	(1.552)	(1.851)	(1.672)	(1.666)

[22]

Obs.	144	144	144	125	144	144	144	144	144	144	139	144
R²	0.445	0.445	0.445	0.457	0.450	0.458	0.444	0.466	0.490	0.525	0.417	0.460

Panel (C): RDI

SHI_low	15.39**	17.64**	14.39*	8.306	14.27*	15.29*	10.90	16.21**	15.21*	16.29**	16.47**	11.81
	(7.536)	(8.024)	(8.118)	(10.58)	(7.945)	(8.037)	(9.085)	(7.861)	(8.006)	(7.120)	(6.933)	(7.184)
SHI_middle	21.24***	21.71***	19.59***	18.99**	23.59***	21.38***	18.01**	23.01***	22.17***	25.37***	21.36***	19.26***
	(6.928)	(6.499)	(7.141)	(7.357)	(6.941)	(6.559)	(7.433)	(6.676)	(6.765)	(6.179)	(5.638)	(6.268)
SHI_high	8.493	7.106	6.902	10.12	17.32	13.04	6.939	10.32	10.03	19.94**	12.98	3.813
	(11.54)	(9.855)	(10.29)	(11.09)	(11.58)	(10.09)	(10.61)	(9.892)	(9.981)	(9.605)	(9.493)	(9.828)
Obs.	141	141	141	125	141	141	141	141	141	141	139	141
R²	0.544	0.551	0.546	0.563	0.556	0.562	0.552	0.547	0.545	0.632	0.597	0.588

Panel (D): RRI

SHI_low	6.566	5.125	4.032	-0.722	4.321	4.534	0.624	5.386	4.669	6.928	6.056	1.926
	(6.120)	(6.046)	(5.926)	(7.147)	(6.095)	(6.070)	(6.027)	(5.714)	(6.144)	(5.890)	(5.206)	(4.999)
SHI_middle	13.81**	14.71**	12.07*	11.32*	15.32**	14.64**	11.13*	15.58**	14.93**	15.17**	14.64**	12.68**
	(6.489)	(6.306)	(6.995)	(6.095)	(6.495)	(6.393)	(6.672)	(6.336)	(6.461)	(6.146)	(5.703)	(6.081)
SHI_high	7.484	10.38	7.305	10.19	13.41*	11.38	8.253	11.38	11.12	13.45*	13.97*	5.863
	(8.156)	(7.680)	(7.875)	(7.750)	(7.692)	(7.326)	(7.553)	(7.314)	(7.529)	(7.550)	(7.238)	(7.266)
Obs.	141	141	141	125	141	141	141	141	141	141	139	141

R^2	0.564	0.561	0.567	0.574	0.563	0.561	0.573	0.563	0.561	0.656	0.623	0.612

Panel (E): RLI

SHI_low	4.194	6.129*	5.274	2.499	4.983	5.514	5.410	4.372	4.302	4.775	5.779*	6.143*
	(3.480)	(3.482)	(3.418)	(5.435)	(3.210)	(3.429)	(3.709)	(3.600)	(3.588)	(3.807)	(3.256)	(3.546)
SHI_middle	6.977*	6.559*	6.036*	5.557	8.245**	6.467*	6.561*	5.537	5.155	5.497	6.478*	7.125*
	(3.536)	(3.677)	(3.634)	(4.251)	(3.419)	(3.652)	(3.864)	(3.719)	(3.772)	(4.108)	(3.498)	(3.752)
SHI_high	6.086	3.513	3.516	3.385	10.65	5.135	4.219	3.720	3.311	7.094	5.750	5.765
	(6.389)	(5.979)	(5.842)	(6.608)	(6.528)	(6.059)	(6.365)	(6.244)	(6.190)	(6.349)	(6.067)	(6.342)
Obs.	141	141	141	125	141	141	141	141	141	141	139	141
R^2	0.545	0.544	0.543	0.543	0.577	0.548	0.542	0.549	0.562	0.627	0.566	0.555

Notes: The table presents regression results of contemporary religious regulation on historical state capacity. The regression model specification estimated is: $Z_c = \alpha + \beta_l Y\_low_c + \beta_m Y\_middle_c + \beta_h Y\_high_c + X'_c \gamma + \varepsilon_c$. The dependent variable, Z_c, is Government Regulation Index (GRI) in panel (*A*), Government Favouritism Index (GFI) in panel (*B*), Religious Discrimination Index (RDI) in panel (*C*), Religious Regulation Index (RRI) in panel (*D*), and Religious Legislation Index (RLI) in panel (*E*). The key explanatory variable in all panels is state history index (SHI) with splits into three income levels, denoted by SHI_low, SHI_middle, and SHI_high, respectively. All regressions include the baseline controls (X_c): land area, absolute latitude, distance to the coast, temperature, precipitation, elevation, soil suitability for agriculture, population share living in the tropics, terrain ruggedness, island indicator, landlocked dummy, legal traditions, and colonial origins. The additional controls used is specified at the top of each column. All regressions include unreported constant term. See the text and Appendix A (Supporting Information) for variable definitions and data sources. Robust standard errors are given in parentheses. ***, **, and * designate significance at the 1%, 5%, and 10% levels, respectively.

[24]

Second, we investigate the influence on our results of atypical observations in studying the association between historical state capacity and current religious regulation in Table 4. Robust regression estimator, which first executes a preliminary screening based on Cook's distance greater than 1 to remove gross data peculiarity prior to computing initial values and then performs Huber iterations and bi-weighted iterations (in that order), is used in panel *(A)*. In panel *(B)*, we show the effect of state history on religious regulations at various stages of income when we omit observations with a Cook's distance greater than the rule-of-thumb sill of 4 divided by the number of observations. As shown, the baseline findings are essentially unchanged, suggesting that outliers are not driving our results.

Third, we probe the robustness of the results to alternative estimation strategy, using two approaches in Table 5. As previously noted, our dependent variables are, by construct, ordinal; we therefore use ordered probit model (OPM) in panel *(A)*. Again, we see that the estimates from OPM are consistent with the baseline ones generated by using OLS, with the coefficients of all groups of countries having a positive relationship with the various measures of religious regulation. Like before, however, the coefficient for the middle-income countries is the largest and most steadily significant. In panel *(B)*, we address potential endogeneity issue by implementing identification through heteroskedastic covariance restrictions (IHCR). A key attraction of IHCR is that internal instruments are adequate for the purpose of identification, which importance is underscored by the difficulty of finding strong and valid instruments; see Lewbel (2012) for a detailed discussion of this identification strategy and Oyèkọ́lá (2021) for an application in a study of the effect of European colonial population share on subsequent health outcomes of former colonies. As shown, the results are again largely supportive of our baseline findings.

Fourth and finally, we evaluate the robustness of our results to controlling for various measures that are employed as empirical proxies for the existing predominant theoretical explanations of state regulation of religion; see, for example, Barro and McCleary (2005), Driessen (2010), Finke and Stark (2005), Fox (2007), Gill (2008), Gorski and Altinordu (2008), Iannaccone (1998), Iyer (2016), and Philpott (2009). Doing this helps to minimise the possibility of omitted variable bias in the coefficients of most interest and to observe whether accounting for alternative theories can falsify our proposed hypotheses. Hence, we add additional covariates and document the results for all five measures of religious regulation in Table 6. In column (1), we add real GDP per capita for the year 2000 as an additional control variable to capture the impact of economic development on religious regulation (secularisation theory). Buckley and Mantilla (2013) argue that there exist other causal pathways from development to state regulation of religion. Consequently, we study measures commonly used to represent different aspects of economic development in columns (2)-(6), where we control for urbanisation rate, life expectancy, average schooling years, government effectiveness, and internet usage, respectively. In columns (7)-(9), we insert population, religious fragmentation, and religious homogeneity to account for the economics of religion perspective,

[25]

while we introduce religious culture in column (10) to allow for the clash of civilisation thesis (Huntington 1993, 1996). In the last two columns of Table 6, we control for the influence of democratic settings and political ideologies of countries, using democracy index from the Polity IV dataset in column (11) and a dummy indicator for communist ideology in column (12). Overall, the results remain qualitatively the same.

In brief, we have established that historical state capacity is a strong predictor of modern religious regulation. More significantly, we have documented that these effects are strongest in middle-income countries. These findings have also been confirmed to be robust to a variety of sensitivity analyses.

4. Conclusion

This paper contributes to our understanding of the role of history in the regulation of religion today. Previous studies have shown that the length of statehood experience (Coşgel et al. 2018; Oyekola 2021) and economic development (Buckley and Mantilla 2013) can significantly influence the scope of religious regulation across countries. What has not received empirical attention in the existing literature on religious studies is whether the effect of state history on religious regulation differs in any systematic ways amongst groups of countries (e.g., developing versus developed). To fill this gap, we investigate this hypothesis by using an extensive sample of up to 144 countries. We find that there is a long-term positive effect of state history on religious regulation. An important contribution of this paper is to show a differential effect of state history on the regulation of religion in three separate groups of countries. In particular, our result reveals that state history provides a robust, positive, and significant effect on the regulation of religion in the middle-income countries. Amongst the low-income countries, the results are inconsistent, and depends on the measure of religious regulation. By contrast, state history is immaterial for explaining the state - religion nexus in high-income countries.

These results have important implications for the global community of policymakers to recognise that religion may be more than just the people's opium. With many of the current world population living under some shades of religious repression and persecution, it is necessary to consider the seriousness of the issue, which has been echoed by Blackford (2012, p. 1), who wrote that: 'Religious freedom is not just one liberal freedom among others… it is the prototypical liberal freedom, a cornerstone of modern political rights.' Considering all this and knowing that most religious regulation occurs more amongst developing countries, it may be more fruitful if the policies being prescribed by international agencies such as the United Nations give greater recognition to the role of religion as they seek to achieve Sustainable Development Goals.

References

Anderson, G. M. (1988). Mr. Smith and the preachers: the economics of religion in the wealth of nations. *Journal of Political Economy*, *96*(5), 1066-1088.

Ang, J. B. (2013). Institutions and the long-run impact of early development. *Journal of Development Economics*, *105*, 1-18.

Bainbridge, W. S. (1989). The religious ecology of deviance. *American Sociological Review*, 288-295.

Barro, R. J., & McCleary, R. M. (2003). Religion and Economic Growth across Countries. *American Sociological Review*, 760-781.

Barro, R. J., & McCleary, R. M. (2005). Which countries have state religions?. *The Quarterly Journal of Economics*, *120*(4), 1331-1370.

Bazzi, S., Koehler-Derrick, G., & Marx, B. (2020). The institutional foundations of religious politics: Evidence from Indonesia. *The Quarterly Journal of Economics*, *135*(2), 845-911.

Becker, S. O., & Woessmann, L. (2009). Was Weber wrong? A human capital theory of Protestant economic history. *The quarterly journal of economics*, *124*(2), 531-596.

Becker, S. O., & Woessmann, L. (2018). Social cohesion, religious beliefs, and the effect of Protestantism on suicide. *Review of economics and statistics*, *100*(3), 377-391.

Benne, R. (2010). *Good and bad ways to think about religion and politics*. Wm. B. Eerdmans Publishing.

Ben-Nun Bloom, P. (2016). State-level restriction of religious freedom and women's rights: A global analysis. *Political Studies*, *64*(4), 832-853.

Berger, P. L. (1967). *The sacred canopy: Elements of a sociology theory of religion*. Garden City, NJ: Doubleday.

Blackford, R. (2012). *Freedom of religion and the secular state* (Vol. 38). John Wiley & Sons.

Bockstette, V., Chanda, A., & Putterman, L. (2002). States and markets: The advantage of an early start. *Journal of Economic growth*, *7*(4), 347-369.

Borcan, O., Olsson, O., & Putterman, L. (2018). State history and economic development: evidence from six millennia. *Journal of Economic Growth*, *23*(1), 1-40.

Brathwaite, R., & Bramsen, A. (2011). Reconceptualizing church and state: A theoretical and empirical analysis of the impact of separation of religion and state on democracy. *Politics and Religion*, *4*(2), 229-263.

Bruce, S. (2003). *Politics and religion* (pp. 317-328). Cambridge, MA: Polity Press.

Buckley, D. T., & Mantilla, L. F. (2013). God and governance: development, state capacity, and the regulation of religion. *Journal for the Scientific Study of Religion*, *52*(2), 328-348.

Cantoni, D., Dittmar, J., & Yuchtman, N. (2018). Religious competition and reallocation: The political economy of secularization in the protestant reformation. *The Quarterly Journal of Economics*, *133*(4), 2037-2096.

Casanova, J. (1994). *Public Religions in the Modern World*. Chicago: University of Chicago Press.

Chaves, M. (1994). Secularization as declining religious authority. *Social forces*, *72*(3), 749-774.

Coşgel, M., Histen, M., Miceli, T. J., & Yıldırım, S. (2018). State and religion over time. *Journal of Comparative Economics*, *46*(1), 20-34.

Coşgel, M., & Miceli, T. J. (2009). State and religion. *Journal of Comparative Economics*, *37*(3), 402-416.

Deaton, A., & Stone, A. A. (2013). Two happiness puzzles. *American Economic Review*, *103*(3), 591-97.

Dolan, P., Peasgood, T., & White, M. (2008). Do we really know what makes us happy? A review of the economic literature on the factors associated with subjective well-being. *Journal of economic psychology*, *29*(1), 94-122.

Driessen, M. D. (2010). Religion, state, and democracy: Analyzing two dimensions of church-state arrangements. *Politics and Religion*, *3*(1), 55-80.

Driessen, M. D. (2014). Regime type, religion-state arrangements, and religious markets in the Muslim world. *Sociology of Religion*, *75*(3), 367-394.

Durkheim, E. (*1897)*. Le suicide: etude de sociologie. Paris: Felix Alcan. (Suicide: A study in sociology. JA Spaulding & G. Simpson, trans. *Glencoe, IL: Free Press,* 1951.)

Evans, T. D., Cullen, F. T., Dunaway, R. G., & Burton Jr, V. S. (1995). Religion and crime reexamined: The impact of religion, secular controls, and social ecology on adult criminality. *Criminology*, *33*(2), 195-224.

Feenstra, R. C., Inklaar, R., & Timmer, M. P. (2015). The next generation of the Penn World Table. *American economic review*, *105*(10), 3150-82.

Finke, R., & Iannaccone, L. R. (1993). Supply-side explanations for religious change. *The Annals of the American Academy of Political and Social Science*, *527*(1), 27-39.

Finke, R., & Stark, R. (2005). *The churching of America, 1776-2005: Winners and losers in our religious economy*. Rutgers University Press.

Forman-Rabinovici, A., & Sommer, U. (2018). An impediment to gender Equality?: Religion's influence on development and reproductive policy. *World Development*, *105*, 48-58.

Fourie, J., Rosselló, J., & Santana-Gallego, M. (2015). Religion, religious diversity and tourism. *Kyklos*, *68*(1), 51-64.

Fox, J. (2007). Do democracies have separation of religion and state?. *Canadian Journal of Political Science/Revue canadienne de science politique*, 1-25.

Fox, J. (2011). Building composite measures of religion and state. *Interdisciplinary Journal of Research on Religion*, *7*.

Fox, J. (2019). A world survey of secular-religious competition: state religious policy from 1990 to 2014. *Religion, State & Society*, *47*(1), 10-29.

Fruehwirth, J. C., Iyer, S., & Zhang, A. (2019). Religion and depression in adolescence. *Journal of Political Economy*, *127*(3), 1178-1209.

Gallego, F. A., & Woodberry, R. (2010). Christian missionaries and education in former African colonies: How competition mattered. *Journal of African Economies*, *19*(3), 294-329.

Garssen, B., Visser, A., & Pool, G. (2021). Does spirituality or religion positively affect mental health? Meta-analysis of longitudinal studies. *The International Journal for the Psychology of Religion*, *31*(1), 4-20.

Gill, A. J. (2008). *The political origins of religious liberty*. Cambridge University Press.

Gorski, P. S., & Altınordu, A. (2008). After secularization?. *Annu. Rev. Sociol*, *34*, 55-85.

Grim, B. J., & Finke, R. (2006). International religion indexes: Government regulation, government favoritism, and social regulation of religion. *Interdisciplinary Journal of Research on Religion*, *2*.

Grim, B. J., & Finke, R. (2011). *The price of freedom denied*. New York, NY: Cambridge University Press.

Guiso, L., Sapienza, P., & Zingales, L. (2003). People's opium? Religion and economic attitudes. *Journal of monetary economics*, *50*(1), 225-282.

Heaton, T. B., & Pratt, E. L. (1990). The effects of religious homogamy on marital satisfaction and stability. *Journal of family issues*, *11*(2), 191-207.

Helble, M. (2007). Is God good for trade?. *Kyklos*, *60*(3), 385-413.

Helliwell, J. F. (2007). Well-being and social capital: Does suicide pose a puzzle?. *Social indicators research*, *81*(3), 455-496.

Hilary, G., & Hui, K. W. (2009). Does religion matter in corporate decision making in America?. *Journal of financial economics*, *93*(3), 455-473.

Huntington, S. P. (1993). The Clash of Civilizations. *Foreign Affairs* 72:22–49.

Huntington, S. P. (1996). *The Clash of Civilizations and the Remaking of World Order*. New York: Simon & Schuster.

Iannaccone, L. R. (1991). The consequences of religious market structure: Adam Smith and the economics of religion. *Rationality and society*, *3*(2), 156-177.

Iannaccone, L. R. (1998). Introduction to the Economics of Religion. *Journal of economic literature*, *36*(3), 1465-1495.

Iyer, S. (2016). The new economics of religion. *Journal of Economic Literature*, *54*(2), 395-441.

Johnson, N. D., & Koyama, M. (2013). Legal centralization and the birth of the secular state. *Journal of Comparative Economics*, *41*(4), 959-978.

Kettell, S. (2013). State religion and freedom: A comparative analysis. *Politics and Religion*, *6*(3), 538-569.

Kolbe, M., & Henne, P. S. (2014). The effect of religious restrictions on forced migration. *Politics and Religion*, *7*(4), 665-683.

Kuran, T. (2018). Islam and economic performance: Historical and contemporary links. *Journal of Economic Literature*, *56*(4), 1292-1359.

Lankina, T., & Getachew, L. (2012). Mission or Empire, Word or Sword? The Human Capital Legacy in Postcolonial Democratic Development. *American Journal of Political Science*, *2*(56), 465-483.

Lehrer, E. L., & Chiswick, C. U. (1993). Religion as a determinant of marital stability. *Demography*, *30*(3), 385-404.

Lewbel, A. (2012). Using heteroscedasticity to identify and estimate mismeasured and endogenous regressor models. *Journal of Business & Economic Statistics*, *30*(1), 67-80.

Lewer, J. J., & Van den Berg, H. (2007). Estimating the institutional and network effects of religious cultures on international trade. *Kyklos*, *60*(2), 255-277.

McCleary, R. M., & Barro, R. J. (2006). Religion and economy. *Journal of Economic perspectives*, *20*(2), 49-72.

Mersland, R., D'espallier, B., & Supphellen, M. (2013). The effects of religion on development efforts: Evidence from the microfinance industry and a research agenda. *World Development*, *41*, 145-156.

Noland, M. (2005). Religion and economic performance. *World development*, *33*(8), 1215-1232.

Norris, P., & Inglehart, R. (2004). *Sacred and Secular: Religion and Politics Worldwide*. New York: Cambridge University Press.

Oyèkólá, Ọ. (2021). Where do people live longer?. *Research in Economics*, *75*(1), 21-44.

Oyekola, O. (2021). Persistence of religious states. *Available at SSRN 3860570*.

Philpott, D. (2009). Has the study of global politics found religion?. *Annual Review of Political Science*, *12*, 183-202.

Popova, O. (2014). Can religion insure against aggregate shocks to happiness? The case of transition countries. *Journal of Comparative Economics*, *42*(3), 804-818.

Putterman, L. (2004). State Antiquity Index (Statehist) Dataset, version 3.1. *Brown University*.

Putterman, L., & Weil, D. N. (2010). Post-1500 population flows and the long-run determinants of economic growth and inequality. *The Quarterly journal of economics*, *125*(4), 1627-1682.

Rubin, J. (2011). Institutions, the rise of commerce and the persistence of laws: Interest restrictions in Islam and Christianity. *The Economic Journal*, *121*(557), 1310-1339.

Schleutker, E. (2016). A Note on the Determinants of the Regulation of Religion. *Politics and Religion*, *9*(4), 744-770.

Seguino, S. (2011). Help or hindrance? Religion's impact on gender inequality in attitudes and outcomes. *World Development*, *39*(8), 1308-1321.

Shattuck, E. C., & Muehlenbein, M. P. (2020). Religiosity/spirituality and physiological markers of health. *Journal of religion and health*, *59*(2), 1035-1054.

Smith, A. (1776). An inquiry into the nature and causes of the wealth of nations: Volume One. London: printed for W. Strahan; and T. Cadell, 1776.

Stark R (2007) Discovering God: The Origins of the Great Religions and the Evolution of Belief. New York: HarperCollins.

Stark, R. & Bainbridge, WS. (1987). A Theory of Religion. *New York: Lang*.

Stark, R., & Iannaccone, L. R. (1994). A supply-side reinterpretation of the "secularization" of Europe. *Journal for the scientific study of religion*, 230-252.

Stulz, R. M., & Williamson, R. (2003). Culture, openness, and finance. *Journal of financial Economics*, *70*(3), 313-349.

Thompson, G. F. (2007). Religious fundamentalisms, territories and 'globalization'. *Economy and Society*, *36*(1), 19-50.

Vaubel, R. (2017). The making of state religion: Political economy and historical evidence. *Critical Research on Religion*, *5*(1), 9-33.

Wantchekon, L., Klašnja, M., & Novta, N. (2015). Education and human capital externalities: evidence from colonial Benin. *The Quarterly Journal of Economics*, *130*(2), 703-757.

Weber, M. (1904). The Protestant Ethic and the Spirit of Capitalism, vol. reprinted 2001. *Roxbury Publishing Company*.

Woodberry, R. D. (2012). The missionary roots of liberal democracy. *American political science review*, *106*(2), 244-274.

Wilson, B. (1966). Religion in Secular Society: A Sociological Comment. London, England: Watts.

God's not dead, just overregulated: state history and the regulation of religion at various stages of development (*Not-for-publication*)

Appendix A: Variable definitions and data sources

Dependent variables

Government Regulation Index (GRI): This is a measure of religious regulation, which is coded based on the International Religious Freedom (*IRF*) Reports of the US State Department, reflecting the restrictions placed on the practice, profession, or selection of religion by the official laws, policies, or administrative actions of the state. Since the passage of the International Religious Freedom Act in 1998, the US State Department has prepared the International Religious Freedom (*IRF*) Reports annually. Using the trove of information in the *IRF* Reports, particularly in relation to whether foreign missionary workers are allowed to operate, whether proselytising, public preaching, and/or conversion is prohibited, whether the government meddles with the rights of individuals to worship, whether the state guarantees religious freedom both by law and in practice, and whether policy actions of the government aid the free practice of religious belief, the Association of Religious Data Archive's (*ARDA*) researchers assigned quantitative values, yielding systematic coding of several religious and non-religious features for 196 countries in the 2001, 2003, and 2005 waves, while producing similar measures for 198 countries in the 2008 wave. We note that the reports, however, exclude information on the United States of America. For a more detailed description of the data source (*IRF* Reports), coding procedures of *ARDA*'s researchers, measures used to generate GRI, and statistical justification used to model the relevance of the individual components of GRI, see Grim and Finke (2006). The data is available for download on *ARDA*'s website—https://www.thearda.com.

Government Favouritism Index (GFI): This is a measure of religious regulation, which is coded based on the International Religious Freedom (*IRF*) Reports of the US State Department, referring to the subsidies, privileges, support, or favourable sanctions provided by the state to a select religion or a small group of religions. The coding of GFI by researchers at the Association of Religious Data Archive (*ARDA*) focusses on whether the government funds, either in cash or *in-kind*, religious activities, whether there is a privileged or official religion, whether there is a disproportionate support of some religious factions relative to other religious factions within a society through subsidies or taxes, and whether the state funds unequally any religious activities involving education, religious buildings, clergy salaries, media engagements, charity work, etc. Like GRI, this variable is generated for 196 countries in the 2001, 2003,

and 2005 waves, while it is available for 198 countries in the 2008 wave. Again, the reports exclude information on the United States of America. The data for GFI is publicly available at *ARDA*'s website (https://www.thearda.com), and its construction details are in Grim and Finke (2006).

Religious Discrimination Index (RDI): This is a measure of religious regulation, which is coded based on the Religion and State (*RAS3*) dataset, reflecting the restrictions on the religious practices and institutions of religious minorities which are not placed on the majority religion. This variable combines the subscores for 36 State Religion Policy (*SRP*) measures (out of *RAS3*'s 117 measures on the various aspects of *SRP*). The aspects of *SRP* covered in RDI are grouped under four types of restrictions: (i) *religious practices*—e.g., public/private observance of religion, circumcisions, local/imported religious publications, and wearing of religious symbols or clothing; (ii) *religious institutions and the clergy*—e.g., building, leasing, repairing and/or maintaining of religious places, access to existing places of religious worship, ordination of and/ or access to clergies, and registration requirements imposed on only the minority religions; (iii) *conversion and proselytising*—e.g., conversion to and forced renunciation of faith by recent coverts to minority religions, and proselytising of permanent residents or foreign missionaries to members of both the majority and minority religions; and (iv) *others*—e.g., running of religious schools, mandatory religious education in the majority religion, and state surveillance of religious activities. See Fox (2019, Table 3, p. 21) for a full list of the 36 *SRP* indicators. For a more detailed description of the data sources, coding procedures, and various reliability tests, see Fox (2015) and Fox et al. (2018). The data is available for download on *RAS*'s website (http://www.religionandstate.org).

Religious Regulation Index (RRI): This is a measure of religious regulation, which is coded based on the Religion and State (*RAS3*) dataset, reflecting the regulation of the majority religion that are also frequently applied to minority religions. This variable combines the subscores for 29 State Religion Policy (*SRP*) measures (out of *RAS3*'s 117 measures on the various aspects of *SRP*). The aspects of *SRP* covered in RRI are grouped under four types of restrictions: (i) *religion's role in politics*—e.g., religious political parties, trade/civil associations affiliated with religion, sermons by clergies, and clergy/religious groups making public political speech; (ii) *religious institutions*—e.g., harassment of members and sects of non-state sponsored or recognised ecclesiastical order, government appoints or must approve all clerical appointments, and practicing clergies in a state must be citizens; (iii) *religious practices*—e.g., religious activities outside of favoured religion, religious public gatherings but not any other types of public gatherings, and conscientious objectors to military duties; and (iv) *others*—e.g., arrest, detention, and/or harassment of religious figures, officials, and/or members of religious factions, content of religious education and instructors, and state ownership of some religious property/buildings. See Fox (2019, Table 4, p. 22) for a full list of the 29 *SRP* indicators. For a more detailed description of the data sources, coding

procedures, and various reliability tests, see Fox (2015) and Fox et al. (2018). The data is available for download on *RAS*'s website (http://www.religionandstate.org).

Religious Legislation Index (RLI): This is a measure of religious regulation, which is coded based on the Religion and State (*RAS3*) dataset, reflecting the degree of government support for religion, including legislating and enforcing religious precepts as law, financially supporting religion, and otherwise giving preference or support to the majority religion. This variable combines the subscores for 52 State Religion Policy (*SRP*) measures (out of *RAS3*'s 117 measures on the various aspects of *SRP*). The aspects of *SRP* covered in RLI are grouped under five types of legislations: (i) *religious precepts (relationships, sex, reproduction, and restrictions on women, amongst others)*—e.g., marriage and divorce can only take place under religious auspices, restrictions on interfaith marriages, premarital sex, and access to birth controls, unescorted women may not go out in public, less weight is attached to the testimony of women in courts, restrictions on dietary laws and alcohol, inheritance laws are defined by religion, and charging interest is illegal; (ii) *religion enforcement*—e.g., blasphemy laws in operation, media censorship by the state, religious precepts set punishment for crimes, police force or state agency instituted solely to enforce religious laws, and the presence of religious courts; (iii) *funding religion*—e.g., government funds religious primary/secondary schools or religious education in non-public schools, government collects religious taxes on behalf of religious organisations, funding for religious building, maintaining, or repairing religious sites by the state, official state positions, salaries, or funding for clergy other than teachers, and free air time on television/radio for religious organisations; (iv) *entanglement of institutions of both state and religion*—e.g., diplomatic status/passports/immunity from prosecution to religious leaders, existence of official state department for religion, clergies given government positions, and some or all government officials are required to meet certain religious requirements so as to hold public office; and (v) *others*—e.g., official prayer sessions in public schools, religious symbols on the state's flag, and the segregation of public schools by religion. See Fox (2019, Table 5, pp. 23-24) for a full list of the 52 *SRP* indicators. For a more detailed description of the data sources, coding procedures, and various reliability tests, see Fox (2015) and Fox et al. (2018). The data is available for download on *RAS*'s website (http://www.religionandstate.org).

Independent variables

State history index (SHI): This is an index of state history covering the period from 1 AD to 1950 AD. It is constructed by employing the following expression: $State\ history\ index = \frac{\sum_{t=1}^{39}(1.05)^{1-t} \times S_{c,t}}{\sum_{t=1}^{39}(1.05)^{1-t} \times 50}$, where $S_{i,t}$ represents state presence for country c in a fifty-year period (Putterman and Weil 2010). For our use, the variable is scaled to lie between 0 and 1 and we have adopted the standard 5% discount rate in our

benchmark analysis. Further, we have used version 3.1 of this data, which is available for download on Putterman's website (https://sites.google.com/brown.edu/louis-putterman).

Control variables

Land area: The log of land area of a country, taken from Nunn and Puga (2012), and is based on the Food and Agriculture Organisation data measured in thousands of hectares.

Absolute latitude: Value of the distance of the country from the equator, normalised to lie between zero and one, taken from CIA World Factbook.

Distance to the coast: The mean distance of a country to the nearest coastline or sea-navigable river (in km), taken from Gallup et al. (2010).

Temperature: The average monthly temperature of a country over the period 1961–1990 (in degrees Celsius), taken from Ashraf and Galor (2013).

Precipitation: The average monthly precipitation of a country over the period 1961–1990 (in mm), taken from Ashraf and Galor (2013).

Mean elevation: The mean elevation of a country above sea level (in km), taken from Gallup et al. (2010).

Soil agricultural suitability: An index of the suitability of soil for agriculture based on carbon density (organic content) and pH (nutrient content) of the soil, taken from Michalopoulos (2012).

Population share living in the tropics: The percentage of the population of each country living in tropical climate areas, taken from Gallup et al. (2010).

Terrain ruggedness: An index that computes small-scale terrain irregularities for each country, taken from the Terrain Ruggedness Index of Nunn and Puga (2012).

Island indicator: A dummy variable that equals 1 if a country is wholly encircled by land and 0 otherwise, taken from CIA World Factbook.

Landlocked dummy: A dummy variable that equals 1 if a country is fully enclosed by land and 0 otherwise, taken from CIA World Factbook.

Legal traditions: A (0,1) binary indicator identifying the legal endowment of each country as either British, French, German, Scandinavian, or Socialist based on company law or commercial law, taken from La Porta et al. (2008).

Colonial origins: An indicator assigning a value of 1 if a country was colonised by either Britain, France, Portugal, Spain, or other European countries (Netherlands, Belgium, and Italy), and 0 otherwise, taken from Nunn and Puga (2012).

Continent identifiers: Continent dummy variables for Africa, America, Asia, Europe and Oceania are based on the United Nations (UN) classifications.

GDP per capita: Log of GDP per capita (PPP, constant 2010 US$) from World Development Indicators (WDI 2021).

Urbanisation rate: Urbanisation rate is the percentage of a country's population living in urban areas, taken from WDI (2021).

Life expectancy: Number of years a newborn infant is expected to live if the prevailing mortality patterns at the time of its birth persisted throughout its life (WDI 2021).

Schooling: Years of schooling is the average total years of schooling in the population age 25 and over, taken from Barro and Lee (2013).

Government effectiveness: An index capturing perceptions of the quality of the provided public services, policy formulation, and implementation, taken from Kaufman et al. (2010).

Internet use: Internet usage is the percentage of the population with access to the Internet from the International Telecommunications Union.

Population: Population is the log of total population in thousands from WDI (2021).

Democracy: The difference between Polity IV's democracy and autocracy indices (Marshall et al. 2018).

Communist ideology: A dummy variable that equals 1 for whether the regime in a country in 2000 is Communist, and 0 otherwise (Barro and McCleary 2005).

Religious fragmentation: Probability that two randomly chosen individuals from a given country will be members of different religions, taken from Alesina et al. (2003).

Religious homogeneity: This is a Herfindahl index (sum of squares of adherence shares) among persons who adhere to some religions (including no religion), taken from Barro and McCleary (2003).

Religious culture: A dummy variable that equals 1 if the most popular religion in a country is Buddhist, Catholic, Hindu, Jewish, Protestant, Muslim, Orthodox, Other Christian, or Others (other Eastern religions, other religions and nonreligions), and 0 otherwise from Barro and McCleary (2005).

Appendix B: Descriptive statistics, all variables

	Observations	Mean	Standard deviations	Minimum	Maximum
	(1)	(2)	(3)	(4)	(5)
Government regulation index	144	3.079	2.915	0	9.097
Government favouritism index	144	4.787	2.651	0	9.125
Religious discrimination index	141	12.41	14.13	0	69.80
Religious regulation index	141	10.33	11.51	0	56.07
Religious legislation index	141	9.815	7.236	1.533	36
State history, 0%	144	0.366	0.261	0.00962	0.981
State history, 5%	144	0.443	0.242	0.0210	0.964
State history, 10%	144	0.504	0.227	0.0349	0.955
State history, 5% low income	144	0.134	0.232	0	0.964
State history, 5% middle income	144	0.147	0.250	0	0.938
State history, 5% high income	144	0.162	0.271	0	0.915
Land area	144	78,935	195,874	34	1.600e+06
Landlocked dummy	144	0.250	0.435	0	1
Island indicator	144	0.139	0.347	0	1
Absolute latitude	144	26.79	17.78	1	65
Soil suitability for agriculture	144	38.54	22.83	0	98.29
Population in tropical area	144	37.59	44.04	0	100
Distance to the coast	144	0.369	0.436	0	2.206
Mean elevation	144	0.539	0.481	0.0242	2.674
Terrain ruggedness	144	1.330	1.189	0.0160	6.202
Temperature	144	17.95	8.491	-7.929	28.64
Precipitation	144	92.89	60.03	2.911	260.0
Continent identifier: Africa	144	0.319	0.468	0	1
Continent identifier: Americas	144	0.181	0.386	0	1
Continent identifier: Asia	144	0.222	0.417	0	1

[35]

Continent identifier: Europe	144	0.250	0.435	0	1
Continent identifier: Oceania	144	0.0278	0.165	0	1
Legal tradition: British	144	0.264	0.442	0	1
Legal tradition: French	144	0.444	0.499	0	1
Legal tradition: Socialist	144	0.222	0.417	0	1
Legal tradition: German	144	0.0347	0.184	0	1
Legal tradition: Scandinavian	144	0.0347	0.184	0	1
Colonial origin: Spanish	144	0.132	0.340	0	1
Colonial origin: British	144	0.257	0.438	0	1
Colonial origin: French	144	0.160	0.368	0	1
Colonial origin: Portuguese	144	0.0347	0.184	0	1
Colonial origin: Other Europeans	144	0.0417	0.201	0	1
GDP per capita	144	8.425	1.151	5.884	10.41
Urbanisation rate	144	0.523	0.218	0.0825	1
Life expectancy	144	4.177	0.174	3.675	4.395
Schooling	125	6.014	3.130	0.710	12.49
Government effectiveness	144	-0.0528	0.982	-2.181	2.114
Internet use	144	2.155	3.832	0	17.00
Population	144	9.185	1.590	4.396	14.05
Democracy	139	1.554	6.092	-9.619	10
Communist ideology	144	0.0278	0.165	0	1
Religious fragmentation	144	0.427	0.233	0.00229	0.860
Religious homogeneity	144	0.539	0.233	0.181	0.982
Religious culture:					
Buddhist	144	0.0336	0.137	0	0.853
Catholic	144	0.294	0.336	0	0.943
Hindu	144	0.0238	0.106	0	0.771
Jewish	144	0.00642	0.0642	0	0.771
Muslim	144	0.226	0.338	0	0.991
Nonreligion	144	0.0696	0.104	0	0.503

[36]

Orthodox	144	0.0617	0.175	0	0.921
Other Christian	144	0.0868	0.116	0	0.634
Other Eastern religions	144	0.0152	0.0578	0	0.447
Other religions	144	0.0637	0.118	0	0.515
Protestant	144	0.120	0.186	0	0.897
Democracy	139	1.554	6.092	-9.619	10
Communist ideology	144	0.0278	0.165	0	1

Appendix C: Religious regulations, state history, and GDP p.c. in 2000

Country	GRI	GFI	RDI	RRI	RLI	SHI	GDP p.c.
Low-income countries (48)							
Congo, Dem.	3.333	0.725	0.067	2.733	5.000	0.322	359.147
Liberia	2.292	4.817	0.133	5.000	4.800	0.075	472.437
Afghanistan	8.264	8.733	32.200	16.400	32.267	0.618	478.104
Cambodia	2.708	8.167	3.133	12.000	10.333	0.843	513.906
Somalia	7.569	3.592	13.733	5.133	17.467	0.770	681.633
Sierra Leone	0.208	0.733	0.000	2.000	6.133	0.049	683.73
Burundi	0.347	0.167	0.000	8.667	3.400	0.210	698.844
Ethiopia	3.680	5.608	12.667	13.467	8.000	0.964	725.365
Niger	2.084	3.125	0.000	14.200	3.533	0.406	807.454
Madagascar	1.250	3.917	7.400	4.333	5.733	0.299	822.882
Togo	0.417	1.658	6.000	5.333	4.867	0.084	823.166
Chad	6.528	7.033	7.333	12.200	6.600	0.243	829.505
Malawi	0.000	3.483	7.200	1.000	5.000	0.333	838.989
Zambia	0.139	5.542	1.600	6.467	7.067	0.106	865.649
Burkina Faso	0.208	0.000	0.000	0.133	1.533	0.326	933.208
Central African Rep.	4.931	1.758	1.333	3.467	3.000	0.028	945.102
Gambia	0.208	3.550	1.133	5.133	7.067	0.261	953.859
Rwanda	4.653	1.817	6.200	10.667	2.200	0.352	1018.07
Mali	0.000	0.167	1.067	3.800	5.867	0.484	1046.72
Sudan	7.778	6.958	41.667	15.800	28.133	0.682	1047.71
Uganda	3.889	1.266	9.133	3.200	3.533	0.271	1057.79
Nigeria	5.486	7.325	18.067	9.533	21.000	0.553	1073.93
Yemen	6.180	6.258	29.067	21.667	24.467	0.592	1081.91
Mozambique	0.833	0.367	3.133	7.800	4.733	0.231	1093.18
Benin	0.000	0.583	0.000	0.467	4.200	0.192	1251.47
Laos	8.611	4.808	56.067	17.867	7.267	0.644	1257.35
Kenya	2.500	5.909	6.667	6.600	8.333	0.028	1267.72

Congo, Rep.	0.000	0.000	0.000	3.667	3.067	0.259	1286.19
Sao Tome and Principe	0.000	0.167				0.216	1300.18
Ghana	1.528	3.900	2.267	8.267	10.000	0.394	1392.2
Nepal	5.972	4.817	14.667	5.533	5.000	0.850	1421.01
Mongolia	5.348	5.058	6.800	2.000	3.000	0.520	1500.78
Mauritania	7.778	8.500	20.600	12.667	16.267	0.414	1521.48
Senegal	0.000	4.858	0.000	3.000	9.867	0.460	1571.37
Tajikistan	5.694	2.150	7.667	39.400	5.733	0.520	1660.4
Lesotho	0.000	3.217	0.467	2.000	5.533	0.091	1833.9
Bangladesh	6.875	6.383	5.267	15.933	15.000	0.520	1851.16
Angola	0.695	0.500	6.733	1.267	6.333	0.304	1974.98
Syria	5.903	5.558	20.667	38.417	22.000	0.571	2000.89
Haiti	0.208	3.675	3.000	12.000	9.000	0.289	2069.29
Cote d'Ivoire	3.403	6.117	1.333	6.800	10.667	0.294	2171.66
Vietnam	8.333	3.417	33.400	53.600	4.000	0.677	2189.41
Moldova	3.750	6.092	17.800	11.267	9.200	0.377	2217.59
Honduras	0.972	3.233	10.133	9.333	2.267	0.325	2239.66
Cameroon	2.292	1.817	0.000	0.200	5.000	0.438	2471.73
Pakistan	8.750	9.108	43.000	17.867	31.533	0.783	2477.13
Guinea	1.736	6.383	1.333	1.200	7.133	0.260	2546.12
India	5.903	5.950	27.200	15.733	17.000	0.698	2643.85
Middle income countries (48)							
Bolivia	0.000	8.133	5.400	8.533	8.667	0.684	2929.19
Bosnia and Herzegovina	4.514	6.458	18.000	2.600	11.067	0.589	3037.18
Zimbabwe	3.889	4.875	3.067	11.933	9.000	0.081	3255.93
Kyrgyzstan	5.069	1.733	14.867	28.000	3.867	0.295	3389.28
Nicaragua	0.556	6.933	2.000	4.667	6.933	0.234	3437.85
Armenia	7.639	7.358	37.067	4.200	6.400	0.537	3471.41
Uzbekistan	8.889	7.967	44.800	56.067	8.733	0.766	3543.24
Azerbaijan	8.055	3.483	23.800	40.200	6.000	0.469	3590.97

Morocco	6.458	7.292	27.533	17.533	19.867	0.829	3720.05
Guyana	0.208	1.308	3.000	2.133	6.733	0.170	3733.18
Indonesia	6.597	7.492	38.600	21.600	31.467	0.579	3771.86
Albania	0.347	1.033	3.733	4.733	3.067	0.572	3796.81
Philippines	1.319	2.842	0.133	5.000	9.667	0.235	3825.62
Guatemala	0.903	4.300	5.400	6.667	7.000	0.505	3859.47
Georgia	5.695	7.500	28.067	5.000	10.733	0.553	3885.83
Jordan	8.611	8.833	31.600	20.867	30.600	0.504	3901.84
China	8.958	5.283	47.667	47.333	7.667	0.938	4001.82
Sri Lanka	5.903	4.425	7.600	1.000	12.800	0.748	4046.63
Peru	2.084	8.125	7.000	5.000	11.467	0.632	4204.5
Ecuador	0.208	1.167	0.600	2.733	7.000	0.331	4314.44
Papua New Guinea	0.000	3.492	0.133	4.400	6.933	0.021	4354.58
Jamaica	1.111	0.000	1.600	0.200	6.000	0.209	4520.84
Egypt	8.403	7.933	44.267	23.067	27.400	0.695	4535.83
Fiji	0.972	1.617	1.467	1.400	7.267	0.042	4571.95
El Salvador	0.833	2.300	5.000	8.067	3.000	0.266	4732.13
Paraguay	0.556	3.142	11.733	6.000	7.933	0.270	4965.41
Cape Verde	0.000	4.975	0.067	4.000	4.400	0.227	4983.36
Ukraine	4.514	4.116	7.267	13.200	4.333	0.384	5002.87
Romania	6.042	7.808	24.200	5.733	12.867	0.462	5211.11
Macedonia	3.958	3.925	17.800	19.867	3.000	0.486	5270.73
Cuba	7.361	1.617	38.267	27.333	2.467	0.222	5698.62
Turkey	5.000	6.983	22.667	39.733	10.400	0.887	5714.59
Algeria	7.223	8.983	26.933	22.867	22.000	0.599	5753.12
Grenada	0.000	0.000				0.149	5896.24
Iran	9.097	9.125	69.800	34.000	35.000	0.813	6045.53
Colombia	3.681	7.825	2.067	2.000	6.000	0.274	6079.68
Thailand	4.584	7.225	9.067	16.467	18.467	0.729	6473.6
Dominican Rep.	1.180	7.842	6.000	0.000	7.467	0.263	6497.37

Kazakhstan	6.875	3.125	22.200	26.267	3.400	0.396	6519.56
Tunisia	6.597	8.225	25.533	30.733	12.467	0.732	6993.31
Brazil	0.833	0.500	5.000	3.000	5.000	0.269	7193.6
Botswana	0.417	0.458	1.000	0.067	3.000	0.341	7256.45
Bulgaria	6.944	6.725	29.267	15.867	7.000	0.652	7257.5
Venezuela	1.875	8.033	12.467	5.067	8.000	0.270	7322.97
Turkmenistan	8.889	8.750	34.800	45.400	11.000	0.262	7624.23
Panama	1.111	5.375	3.267	8.000	7.600	0.258	7934.8
Mexico	3.264	2.317	9.533	19.400	4.000	0.593	8082.09
South Africa	0.000	1.117	0.400	0.000	2.733	0.136	8226.06
High income countries (48)							
Costa Rica	1.111	7.533	7.267	10.000	7.333	0.259	8341.47
Swaziland	2.222	3.533	1.067	2.133	7.733	0.138	8517.03
Poland	0.000	4.683	6.733	6.000	14.000	0.593	8611
Croatia	1.250	7.850	11.667	2.467	11.133	0.595	8979.6
Latvia	3.333	6.458	13.800	8.200	10.200	0.321	8998.11
Lithuania	2.917	6.958	14.333	5.867	11.733	0.455	9160.77
Russia	5.833	5.983	48.667	17.800	10.933	0.456	9263.46
Slovakia	1.204	6.700	15.000	3.000	11.667	0.400	9696.87
Belarus	7.917	6.275	54.733	24.400	4.867	0.409	10005.1
Libya	7.153	6.892	19.667	27.267	21.733	0.616	10334.8
Gabon	1.667	2.608	2.000	1.000	5.800	0.055	10438.8
Seychelles	0.000	3.975				0.101	10592.8
Uruguay	0.000	0.000	0.000	1.000	2.467	0.193	10739.7
Estonia	0.208	2.550	0.667	6.267	7.400	0.290	11080.9
Argentina	1.528	8.283	7.333	0.000	8.667	0.245	11332
Hungary	1.042	6.100	5.133	2.267	10.067	0.592	11383
Malaysia	7.847	7.783	37.333	29.000	36.000	0.574	11405.5
Chile	1.667	6.167	7.333	0.867	6.933	0.289	11430.2
Czech Rep.	0.139	6.791	9.933	4.267	12.600	0.601	13616.6

Greece	5.694	8.283	21.600	9.200	15.067	0.574	13982.4
Trinidad and Tobago	0.833	2.633	1.800	5.000	8.000	0.170	14770
Mauritius	1.042	5.242	2.000	1.000	5.000	0.118	15121
Korea, Rep.	0.347	4.716	0.000	3.000	4.000	0.915	15702.3
Barbados	0.208	0.975	0.000	4.000	4.000	0.159	16086
Portugal	1.181	7.417	3.000	9.000	6.533	0.810	17323.1
Slovenia	0.695	3.658	2.667	3.000	7.533	0.505	18205.5
Spain	0.972	7.908	9.200	1.000	10.333	0.745	19536.4
New Zealand	0.000	2.416	0.133	1.000	7.000	0.069	20422.9
Cyprus	4.097	7.367	7.733	6.000	7.000	0.570	20456.8
Israel	4.792	6.517	8.733	13.000	25.533	0.501	22236.9
Italy	0.903	6.383	8.733	0.000	12.533	0.690	22487.2
Finland	1.181	6.433	3.000	4.133	11.133	0.340	22740.7
Japan	1.736	2.700	3.067	0.000	2.000	0.884	23970.6
Belgium	2.570	7.400	13.000	2.400	7.000	0.741	24661.9
United Kingdom	1.458	5.725	7.000	8.200	13.133	0.788	24666.4
Ireland	0.000	2.042	3.133	1.000	11.333	0.547	24947.6
France	3.750	5.267	16.133	9.000	6.000	0.839	25044.5
Germany	3.056	6.509	26.600	9.000	12.800	0.776	25061.3
Sweden	0.208	2.866	11.667	5.467	14.133	0.591	25231.8
Iceland	0.695	8.058	5.000	4.533	16.000	0.450	25794.6
Australia	0.347	0.667	1.333	1.000	4.533	0.147	25834.5
Netherlands	0.000	5.166	1.333	3.000	8.000	0.749	26293.1
Canada	0.556	5.242	0.000	2.000	6.133	0.194	26820.7
Austria	1.806	6.417	13.200	2.000	4.000	0.831	26999.8
Denmark	1.528	7.250	7.667	16.400	17.000	0.771	27827.3
Switzerland	1.181	6.317	11.867	6.533	10.200	0.810	28831.3
Singapore	7.708	4.675	15.467	17.667	6.000	0.357	29433.8
Norway	1.320	6.892	12.667	4.400	13.733	0.574	33092.2

References

Alesina, A., Devleeschauwer, A., Easterly, W., Kurlat, S., & Wacziarg, R. (2003). Fractionalization. *Journal of Economic growth*, *8*(2), 155-194.

Ashraf, Q., & Galor, O. (2013). The'Out of Africa'hypothesis, human genetic diversity, and comparative economic development. *American Economic Review*, *103*(1), 1-46.

Barro, R. J., & Lee, J. W. (2013). A new data set of educational attainment in the world, 1950–2010. *Journal of development economics*, *104*, 184-198.

Barro, R. J., & McCleary, R. M. (2003). Religion and Economic Growth across Countries. *American Sociological Review*, 760-781.

Barro, R. J., & McCleary, R. M. (2005). Which countries have state religions?. *The Quarterly Journal of Economics*, *120*(4), 1331-1370.

Fox, J. (2015). *Political secularism, religion, and the state: A time series analysis of worldwide data*. Cambridge University Press.

Fox, J. (2019). A world survey of secular-religious competition: state religious policy from 1990 to 2014. *Religion, State & Society*, *47*(1), 10-29.

Fox, J., Finke, R., & Mataic, D. R. (2018). New data and measures on societal discrimination and religious minorities. *Interdisciplinary Journal of Research on Religion*, *14*.

Gallup, J. L., Mellinger, A. D., & Sachs, J. D. (2001). Geography datasets. *Center for International Development, Harvard University*.

Grim, B. J., & Finke, R. (2006). International religion indexes: Government regulation, government favoritism, and social regulation of religion. *Interdisciplinary Journal of Research on Religion*, *2*.

Kaufmann, D., Kraay, A., & Mastruzzi, M. (2010). The worldwide governance indicators: A summary of methodology, data and analytical issues. World Bank Policy Research Working Paper No. 5430. *World Bank: Washington, DC*.

La Porta, R., Lopez-de-Silanes, F., & Shleifer, A. (2008). The economic consequences of legal origins. *Journal of economic literature*, *46*(2), 285-332.

Marshall, M. G., Gurr, T. R., & Jaggers, K. (2018). Polity IV project: Political regime characteristics and transitions, 1800–2017. *Center for Systemic Peace*.

Michalopoulos, S. (2012). The origins of ethnolinguistic diversity. *American Economic Review*, *102*(4), 1508-39.

Nunn, N., & Puga, D. (2012). Ruggedness: The blessing of bad geography in Africa. *Review of Economics and Statistics*, *94*(1), 20-36.

Putterman, L., & Weil, D. N. (2010). Post-1500 population flows and the long-run determinants of economic growth and inequality. *The Quarterly journal of economics*, *125*(4), 1627-1682.

World Bank (2021) *World Development Indicators*. Washington, DC: World Bank.