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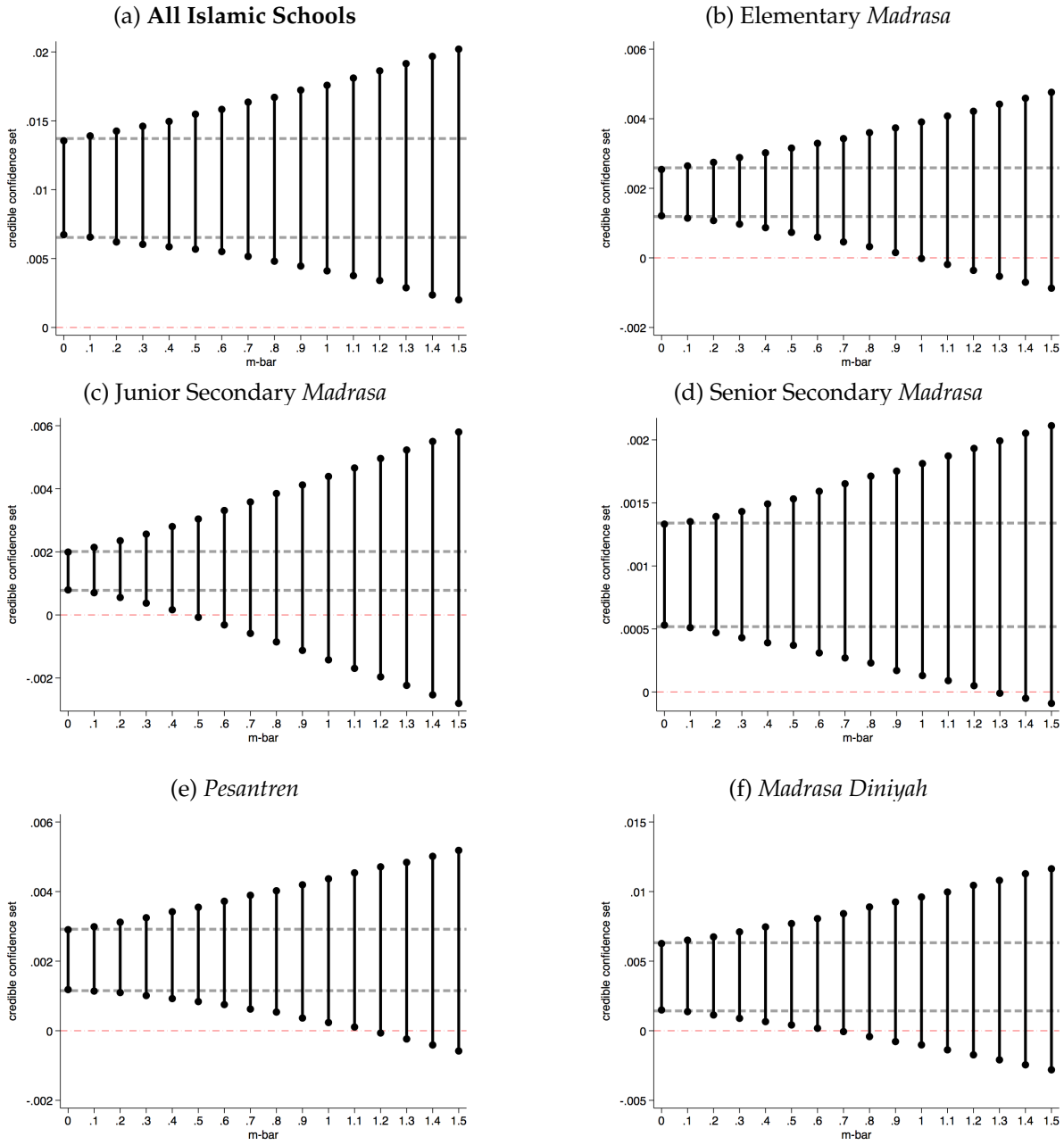
A Additional Empirical Results

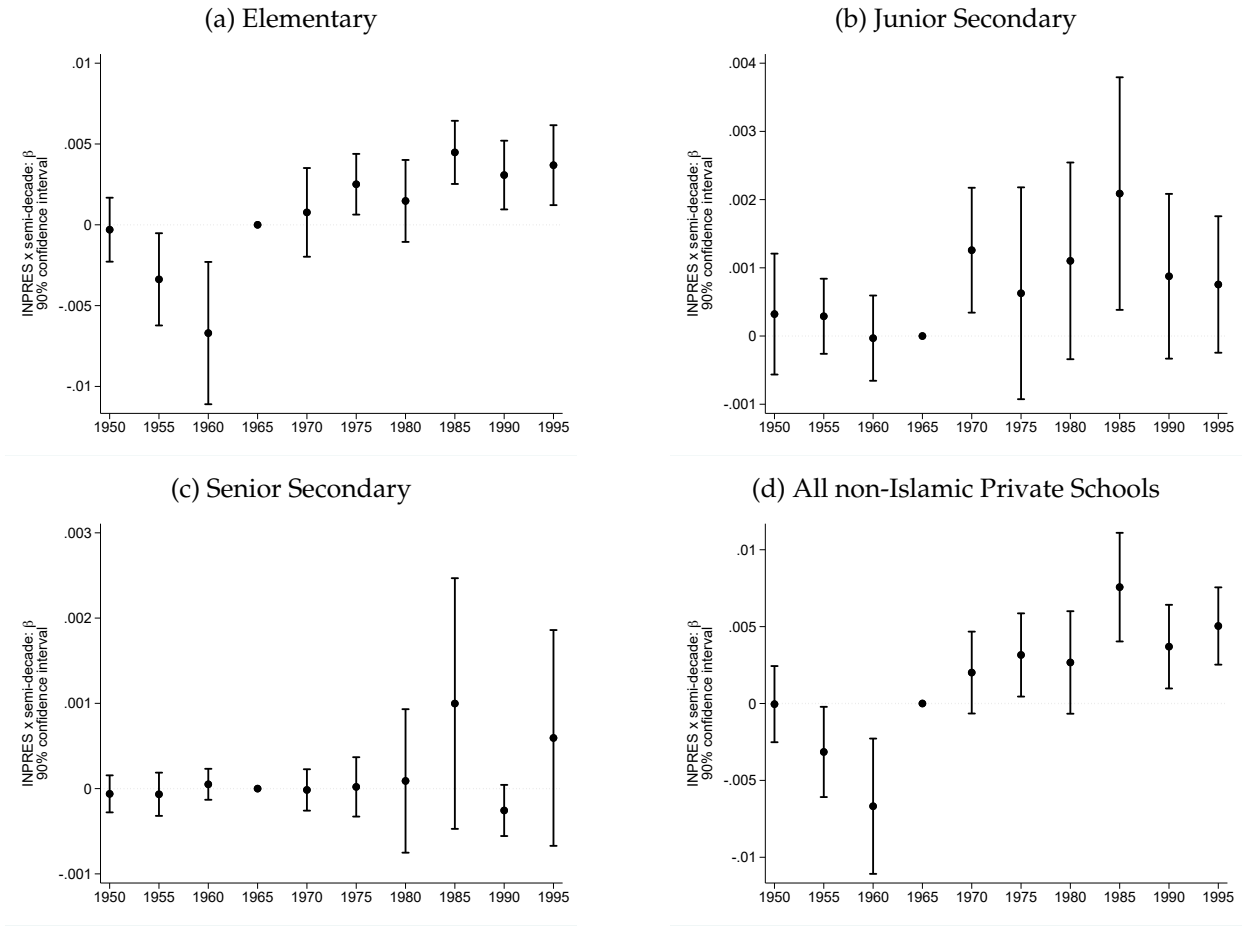
A.1 Additional Results on School Entry

Figure A.1: Credible Confidence Sets under Varying Departure from Parallel Trends Robustness Check on District-Level Supply Results in Figure 2



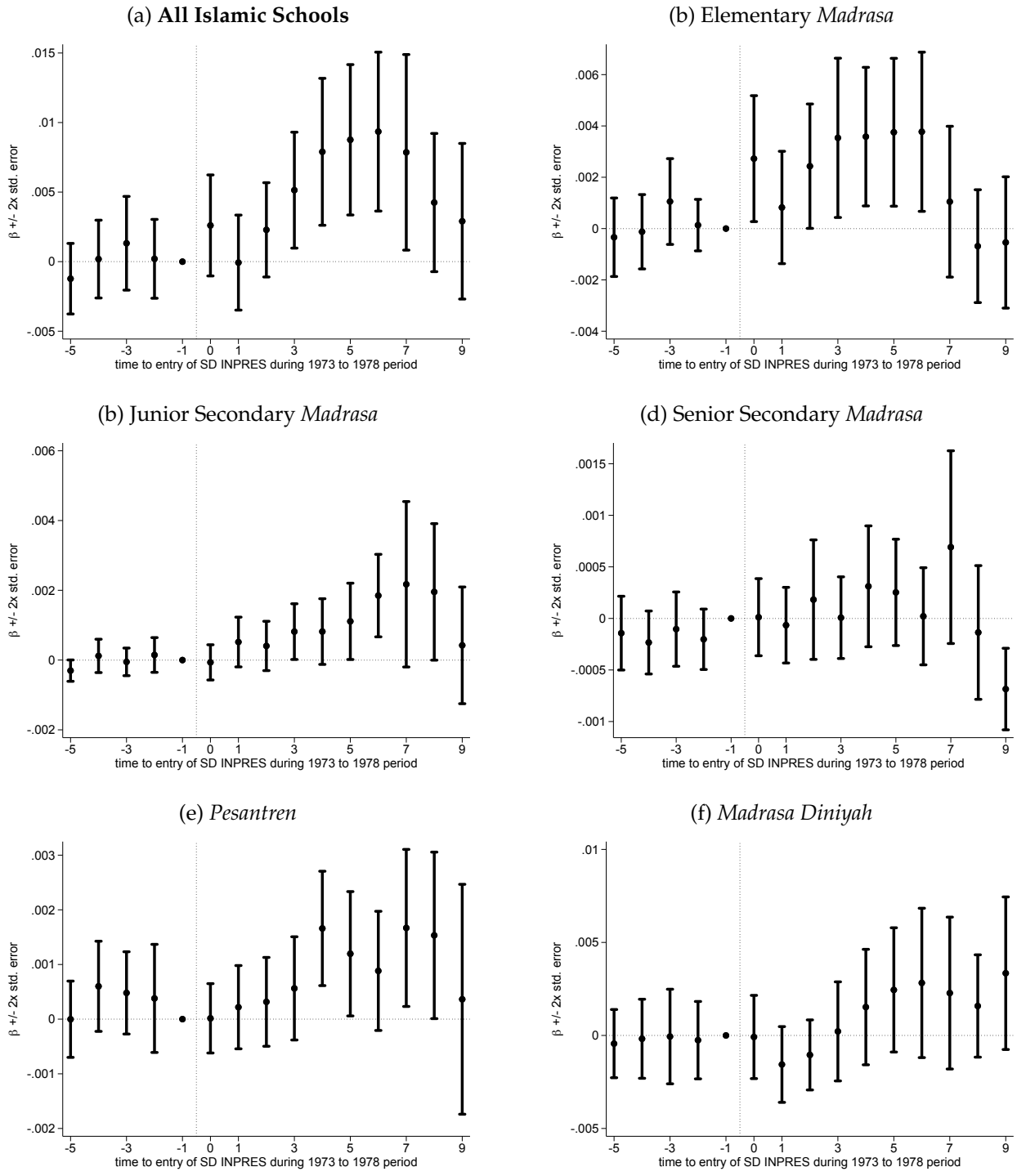
Notes: This figure reports credible 90% confidence sets based on Roth and Rambachan (2022). These sets allow the post-INPRES maximum violations of parallel trends to be up to $\overline{m}$ times larger than the maximum pre-treatment violation for different values of $\overline{m}$ that answer how much the post-INPRES trends in Islamic school entry would need to differ from the pre-trends in order to nullify the findings at zero (horizontal, red dashed line). The horizontal, gray dashed lines, and the credible confidence set at $\bar{m} = 0$, correspond to the baseline 90% confidence intervals from Table 2.

Figure A.2: SD INPRES Intensity and Entry of Private non-Islamic Schools



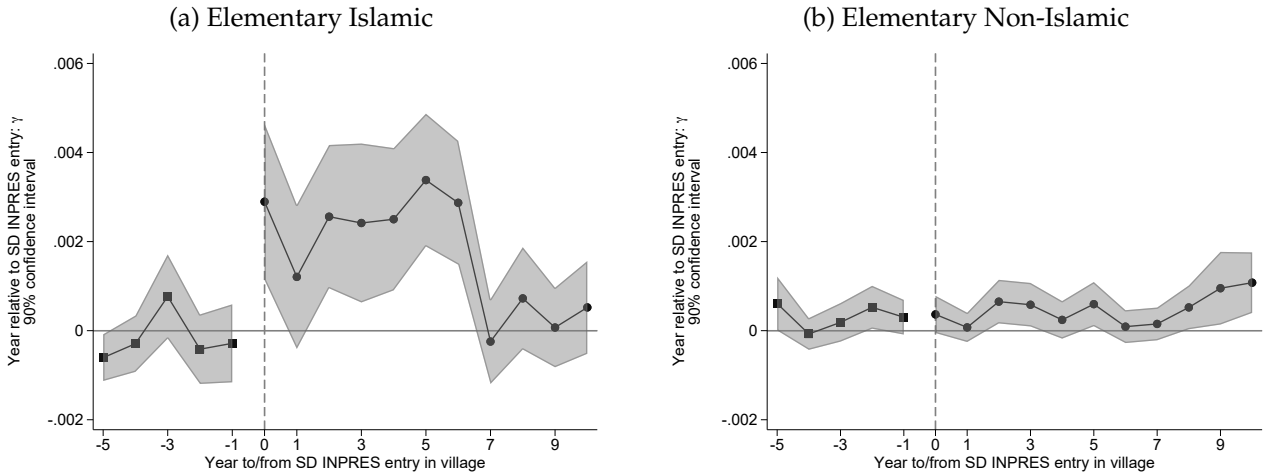
Notes: This figure reports semi-decade-specific estimates of β in equation (1) on a balanced district–year panel. The dependent variable measures: the number of entering private non-Islamic schools at the elementary (a), junior secondary (b), and senior secondary (c) level, or across all levels (d), each normalized per 1,000 children in 1971. All other specification details are as in Figure 2. Appendix D describes how we identify private non-Islamic schools in the MEC registry. The figure reports 90% confidence intervals with standard errors clustered at the district level.

Figure A.3: Islamic School Entry at the Village Level, Standard DID



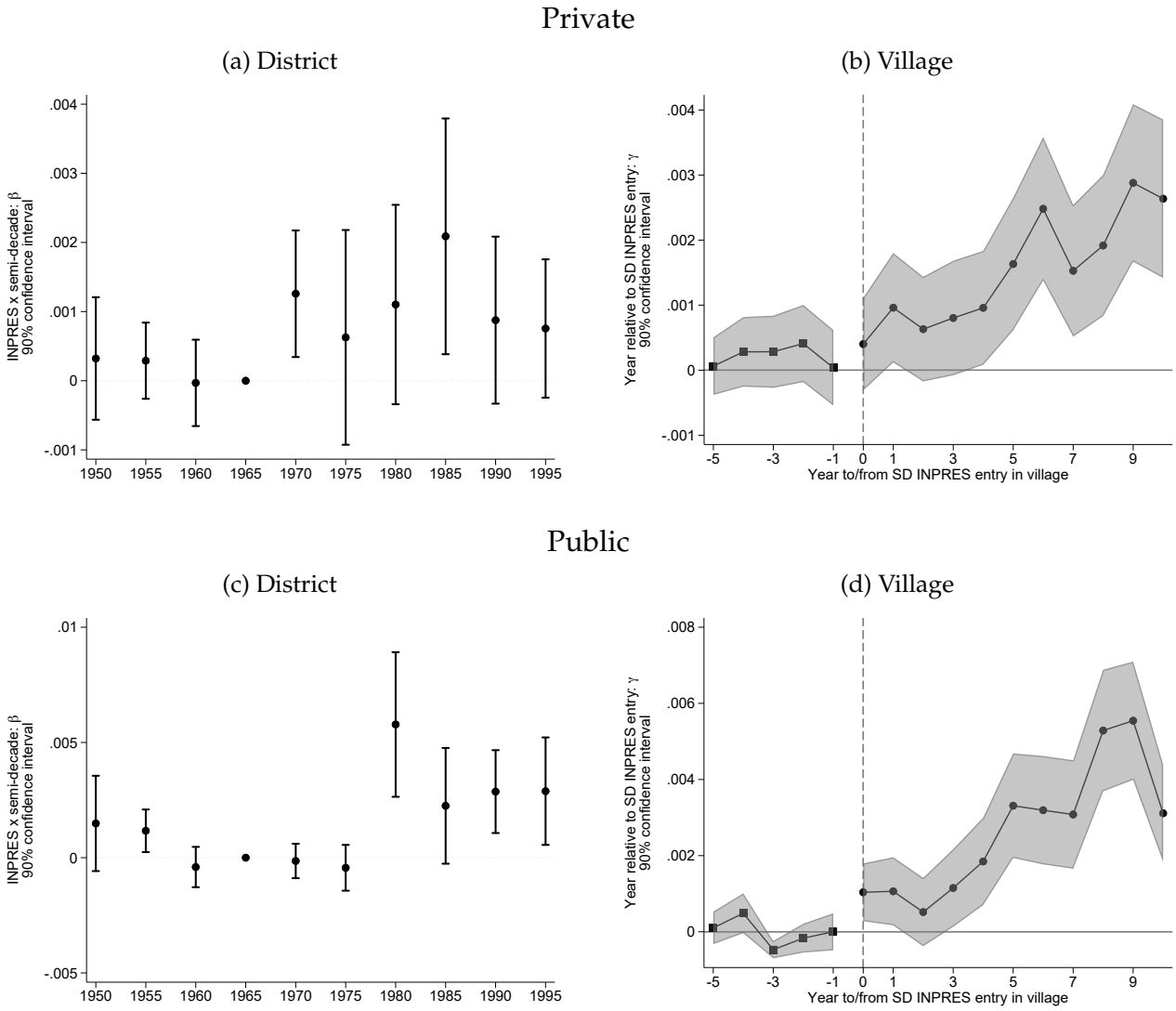
Notes: This figure reports the event-study analogue to the standard DID estimates in panel (c) of Table 2, based on equation (2). The event-study setup and controls are otherwise similar to the one in Figure 4. The figure reports coefficients +/- two times the standard errors, which are clustered at the village level.

Figure A.4: Islamic versus Secular Private School Entry at the Village Level



Notes: This figure reports estimates of γ in equation (2). All the specification and estimation details are as in Figure 4. In panel (a), the dependent variable measures the number of elementary *madrasa* built per village–year, as in panel (a) of Figure 4. In panel (b), the dependent variable measures the number of private non-Islamic elementary schools built per village–year. The gray shading corresponds to 90% confidence intervals with standard errors clustered by village.

Figure A.5: Entry of non-Islamic Junior Secondary Schools



Notes: Panels (a) and (c) report semi-decade-specific estimates of β in equation (1). The dependent variable is the number of junior secondary private (panel a) or public schools (c) built by semi-decade and by district per 1,000 children in 1971. All specification details are as in Figure 2. Panels (b) and (d) report estimates of γ in equation (2). The dependent variable is the number of private (panel b) or public junior secondary school (d) built per village–year. The specification and estimation details are as in Figure 4.

Table A.1: SD INPRES Intensity and Entry of Islamic Schools (Robustness)
Additional Controls: Latent Potential Growth in Islamic Education

	Formal *Madrasa*			Informal		All
	Elementary	Junior Sec.	Senior Sec.	*Pesantren*	*Diniyah*	Islamic
	(1)	(2)	(3)	(4)	(5)	(6)
INPRES × post-1972	0.0016***	0.0016***	0.0008***	0.0022***	0.0041***	0.0103***
	(0.0004)	(0.0003)	(0.0002)	(0.0005)	(0.0016)	(0.0020)
1959 Islamic Schools × Year FE	✓	✓	✓	✓	✓	✓
Additional Controls × Year FE	✓	✓	✓	✓	✓	✓
District FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Number of District–Years	10,920	10,920	10,920	10,920	10,920	10,920
Dep. Var. Mean	0.007	0.005	0.002	0.007	0.018	0.039
R^2	0.232	0.237	0.218	0.343	0.584	0.502

Notes: This table augments the baseline specification from panel (a) of Table 2 with the following predetermined controls interacted with year fixed effects: the prevalence of *waqf* endowments in 1960, the Muslim population share in the 1972 census, Islamic political party support in the 1955 elections, historical Arab minority populations, the occurrence of an Islamist armed insurgency in the 1950s, and an indicator for districts involved in an experimental compulsory schooling program after 1957. The dependent variables are measured as new schools of a given type created per district-year and per 1,000 children in 1971. INPRES refers to SD INPRES schools constructed from 1973–78 per 1,000 children in 1971. All specification details are as in panel (a) of Table 2; in particular, all specifications also include district fixed effects and year fixed effects interacted with the 1971 children population, the 1971 enrollment rate, exposure to the water and sanitation program, the number of elementary, junior secondary, senior secondary *madrasa* in 1959, and the number of *pesantren* in 1959.
* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors are clustered by district.

Table A.2: New Islamic Schools Over Time in Historical Administrative Data

	Islamic Schools				Secular Schools		
	Prim.	Jun. Sec.	Sen. Sec.	*pesantren*	Prim.	Jun. Sec.	Sen. Sec.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Effect of No. of INPRES Schools on…							
1980 level	0.258***	–	–	0.044*	0.492***	-0.064***	-0.060***
	(0.063)			(0.023)	(0.088)	(0.020)	(0.015)
Δ 1980 - 1983	0.022	–	–	0.008	-0.077	0.023	-0.006
	(0.019)			(0.006)	(0.056)	(0.016)	(0.008)
Δ 1983 - 1990	0.126***	–	–	0.015	0.282***	0.011	0.005
	(0.032)			(0.012)	(0.086)	(0.030)	(0.021)
Δ 1990 - 1993	0.015	0.009*	0.012***	0.011**	-0.028	0.015	0.011
	(0.022)	(0.005)	(0.004)	(0.004)	(0.047)	(0.017)	(0.013)
Number of Districts	273	273	273	273	273	273	273
Mean 1980 level	93.4	–	–	19.1	424.1	46.9	18.7
Mean Δ1980 - 1983	-0.05	–	–	0.7	47.5	15.2	9.9
Mean Δ1983 - 1990	20.5	–	–	9.1	52.9	8.9	11.6
Mean Δ1990 - 1993	-4.3	1.8	0.9	2.0	0.3	-1.3	-2.3

Notes: This table examines supply-side responses to INPRES using historical administrative data from the 1980, 1983, 1990 and 1993 rounds *Podes*, which asked about the number of schools of different types. Each cell shows the coefficient from a separate district-level cross-sectional regression of the given outcome on the number of SD INPRES primary schools constructed from 1973 to 1978. The first row looks at the number of schools of each level in 1980, and subsequent rows look at the difference in the stock reported between the initial and final year of the difference. The district-level number of *pesantren* are computed by adding up the number of villages that report having any *pesantren*. Secondary Islamic schools were not recorded until the 1990 round of *Podes*. The regressions control for the 1971 children population, the 1971 enrollment rate, and exposure to the water and sanitation program.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors.

Table A.3: Exogeneity of Timing of SD INPRES Entry at the Village Level

	Year of entry 1973-78 (1)	Early entry: 1973-74 (2)	Entry in: 1975-76 (3)	Late entry: 1977-78 (4)
Elementary *madrasa*	-0.0906	0.0051	0.0297	-0.0349
	(0.1079)	(0.0308)	(0.0340)	(0.0328)
Secondary *madrasa*	0.0812	-0.0330	0.1213	-0.0883
	(0.2071)	(0.0581)	(0.0779)	(0.0697)
Pesantren	0.0535	0.0072	-0.0239	0.0167
	(0.0970)	(0.0222)	(0.0219)	(0.0261)
Waqf land	-0.0467	0.0164	0.0011	-0.0175
	(0.0424)	(0.0117)	(0.0131)	(0.0133)
Potential rice yield	-0.0360	0.0260	0.0167	-0.0428
	(0.1961)	(0.0519)	(0.0587)	(0.0616)
Potential palm oil yield	0.0190	0.0020	-0.0168	0.0148
	(0.0514)	(0.0139)	(0.0164)	(0.0167)
Potential cocoa yield	-0.5372	0.0850	0.1217	-0.2067
	(0.4569)	(0.1242)	(0.1437)	(0.1508)
Potential coffee yield	1.1607*	-0.2593	-0.1263	0.3856*
	(0.6183)	(0.1675)	(0.1906)	(0.1999)
Potential maize yield	0.3156	-0.0343	-0.0200	0.0542
	(0.2199)	(0.0588)	(0.0672)	(0.0680)
Coastal location	-0.0214	-0.0013	0.0036	-0.0023
	(0.0677)	(0.0177)	(0.0207)	(0.0209)
Elevation	0.0125	0.0038	-0.0113	0.0075
	(0.0325)	(0.0085)	(0.0099)	(0.0102)
Land area	-0.0000	0.0000	-0.0000	0.0000
	(0.0000)	(0.0000)	(0.0000)	(0.0000)
F statistic: joint significance	0.36	0.41	0.78	0.77
p-value	0.93	0.90	0.60	0.61
R^2	0.082	0.081	0.068	0.074

Notes: This table reports cross-sectional correlations between the timing of SD INPRES entry and observable characteristics at the village level measured as of 1972. The dependent variable is measured as the year of construction of the first SD INPRES school in the village between 1973–78 (column 1) or as a dummy for the first SD INPRES school being built in the village between 1973–74 (column 2), 1975–76 (column 3), or 1977–89 (column 4). Elementary *madrasa* (MI), secondary *madrasa* (MTs and MA), and *waqf* land are measured as of 1972, and *waqf* land is trimmed at the 95th percentile. Crop yields are measured as standardized measures of potential yield from the FAO-GAEZ based on predetermined agroclimatic characteristics. Geographic characteristics (coastal location, elevation, and village land area) are from *Podes*. The bottom panel reports the F-statistic and corresponding p-value from a test of joint significance of all right-hand side regressors. All regressions include district fixed effects.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors in parentheses.

Table A.4: Islamic School Entry at the Village Level

Robustness Checks

	Formal *Madrasa*			Informal		All
	Elementary	Junior Sec.	Senior Sec.	*Pesantren*	*Diniyah*	Islamic
	(1)	(2)	(3)	(4)	(5)	(6)
	(a) Baseline estimates (Table 2, panel d)					
SD INPRES Entry	0.0022***	0.0017***	0.0008***	0.0013***	0.0035***	0.0094***
	(0.0002)	(0.0001)	(0.0001)	(0.0002)	(0.0003)	(0.0005)
	(b) Removing time-varying controls					
SD INPRES Entry	0.0021***	0.0016***	0.0008***	0.0012***	0.0032***	0.0088***
	(0.0002)	(0.0001)	(0.0001)	(0.0002)	(0.0003)	(0.0005)
	(c) Shorter panel 1968-1983					
SD INPRES Entry	0.0026***	0.0005***	0.0002*	0.0004*	0.0015***	0.0052***
	(0.0004)	(0.0002)	(0.0001)	(0.0002)	(0.0004)	(0.0007)
	(d) Clustering by district					
SD INPRES Entry	0.0022***	0.0017***	0.0008***	0.0013***	0.0035***	0.0094***
	(0.0004)	(0.0002)	(0.0001)	(0.0003)	(0.0008)	(0.0012)
Village FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Number of Village–Years	3,334,560	3,334,560	3,334,560	3,334,560	3,334,560	3,334,560
Dep. Var. Mean	0.0009	0.0001	0.0001	0.0005	0.0025	0.0011

Notes: This table reports estimates of the average of post-SD-INPRES-entry coefficients τ in equation (2) computed using the robust imputation method from Borusyak et al. (2021). The dependent variables are measured as new schools of a given type created per village–year. Panel (a) reports the baseline estimates shown in panel (d) of Table 2. The following panels report estimates obtained after: removing the time-varying controls included in the baseline estimation, i.e., public and Islamic schools in the village by 1959 (panel b), using a shorter panel window spanning 1968–1983 (c), and clustering standard errors by district (d). In panel (c), we control for for interactions of year FE with public and Islamic schools in the village as of 1967, and there are 1,333,824 village–year observations.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors are clustered by village in panels (a)–(c) and by district in panel (d).

Table A.5: Formalization of the Islamic Education Sector

	Formal *Madrasa*	Informal schools	
As a share of:	New Formal Schools (1)	All New Schools (2)	New Islamic Schools (3)
INPRES × post-1972	0.0164***	-0.0196***	-0.0605***
	(0.0052)	(0.0075)	(0.0148)
1959 Islamic Schools × Year FE	✓	✓	✓
District FE	✓	✓	✓
Year FE	✓	✓	✓
Number of District–Years	9,951	10,201	6,368
Dep. Var. Mean	0.158	0.203	0.651
R^2	0.422	0.592	0.405

Notes: This table examines the entry of formal of informal Islamic schools as a fraction of all schools built per district–year. The dependent variable measures: formal *madrasa* at all instruction levels built per district–year as a fraction fo all formal schools (including secular public, private, and Islamic schools) in column 1, and the more informal *pesantren* and *madrasa diniyah* built per district–year as a fraction of all schools (column 2) or as a fraction of all Islamic schools (column 3). Differences in the number of observations across columns reflect years with no entry of schools of the given school type. All specification details as in panel (a) of Table 2.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

A.2 Further Results on the Financing of the Islamic Education Sector

Rice Price Shock. Appendix Figure A.6 demonstrates the large shock to the world price of rice coincidental with the SD INPRES policy.[1] Maize prices also increased during this period albeit to a lesser extent. Rice is the most important producer commodity across Indonesia; maize is less important in terms of aggregate production and geographic scope.[2]

Appendix Table A.7 shows that the larger supply response to SD INPRES in high-rice-productivity villages is not driven by generally higher agricultural productivity. While we see some differential response in high-maize-productivity villages as well, the effect sizes are much smaller than those for rice. This is consistent with the latter being much more important for more communities and also being subject to a slightly larger price shock during the period of interest.

Placebo Check on Table 3. Appendix Table A.6 shows that the positive Islamic sector supply response to SD INPRES is unique to the period of mass schooling and does not arise for entry of public primary schools in other periods (1960–68 and 1990–98). This is consistent with the much different and more confrontational period of mass public school construction in the 1970s.

Informal Taxation. We estimate the following individual-level regression pooling across four surveys conducted in 4,080 villages:[3]

$$\mathbb{P}(informal\ tax_{ivdt}) = \theta_{dt} + \mathbf{x}_i'\boldsymbol{\beta} + f(Islamic\ school\ entry_v) + \varepsilon_{ivdt}, \tag{A.1}$$

where the dependent variable equals one if the Muslim respondent contributed any informal tax to the given type of public good, θ_{dt} is a set of district×survey-year fixed effects, $\mathbf{x}$ is a vector of controls for age and age squared and gender, and $f(\cdot)$ is a vector of binary indicators for the entry of Islamic schools in the village during different time periods (pre-1973, 1973–78, and post-1978).

The estimates suggest that Islamic school entry in the 1973–78 period is associated over the long run with greater informal taxation to support Islamic infrastructure (schools and houses of worship) and less taxation to support roads and bridges. The same holds when introducing controls for Islamic school entry in other periods before and after the SD INPRES era. Together, these estimates (i) point to a persistent role of informal taxation to support the Islamic education sector, and (ii) provide suggestive evidence that such informal contributions might crowd out support for other non-religious infrastructure.

Waqf Substitution Across Islamic Infrastructure. In Appendix Table A.10, we report estimates from the following cross-sectional, district-level regression

$$\frac{waqf_d^c}{waqf_d} = \alpha + \delta INPRES_d + \mathbf{x}_d'\boldsymbol{\beta} + \varepsilon_d, \tag{A.2}$$

where $\frac{waqf_d^c}{waqf_d}$ captures the share of total *waqf* land in district d allocated to Islamic infrastructure category c, $INPRES$ is the number of SD INPRES schools constructed per 1,000 children from 1973 to 1978, and $\mathbf{x}$ is the usual vector of controls along with, in some specifications, controls for Islamic school construction per 1,000 children from 1973–78. The main categories of *waqf*-endowed institutions include schools, houses of worship, cemeteries, and other, which includes a variety of institutions like local health clinics.

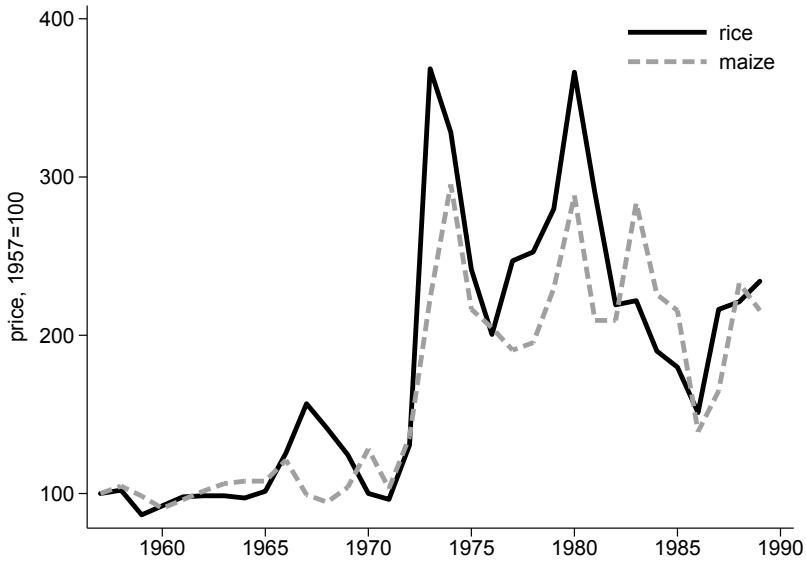
[1] See Bazzi (2017) for general evidence of passthrough from world rice price shocks to domestic producers.

[2] In the early 1970s, the Ministry of Agriculture reported roughly 3 million tons of maize and 22.4 million tons of rice. In 1983, rice was produced in 73% of villages compared to 56% for maize (according to the 1983 Agricultural Census jointly conducted as part of the triennial *Podes* survey of village officials).

[3] The data were used by Olken and Singhal (2011) and come from a series of Health and Education Surveys as part of a larger evaluation study reported in Olken et al. (2014).

In districts with greater SD INPRES intensity in the 1970s, more *waqf* land is allocated to Islamic schools over the long run (columns 1–2), and this comes at the expense of allocations to mosques (columns 3–4). Each additional SD INPRES per 1,000 children is associated with 1.7 p.p. more *waqf* land allocated to Islamic schools (relative to a mean of 16%) and 2.4 p.p. less *waqf* land allocated to Muslim houses of worship (relative to a mean of 42%). Reassuringly, we see that districts with greater Islamic school construction in the 1970s also have a significantly higher share of *waqf* land held in religious schools today. This is consistent with the role of *waqf* endowments in support the local Islamic sector response to SD INPRES, as we saw in earlier results.

Figure A.6: Agricultural Commodity Price Shocks



Notes: This figure plots the evolution of the world price of rice and maize from 1957 (=100) to 1990. Data come from the Bazzi and Blattman (2014) commodity price database.

Table A.6: Placebo: Islamic School and Public Primary Entry in Other Periods

	Formal *Madrasa*			Informal		All
	Elementary	Junior Sec.	Senior Sec.	*Pesantren*	*Diniyah*	Islamic
	(1)	(2)	(3)	(4)	(5)	(6)
	(a) 1960–1968					
SD Entry	0.0007	0.0001	-0.0000	-0.0002	-0.0007	-0.0002
	(0.0005)	(0.0001)	(0.0000)	(0.0002)	(0.0009)	(0.0011)
SD × potential rice yield	-0.0013**	-0.0002	-0.0000	0.0003	-0.0001	-0.0012
	(0.0006)	(0.0002)	(0.0000)	(0.0002)	(0.0007)	(0.0011)
SD × any *waqf*, predetermined	-0.0016	0.0018	-0.0000	-0.0008	0.0020	0.0013
	(0.0029)	(0.0014)	(0.0000)	(0.0013)	(0.0027)	(0.0049)
1959 Islamic Schools × Year FE	✓	✓	✓	✓	✓	✓
Village FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Number of Village–Years	676,782	676,782	676,782	676,782	676,782	676,782
Dep. Var. Mean	0.0027	0.0000	0.0000	0.0009	0.0038	0.0072
R^2	0.115	0.112	0.111	0.128	0.142	0.138
	(b) 1990–1998					
SD Entry	-0.0035	-0.0015	0.0012*	-0.0007	0.0018	-0.0027
	(0.0033)	(0.0016)	(0.0007)	(0.0016)	(0.0019)	(0.0048)
SD × potential rice yield	-0.0065	-0.0014	0.0008	-0.0025	-0.0018	-0.0114*
	(0.0041)	(0.0018)	(0.0008)	(0.0021)	(0.0022)	(0.0058)
SD × any *waqf*, predetermined	0.0041	0.0019	-0.0038	0.0053	0.0186*	0.0262*
	(0.0049)	(0.0042)	(0.0024)	(0.0100)	(0.0103)	(0.0134)
1989 Islamic Schools × Year FE	✓	✓	✓	✓	✓	✓
Village FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Number of Village–Years	676,782	676,782	676,782	676,782	676,782	676,782
Dep. Var. Mean	0.0045	0.0031	0.0011	0.0066	0.0134	0.0287
R^2	0.122	0.116	0.116	0.223	0.157	0.189

Notes: This table re-estimates the exact same specifications in Table 3 (see the notes therein) but restricts the analysis to the periods (a) 1960–68 and (b) 1990–98, i.e., before and after SD INPRES. The SD Entry variable turns on the first year of an public elementary school (SD) entering in the given period and then stays on thereafter. In addition to the controls listed in the table, all specifications include interactions of year FE and the stock of public elementary schools in the village in the year prior to the panel beginning.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by village.

Table A.7: Other Commodity Exposure

	Formal *Madrasa*			Informal		All
	Elementary	Junior Sec.	Senior Sec.	*Pesantren*	*Diniyah*	Islamic
	(1)	(2)	(3)	(4)	(5)	(6)
SD INPRES Entry	0.0001	0.0002	0.0001	0.0001	0.0006	0.0011
	(0.0005)	(0.0001)	(0.0001)	(0.0002)	(0.0005)	(0.0007)
SD × any *waqf*, predetermined	0.0069***	0.0007	0.0004**	0.0006	0.0023**	0.0109***
	(0.0012)	(0.0005)	(0.0002)	(0.0004)	(0.0009)	(0.0017)
SD × potential rice yield	0.0025***	0.0004**	0.0000	-0.0001	0.0009	0.0037***
	(0.0008)	(0.0002)	(0.0001)	(0.0002)	(0.0006)	(0.0010)
SD × potential maize yield	-0.0004	0.0004**	0.0000	0.0002	0.0004	0.0006
	(0.0006)	(0.0002)	(0.0001)	(0.0001)	(0.0003)	(0.0007)
1967 Islamic Schools × Year FE	✓	✓	✓	✓	✓	✓
Village FE	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓
Number of Village–Years	1,203,168	1,203,168	1,203,168	1,203,168	1,203,168	1,203,168
Dep. Var. Mean	0.0013	0.0001	0.0001	0.0006	0.0026	0.0047
R^2	0.077	0.068	0.066	0.085	0.107	0.105

Notes: This table re-estimates the exact same village-level panel specifications in Table 3 (see the notes therein), adding an additional interaction of SD INPRES Entry with potential maize yields, also drawn from the FAO-GAEZ database.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by village.

Table A.8: Placebo: Private Non-Islamic Elementary School and SD INPRES Entry

	1973-78		1968-83	
	(1)	(2)	(3)	(4)
SD INPRES Entry	-0.0001	-0.0001	0.0002	0.0001
	(0.0003)	(0.0003)	(0.0002)	(0.0002)
SD × any *waqf*, predetermined		-0.0002		0.0002
		(0.0005)		(0.0004)
Initial Islamic Schools × Year FE	✓	✓	✓	✓
Village FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Number of Village-Years	451,188	451,188	1,203,168	1,203,168
Dep. Var. Mean	0.0006	0.0006	0.0014	0.0014
R^2	0.177	0.177	0.072	0.072

Notes: This table re-estimates the village-level panel specification in Table 3 (see the notes therein) looking at how SD INPRES and its interaction with predetermined *waqf* endowments affect entry of non-Islamic private elementary schools from (a) 1973–78 and (b) 1968–83.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by village.

Table A.9: School Entry in the 1970s and the Legacy of Informal Taxation

	Dep. Var.: Any Informal Taxation for ...				
	Roads Bridges	Water Sanit.	Irrigation	Schools	Houses Worship
	(1)	(2)	(3)	(4)	(5)
	(a) Regressors for School Entry, 1973-78				
SD INPRES Entry, 1973-78	-0.005	-0.004	-0.002	-0.001	-0.007
	(0.008)	(0.004)	(0.002)	(0.002)	(0.007)
Islamic School Entry, 1973-78	-0.040***	-0.004	0.002	0.008**	0.022**
	(0.014)	(0.005)	(0.003)	(0.004)	(0.009)
	(b) Regressors for School Entry, All Periods				
SD INPRES entry, pre-1973	0.016*	0.001	-0.002	-0.002	0.002
	(0.009)	(0.003)	(0.002)	(0.002)	(0.005)
SD INPRES entry, 1973-78	-0.003	-0.004	-0.002	-0.002	-0.007
	(0.008)	(0.004)	(0.002)	(0.002)	(0.007)
SD INPRES entry, post-1978	0.003	-0.005	-0.002	-0.001	-0.003
	(0.007)	(0.003)	(0.002)	(0.002)	(0.005)
Islamic School Entry, pre-1973	-0.034***	-0.014***	-0.002	0.003	0.031***
	(0.013)	(0.005)	(0.002)	(0.005)	(0.010)
Islamic School Entry, 1973-78	-0.039***	-0.004	0.002	0.007*	0.021**
	(0.014)	(0.005)	(0.003)	(0.004)	(0.009)
Islamic School Entry, post-1978	-0.013	0.004	-0.000	0.005**	0.007
	(0.008)	(0.005)	(0.002)	(0.002)	(0.007)
Number of Individuals	61,486	61,486	61,486	61,486	61,486
Number of Villages	4,080	4,080	4,080	4,080	4,080
Number of Districts	64	64	64	64	64
Dep. Var. Mean	0.604	0.075	0.022	0.018	0.206

Notes: This table reports estimates of equation (A.1) relating village-level school entry in different periods to the likelihood of Muslim survey respondents in 2007–14 reporting informal taxation to support different types of public goods listed at the top of each column. The regressions control for district × survey–year fixed effects, individual age and age squared, and gender. The school entry variables are indicators equal to one if the given type of school entered in a given period. Islamic schools include all *madrasa* and *pesantren*.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

Table A.10: INPRES and *Waqf* Endowment Substitution across Islamic Infrastructure

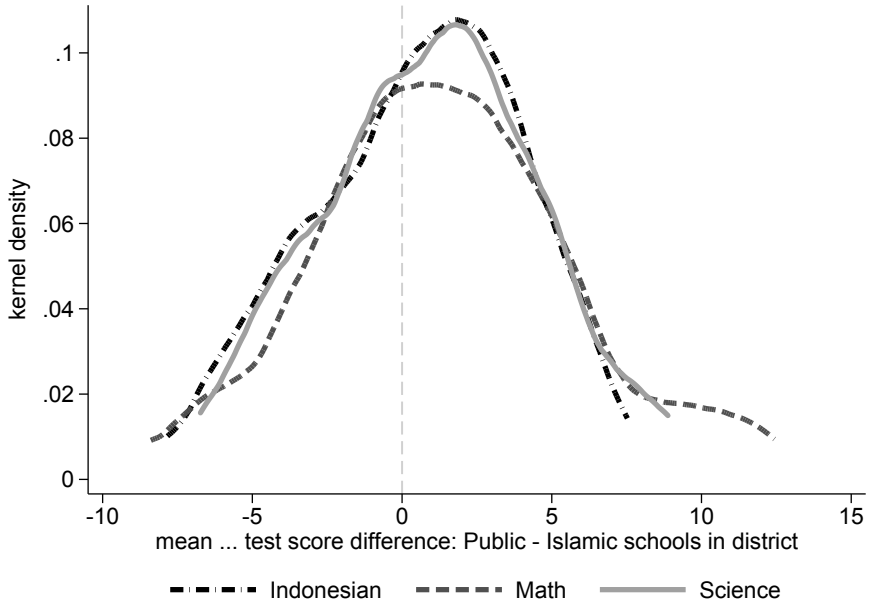
	Share of Total *Waqf* Endowed Land in ...							
	Schools		Houses of Worship		Cemetery		Other	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SD INPRES, 1973-78	0.0167*	0.0166*	-0.0236**	-0.0238**	0.0094	0.0096	-0.0024	-0.0024
	(0.0097)	(0.0096)	(0.0114)	(0.0116)	(0.0094)	(0.0093)	(0.0083)	(0.0084)
Islamic Schools, 1973-78		0.0781**		0.1390***		-0.2143***		-0.0028
		(0.0373)		(0.0490)		(0.0515)		(0.0353)
Number of Districts	275	275	275	275	275	275	275	275
Dep. Var. Mean	0.159	0.159	0.421	0.421	0.121	0.121	0.114	0.114
R^2	0.270	0.278	0.551	0.559	0.161	0.211	0.127	0.127

Notes: This table reports estimates of equation (A.2) relating district-level school construction intensity in in the SD INPRES era to the share of total *waqf* land allocated to different types of Islamic infrastructure listed at the top of each pair of columns. The regressions control for the usual INPRES policy targeting variables. The school entry variables capture the total number of schools constructed from 1973–78 normalized by 1,000 children in 1971. Islamic schools include all *madrasa* and *pesantren*.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

A.3 Further Background and Results on Religious Curriculum

Figure A.7: Test Score Differentials Between Islamic and Non-Islamic Schools



Notes: This figure plots the average test score gap between state and Islamic schools across districts. The significantly greater mass to the right of zero implies that students in state schools perform better on average on standardized tests than do students in Islamic schools.

Table A.11: Correlations of Curriculum and Test Scores

	Math (1)	Science (2)
Islamic curriculum share	-0.0539**	-0.0398*
	(0.0217)	(0.0221)
Pancasila and Civics curriculum share	0.0550	0.0553
	(0.0758)	(0.0833)
Number of Observations	1,371	1,371
Dep. Var. Mean	0.0	0.0

Notes: This table reports correlations of standardized mean school-level test scores in math and science and the share of weekly instruction time devoted to Islamic and *Pancasila*/civics curriculum (the dependent variables in panels a and c of Table 4). There are only 1,371 junior secondary schools for which we can link test scores and curriculum registries. The regressions include district and year-of-school-entry fixed effects.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

Table A.12: Curriculum Differentiation in Islamic Schools (Total Hours)

	All Levels (1)	Primary (2)	Jun. Sec. (3)	Sen. Sec. (4)
	(a) Islamic Subject Hours			
INPRES × post-1972	0.256	0.263*	0.179	-1.736***
	(0.162)	(0.147)	(0.380)	(0.571)
Dep. Var. Mean	6.144	5.412	7.819	8.484
Dep. Var. Std. Dev.	1.729	0.815	0.919	1.491
	(b) Arabic Hours			
INPRES × post-1972	0.051*	0.062**	0.085	0.434***
	(0.026)	(0.031)	(0.082)	(0.060)
Dep. Var. Mean	1.332	1.119	2.020	1.886
Dep. Var. Std. Dev.	0.431	0.187	0.284	0.257
	(c) *Pancasila*/Civic Hours			
INPRES × post-1972	-0.033	n/a	-0.228*	0.215***
	(0.025)		(0.133)	(0.054)
Dep. Var. Mean	0.384	0.000	1.813	1.390
Dep. Var. Std. Dev.	0.707	0.000	0.315	0.185
	(d) *Bahasa* Indonesia Hours			
INPRES × post-1972	-0.109**	0.001	-0.431***	0.056
	(0.054)	(0.061)	(0.156)	(0.091)
Dep. Var. Mean	0.820	0.035	3.686	2.946
Dep. Var. Std. Dev.	1.437	0.183	0.525	0.137
District FE	✓	✓	✓	✓
Grade-Level FE	✓	✓	✓	✓
Year-of-Entry FE	✓	✓	✓	✓
Number of Observations	4,128	1,404	1,662	1,046
Number of Districts	239	213	213	178

Notes: This table reports analogous specifications to those in Table 4 with the dependent variable measured in total hours of instruction time per subject rather than subject-specific shares of total instruction time. The specification is otherwise identical to Table 4 (see the notes therein).

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

Table A.13: Heterogeneous Curriculum Differentiation in Islamic Schools

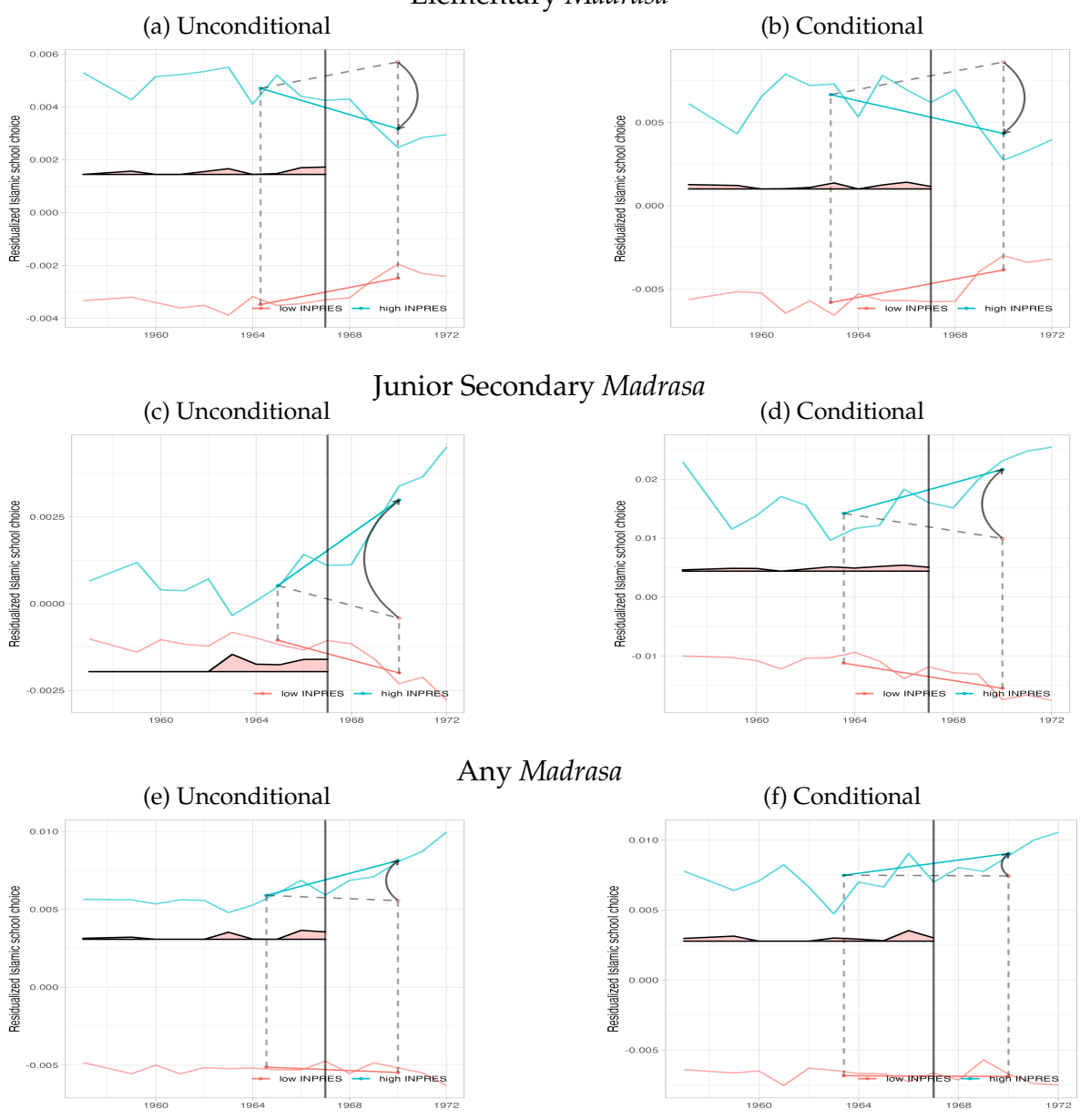
	Dep. Var.: Islamic Subject Share			
	All Levels	Primary	Jun. Sec.	Sen. Sec.
	(1)	(2)	(3)	(4)
INPRES × post-1972	0.011*	0.014**	0.036***	0.012*
	(0.006)	(0.006)	(0.006)	(0.007)
INPRES × Islamic vote share (1950s) × post-1972	-0.006	-0.005	0.034***	0.090***
	(0.006)	(0.005)	(0.009)	(0.007)
District FE	✓	✓	✓	✓
Grade-Level FE	✓	✓	✓	✓
Year-of-Entry FE	✓	✓	✓	✓
Number of Observations	4,243	1,404	1,662	1,046
Number of Districts	258	213	213	178
Dep. Var. Mean	0.246	0.238	0.261	0.242
Dep. Var. Std. Dev.	0.047	0.033	0.028	0.036

Notes: This table presents reports estimates of a heterogeneous effects specification of Table 4 allowing the effect of INPRES intensity to vary with the vote for Islamic parties in the 1950s legislative elections. The specification is otherwise identical to Table 4 (see the notes therein).

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district.

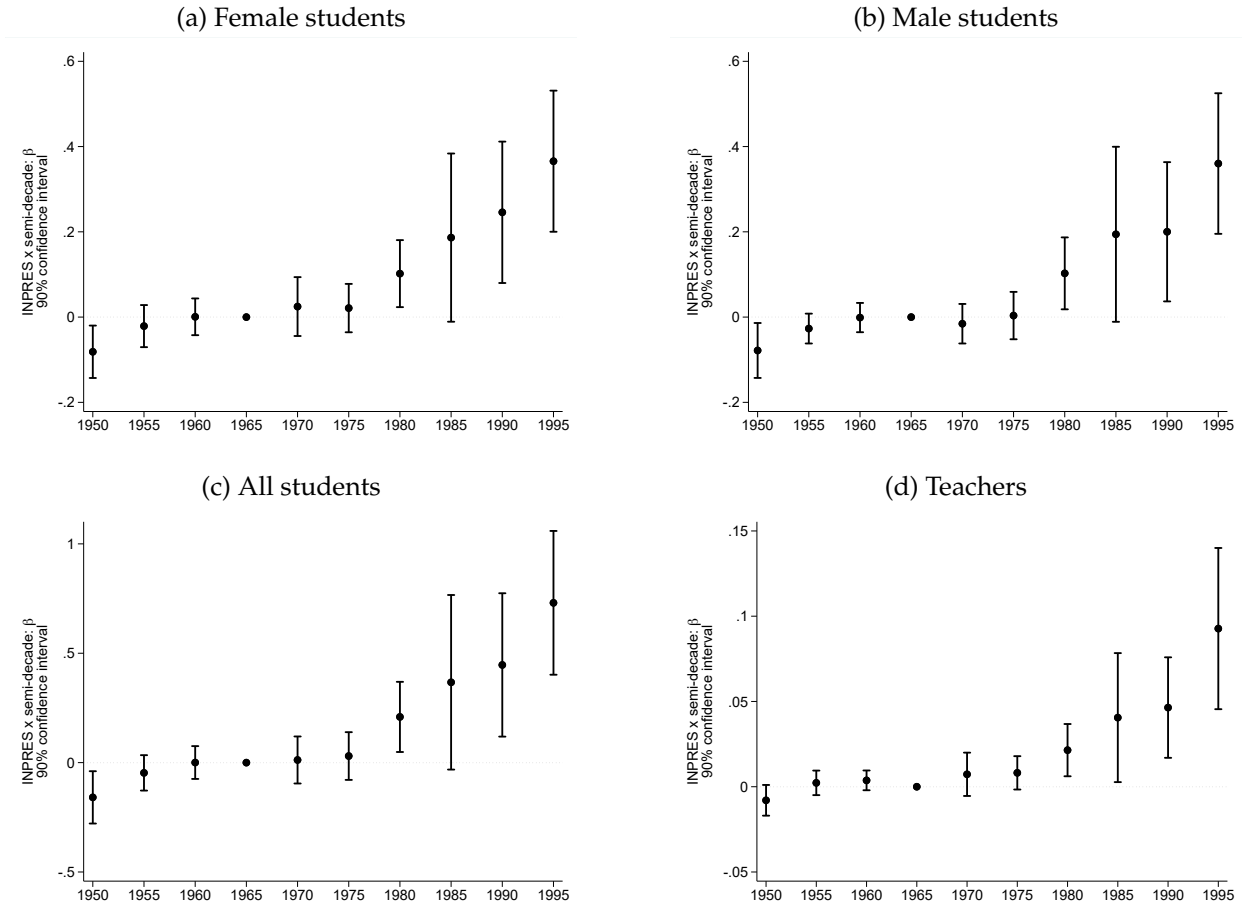
A.4 Further Results on Islamic School Choice

Figure A.8: Islamic School Choice, Synthetic DID Estimates



Notes: This figure reports synthetic difference-in-differences (SDID) estimates of the effect of SD INPRES on Islamic school completion based on annual *Susenas* data from 2012 to 2018. Each figure shows trends in enrollment in elementary *madrasa* (panels a-b), junior secondary *madrasa* (c-d), or *madrasa* at any level (e-f) for districts above the 51st percentile of SD INPRES intensity ("high INPRES" in blue) and the relevant weighted average of comparison districts below the 51st percentile ("low INPRES" in red), with the weights used to average pre-INPRES time periods at the bottom of each panel (in red). The unconditional outcomes in panels a, c, and e correspond to the outcomes in Table 5, and the conditional outcomes in panels b, d, and f correspond to the outcomes in Table 6. The dashed diagonal line indicates the counterfactual parallel trend, and the arrow indicates the estimated effect. The SDID estimation procedure is otherwise similar to that used in Figure 3 (see the notes therein).

Figure A.9: Informal (*pesantren*) Islamic School Enrollment



Notes: This figure reports semi-decade-specific estimates of β in equation (1) on a balanced district–year panel. The dependent variable measures: the number of female students (panel a), male students (b), students of both genders (c), and teachers (d) registered with informal Islamic boarding schools (*pesantren*) established in any given year normalized per 1,000 children in 1971. The data come the MORA registry of *pesantren*, which record 2019 enrollment by gender as well as total teaching staff. All other specification details are as in Figure 2. The figure reports 90% confidence intervals with standard errors clustered at the district level.

Table A.14: Islamic Education Rates

Source	IFLS, 1993–2014		*Susenas*, 2012–18		Admin., 2019
Exposure Definition	at given level		at final level		enrolled
Cohort	all	in school	all	in school	in school
	(1)	(2)	(3)	(4)	(5)
Education Level					
All	20%	25%	7%	10%	21%
	N=64,141	N=10,573	N=5,240,958	N=1,652,990	N=59,387,784
Primary	11%	16%	4%	6%	13%
	N=55,912	N=10,572	N=3,187,724	N=1,263,12	N=29,309,849
Junior Secondary	23%	28%	12%	14%	23%
	N=32,221	N=4,282	N=1,394,572	N=629,061	N=13,708,973
Senior Secondary	20%	24%	6%	7%	11%
	N=21,522	N=2,587	N=1,476,917	N=389,880	N=12,412,256

Notes: This table summarizes Islamic education rates across multiple levels of schooling using three different sources. The 'All' row includes *madrasa* enrollment as well as (where possible) *pesantren* enrollment which cannot be assigned to specific grade levels. Hence Islamic education includes only *madrasa* in the Primary, Junior Secondary and Senior Secondary rows. The sample sizes reflect the total number of observations over which the percent exposed to Islamic education is computed. Columns 1 and 2 used the Indonesian Family Life Survey (IFLS) longitudinal records from 1993, 1997, 2000, 2007 and 2014. This data is representative of 83% of the Indonesian population and does not cover many districts. This survey records the complete educational history of respondents. Column 1 reports the exposure across all individuals spanning the five survey rounds. Column 2 restricts to the 2014 round and looks only at currently enrolled students. The 'All' row includes any *pesantren* enrollment. Columns 3 and 4 use the nationally-representative annual *Susenas* data from 2012–2018, which covers all districts and which we deploy in our main empirical analysis. Unlike the IFLS, this data only captures the type of the final year of schooling completed by respondents and only allows respondents to indicate *madrasa* but not *pesantren*. Column 3 reports the exposure across all individuals spanning the six *Susenas* rounds. The Primary, Junior Secondary, and Senior rows are restricted to individuals that completed exactly 6, 9, and 12 years of education, respectively. Column 4 restricts to individuals currently enrolled in school in each round of the survey. These estimates are computed using the sampling weights to obtain national representativeness. Column 5 uses administrative data for the 2019 school year from the Ministry of Education (MEC) and Ministry of Religion (MORA). The former records *madrasa* attendance while the latter records *pesantren* attendance. The 'All' row includes *pesantren* enrollment.

Table A.15: Transitions Between Public and Islamic Schools

	Graduated Secular Elementary and Transitioned into [...]				Graduated Islamic Elementary and Transitioned into [...]			
	Secular Jun. Sec.		Islamic Jun. Sec.		Secular Jun. Sec.		Islamic Jun. Sec.	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INPRES × young	0.0019***	0.0015**	0.0003**	0.0004***	-0.0000	0.0000	0.0001	0.0001***
	(0.0006)	(0.0006)	(0.0001)	(0.0001)	(0.0000)	(0.0000)	(0.0000)	(0.0000)
District × Survey Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Cohort FE	✓	✓	✓	✓	✓	✓	✓	✓
1957 Islamic Schools × Cohort FE	✓	✓	✓	✓	✓	✓	✓	✓
Cohorts born 1968–72 vs. 1957–62	✓		✓		✓		✓	
Cohorts born 1968–87 vs. 1957–62		✓		✓		✓		✓
Number of Individuals	839,026	2,315,949	839,026	2,315,949	839,026	2,315,949	839,026	2,315,949
Number of Districts	275	275	275	275	275	275	275	275
Dep. Var. Mean	0.022	0.024	0.002	0.002	0.000	0.000	0.000	0.000

Notes: This table reports estimates of equation (4) based on annual *Susenas* data from 2012 to 2018. INPRES refers to SD INPRES schools constructed from 1973-78 per 1,000 children in 1971. The dependent variables capture transitions across grade levels for those who graduated from one level and transitioned to but did not graduate from the next level. These are the only transitions that we can observe in *Susenas*, which records the type of schooling for the final year of education and, separately, the type of schooling for the final year of completed level of education. Columns 1–2 consider an indicator equal to one if the individual graduated from secular elementary (SD) and transitioned to but did not graduate from secular junior secondary (SMP), columns 3–4 an indicator for graduated from secular elementary (SD) and transitioned to but did not graduate from Islamic junior secondary (MTs), columns 5–6 an indicator for graduated from Islamic elementary (MI) and transitioned to but did not graduate from secular junior secondary (SMP), and columns 7–8 an indicator for graduated from Islamic elementary (MI) and transitioned to but did not graduate from Islamic junior secondary (MTs). The specifications are otherwise identical to those in Table 5 (see the notes therein).

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

Table A.16: INPRES Exposure and Islamic Schooling in the IFLS

	Highest Education Level: [...] Islamic				Years of Islamic Education			
	Elementary		Jun. Secondary		Elementary		Jun. Secondary	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
INPRES × young	-0.0118	-0.0192**	0.0396*	0.0311	-0.0398	-0.0786	0.1261*	0.0896
	(0.0108)	(0.0094)	(0.0238)	(0.0214)	(0.0602)	(0.0521)	(0.0720)	(0.0649)
District FE	✓	✓	✓	✓	✓	✓	✓	✓
Cohort FE	✓	✓	✓	✓	✓	✓	✓	✓
1957 Islamic Schools × Cohort FE	✓	✓	✓	✓	✓	✓	✓	✓
Cohorts born 1968–72 vs. 1957–62	✓		✓		✓		✓	
Cohorts born 1968–87 vs. 1957–62		✓		✓		✓		✓
Number of Individuals	6,124	21,459	3,164	14,090	6,124	21,459	3,164	14,090
Number of Districts	205	242	197	238	205	242	197	238
Dep. Var. Mean	0.110	0.106	0.217	0.259	0.589	0.598	0.623	0.731
R^2	0.141	0.144	0.152	0.119	0.138	0.143	0.144	0.112

Notes: This table reports estimates of equation (4) based on Muslim respondents in the IFLS (1993–2015). The binary outcome variables in columns 1–4 are akin to those in panel (a) of Table 6, and the outcomes in columns 5–8 are continuous years of Islamic education at the elementary or junior secondary level. All specifications include district of birth dummies and year of birth dummies interacted with the 1971 children population, the 1971 enrollment rate, exposure to the water and sanitation program in the district of birth, and the number of Islamic schools in the district (elementary *madrasa*, secondary *madrasa*, and *pesantren*) as of 1957. In odd-numbered columns, the sample is composed of all individuals aged 2–6 (young) or 12–17 in 1974. In even-numbered columns, we expand the exposure group to all cohorts born between 1968 and 1987, as in Table 5.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

Table A.17: SD INPRES Exposure and Islamic School Choice (Robustness)

Additional Controls: Latent Potential Growth in Islamic Education

	Highest Education Level: [...] *Madrasa*							
	Elementary		Junior Secondary		Senior Secondary		Any Level	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	(a) Unconditional Estimates (Table 5)							
INPRES × young	-0.0008	-0.0006	0.0015***	0.0024***	0.0006**	0.0012***	0.0013*	0.0028**
	(0.0005)	(0.0006)	(0.0004)	(0.0007)	(0.0003)	(0.0004)	(0.0007)	(0.0011)
Number of Individuals	839,026	2,315,949	839,026	2,315,949	839,026	2,315,949	839,026	2,315,949
Dep. Var. Mean	0.014	0.011	0.011	0.016	0.008	0.012	0.031	0.038
	(b) Conditional Estimates (Table 6)							
INPRES × young	-0.0014**	-0.0012	0.0057***	0.0056**	0.0006	0.0031*	0.0010	0.0018**
	(0.0007)	(0.0009)	(0.0021)	(0.0023)	(0.0017)	(0.0017)	(0.0007)	(0.0009)
Number of Individuals	283,359	726,560	100,874	373,064	130,546	471,076	543,748	1,680,217
Dep. Var. Mean	0.024	0.024	0.070	0.086	0.044	0.053	0.036	0.044
1957 Islamic Schools × Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Additional Controls × Year FE	✓	✓	✓	✓	✓	✓	✓	✓
District FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓

Notes: This table augments the baseline specification from panel (a) of Tables 5 and 6 with the following predetermined controls interacted with year fixed effects: the prevalence of *waqf* endowments in 1960, the Muslim population share in the 1972 census, Islamic political party support in the 1955 elections, historical Arab minority populations from the 1930 Dutch colonial Census, the occurrence of an Islamist armed insurgency in the 1950s, and an indicator for districts involved in an experimental compulsory schooling program after 1957. The dependent variables include an indicator equal to one if the individual's final year of schooling took place an Islamic elementary (columns 1–2), junior secondary (columns 3–4), and senior secondary (columns 5–6). Panel (a) reports standard difference-in-differences estimates. All specifications include district of birth dummies and year of birth dummies interacted with survey year dummies, the 1971 children population, the 1971 enrollment rate, exposure to the water and sanitation program in the district of birth, the number of elementary, junior secondary, senior secondary *madrasa* in 1960, and the number of *pesantren* in 1960.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors are clustered by district of birth.

Table A.18: Exogeneity of the Compulsory Schooling Pilot Program

	Program Indicator (1)	Δ Schools ('1000s) (2)	Δ Teachers ('1000s) (3)
Elementary *madrasa*	-0.0019	-0.0002	0.0469
	(0.0119)	(0.0007)	(0.0405)
Secondary *madrasa*	-0.0491	-0.0048*	-0.0517
	(0.0449)	(0.0027)	(0.0534)
Pesantren	0.0098*	0.0002	0.0426
	(0.0053)	(0.0004)	(0.0370)
Islamic elementary enrollment	-2.2357	-0.0118	-3.2261
	(1.9258)	(0.1542)	(2.9479)
Waqf land	0.1163	0.0632	-1.0995
	(0.4001)	(0.0507)	(1.4419)
Arab ethnic share in 1930	-1.8969	0.0897	-1.5918
	(1.8810)	(0.1243)	(3.0300)
Historical Islamist insurgency	-0.0339	-0.0133**	-0.1324
	(0.0869)	(0.0061)	(0.1000)
Islamic party vote shares 1955-57	0.1579	0.0003	0.0153
	(0.1670)	(0.0084)	(0.1547)
Muslim share	0.1094	-0.0020	-0.0258
	(0.1099)	(0.0053)	(0.0716)
Number of Districts	273	273	273
Dep Var. Mean	0.121	0.005	0.064
R^2	0.161	0.148	0.255

Notes: This table reports district-level cross-sectional correlations between the introduction of the compulsory schooling pilot program (*Wajib belajar*) discussed in Section 6.1 and predetermined measures of Islamic schooling and presence in the late 1950s. The program applied to children aged 8 to 14 and was rolled out in 35 pilot districts starting in 1957 (Sarumpaet, 1963). The dependent variable is: in column 1, an indicator equal to 1 if the district was involved in the program; in column 2, the increase in the number of schools induced by the program; in column 3, the increase in the number of teachers induced by the program. The district-level stocks of Islamic schools (*madrasa* and *pesantren*) are measured as of 1957. Islamic enrollment rates are computed among cohorts born before 1957 based on *Susenas*. *Waqf* land is measured as of 1960. Other controls are defined as in Appendix Tables A.1 and A.17.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors in parentheses.

Table A.19: SD INPRES Exposure, Islamic Schooling and the 1982 Headscarf Ban

	Highest Education Level: Elementary Islamic		Highest Level is Islamic | Elementary Graduates	
	(1)	(2)	(3)	(4)
INPRES × young × woman × (≤12 in 1982)	0.0008*	0.0009**	0.0015	0.0012
	(0.0004)	(0.0004)	(0.0010)	(0.0008)
INPRES × young	-0.0005	-0.0004	-0.0001	-0.0001
	(0.0004)	(0.0004)	(0.0009)	(0.0009)
INPRES × young × woman	-0.0006	-0.0005	-0.0017*	-0.0017*
	(0.0004)	(0.0004)	(0.0009)	(0.0009)
INPRES × young × (≤12 in 1982)	-0.0008**	-0.0007*	-0.0022**	-0.0014
	(0.0003)	(0.0004)	(0.0010)	(0.0010)
Observations	839,026	2,315,949	283,359	726,561
Number of Districts	275	275	275	275
Cohorts born 1968-72 vs. 1957-62	✓		✓	
Cohorts born 1968-87 vs. 1957-62		✓		✓
Dependent Variable Mean	0.014	0.011	0.024	0.024
R^2	0.028	0.023	0.044	0.039

Notes: This table reports estimates of equation (4) fully interacted with a gender dummy and a dummy for cohorts aged 12 or less in 1982, based on annual *Susenas* data from 2012 to 2018. INPRES refers to SD INPRES schools constructed from 1973–78 per 1,000 children in 1971. The headscarf ban in public schools was adopted in 1982. Women aged 12 or less in 1982 would have been too young to complete their primary education before the ban came into force. The dependent variable is an indicator equal to one if the individual's final year of schooling was completed in an Islamic elementary. Columns 1 and 2 include all individuals regardless of their years of schooling. Columns 3 and 4 include only elementary graduates across the two systems (Islamic and non-Islamic). The regression includes all two-way and three-way interactions between the $INPRES$ and the $young$ terms in equation (4), a dummy for women, and a dummy for cohorts aged 12 or less in 1982. All specifications also include survey year dummies, district of birth dummies and year of birth dummies interacted with the 1971 children population, the 1971 enrollment rate, exposure to the water and sanitation program in the district of birth, the number of elementary, junior secondary, senior secondary *madrasa*, and the number of *pesantren* in 1959. In odd-numbered columns, the sample is composed of all individuals aged 2–6 (young) or 12–17 in 1974. In even-numbered columns, the exposure group additionally includes cohorts born between 1973 and 1987.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

A.5 SD INPRES and Support for the New Order Regime

In the short run, a major development initiative like SD INPRES could have bolstered support for Suharto and the New Order. We explore this possibility using legislative election results during this period (in 1971, 1977, 1982, 1987, and 1992) and after Indonesia's democratic transition (in 1999, 2004, and 2009).[4] Only three parties were allowed to compete under the New Order after 1971: Suharto's *Golkar* party, the Muslim umbrella United Development Party (PPP),[5] and the nationalist Indonesian Democratic Party (PDI). *Golkar* obtained 70% of the vote on average across all New Order elections, while the PPP was the main opposition with 21% of the vote. After 1999, both *Golkar* and the PPP garnered much smaller vote shares due to the proliferation of parties on both the secular and religious sides of the political spectrum.

We estimate the time-varying relationship between SD INPRES intensity and the *Golkar* vote share in a district-level panel covering the elections from 1971 through 2009. The 1971 round was the only New Order election before school construction ensued and the first with *Golkar* candidates. As such, we cannot fully account for possible pre-trends in *Golkar* support. However, we can allow for differential trends based on vote shares for key party blocs in 1955 and 1957, the last elections prior to 1971. In understanding the post-1971 dynamics, note that elections held in 1977 and 1982 would have been indirectly affected by the policy (e.g., through the increased presence of public schools in one's community), while exposed cohorts aged less than 6 in 1974 would have first voted in 1987.

Appendix Figure A.10 shows that SD INPRES did not increase electoral support for the regime in high-INPRES districts. Panel (a) show a marked decline in electoral support for *Golkar* from 1971 to 1977 in high-INPRES districts: each additional INPRES school per 1,000 children is associated with a 2–4 percentage point (p.p.) decline in the *Golkar* vote share (relative to the mean of 65% in 1971). This effect appears as early as 1977 and persists thereafter. These results are effectively unchanged when including interactions of election-year FE with the vote share for Communist and Islamic parties in the 1950s elections (panel b). This provides suggestive evidence against pre-trends insomuch as support for *Golkar* in 1971 is correlated with voting behavior in the 1950s.

The Islamic opposition captured some of the declining support for *Golkar*. We see this for the PPP vote share in absolute terms (panels c and d) and relative to *Golkar* (panels e and f). One explanation could be that the PPP captured general opposition sentiment. Indeed, the effect of INPRES intensity on support for the PPP becomes noisier after 1999, when the PPP was no longer the main vehicle for opposition aspirations. Another explanation is that the Islamic sector pushed back against secularization, which was most salient in districts with greater INPRES school construction. The decline in *Golkar* support as early as 1977 is consistent with this pushback. If instead these electoral shifts had been slower to materialize, it would have been difficult to rule out an alternative explanation, namely that INPRES created a more educated citizenry that was simply more opposed to the regime's authoritarian ambition. The more plausible explanation for Appendix Figure A.10 is that the Islamic sector mobilized not only by building more religious schools but also by coordinating political opposition through its own expanding school network.

Overall, Figure A.10 shows that SD INPRES did not boost support for the Suharto regime during the New Order era. Even under an autocratic regime with tightly controlled elections, mass schooling failed to indoctrinate voters and instead benefited the opposition.

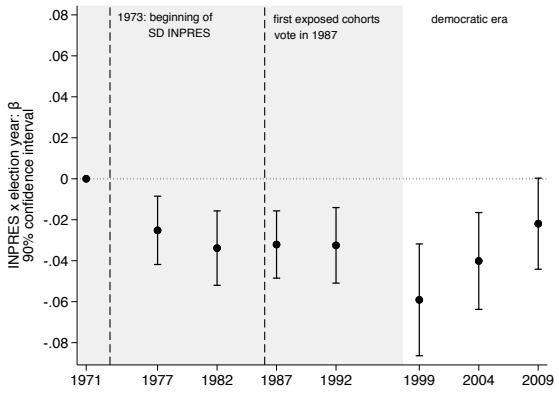
[4] The final election of the Suharto era was in 1997, but we could not obtain district-level records from this round.

[5] In the 1971 election, we capture the Islamic vote share by combining all four Islamic parties that were subsumed in 1973 by regime decree under the PPP: *Nahdatul Ulama* (NU), the Muslim Party of Indonesia (Parmusi), the Islamic Association Party of Indonesia (PSII) and the Islamic Education Movement (Perti). NU was the second-highest ranked party in that election (after *Golkar*) with 18% of the vote.

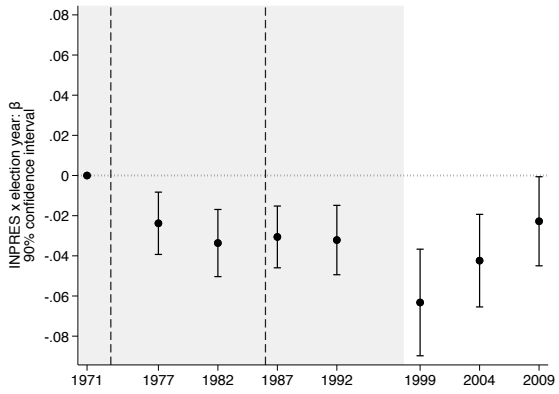
Figure A.10: SD INPRES Intensity and Electoral Support for Islam vs. the State

State (*Golkar*, Suharto's Party)

(a) Baseline

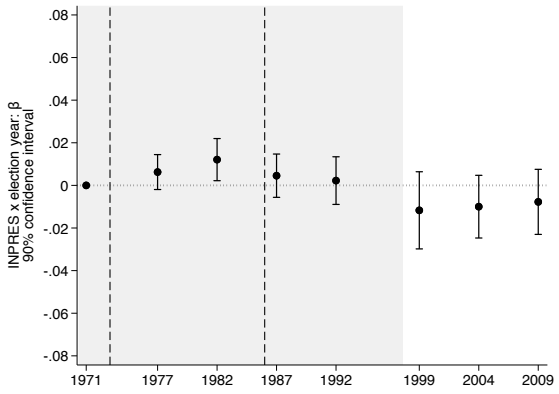


(b) . . . + 1950s Voting Trends

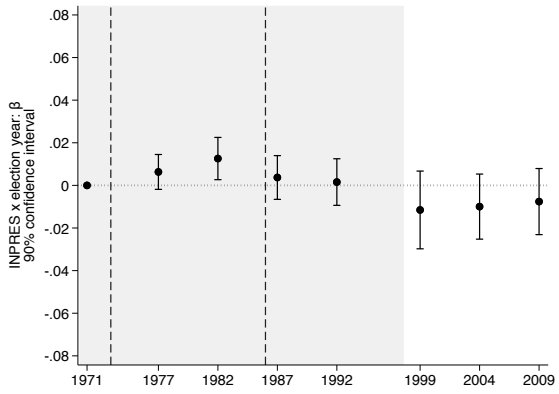


Islam (United Development Party, PPP)

(c) Baseline

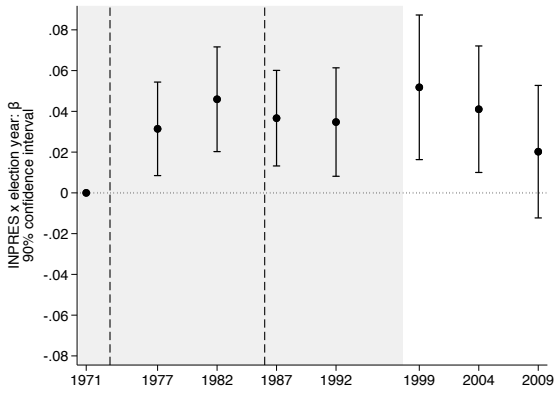


(d) . . . + 1950s Voting Trends

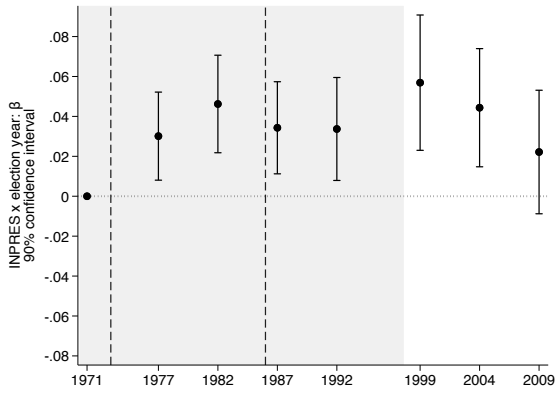


Islam vs. State (PPP minus *Golkar*)

(e) Baseline



(f) . . . + 1950s Voting Trends



Notes: This figure reports legislative-election-year-specific estimates and 90% confidence intervals around β in equation (1) on a balanced district–election-year panel. INPRES intensity is defined as the number of SD INPRES schools constructed from 1973–78 per 1,000 children in 1971. The dependent variable measures vote shares for *Golkar*, the party of Suharto and the New Order regime (panels a–b), the Islamic opposition party/ies (panels c–d), and the difference in vote shares between the two (panel d–e). All specifications include district fixed effects and election-year fixed effects interacted with the 1971 children population, the 1971 enrollment rate, exposure to the water and sanitation program, the number of elementary, junior secondary, senior secondary *madrasa*, and the number of *pesantren* in 1972. The specifications in panels b, d, and f additionally controls for election-year fixed effects interacted with the respective vote shares for Islamic and Communist parties in the 1950s legislative elections. In 1971, there were four Islamic parties that we group together, but from 1973 onward, the regime only allowed a single umbrella Islamic party, the United Development Party or PPP. The 1971 election was the last just prior to SD INPRES and serves as the reference election given district fixed effects. The gray area captures elections conducted under the New Order regime. The elections in 1987 and 1992 are the first in which INPRES-exposed cohorts would have been eligible to vote. The elections from 1999 onward took place after the fall of Suharto when the country democratized and both secular and Islamic parties proliferated.

A.6 Probing Linguistic Ability and Identity

Table A.20: INPRES Exposure and Linguistic Ability

	Able to Speak Indonesian			Latin Alphabet Literacy			Other Literacy		
	All	Muslims	Non-Muslims	All	Islamic-Educ.	Secular-Educ.	All	Islamic-Educ.	Secular-Educ.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
INPRES × young	0.0163***	0.0224***	0.0056	0.0323***	0.0103***	0.0192***	0.0039	-0.0014	0.0034
	(0.0011)	(0.0052)	(0.0068)	(0.0039)	(0.0037)	(0.0040)	(0.0023)	(0.0055)	(0.0024)
Number of Individuals	31,680,947	31,680,947	27,811,517	839,026	25,935	813,087	839,026	25,935	813,087
Number of Districts	273	273	273	275	268	275	275	268	275
Dep. Var. Mean	0.931	0.933	0.918	0.914	0.985	0.912	0.060	0.045	0.061

Notes: This table reports estimates of equation (4) using data from the 2010 Population Census (columns 1–3) and *Susenas* 2012–18 (columns 4–9). The specification in columns 1–3 is the same as in columns 1–3 of panel (a) in Table 9 with the outcome here being whether the respondent is able to speak Indonesian. The specification in columns 4–9 is the same as in columns 4–6 of panel (a) in Table 9 with the other literacy outcomes here.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

Table A.21: Correlations of Islamic Education and Literacy Conditional on Years-of-Schooling Fixed Effects

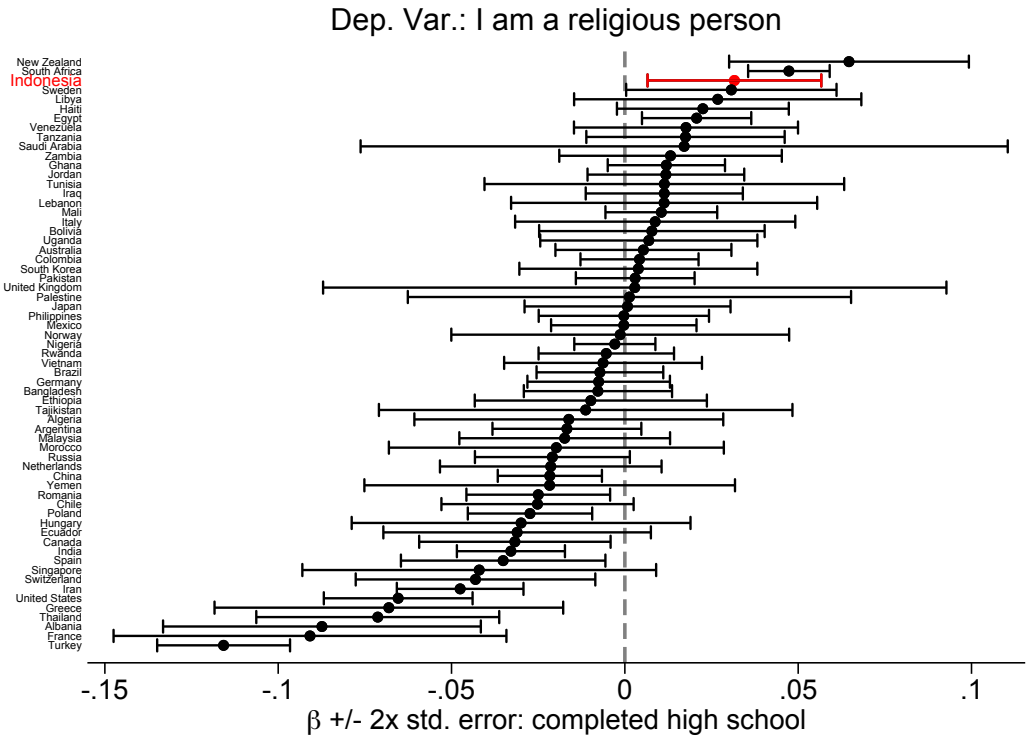
	Literacy in . . . Alphabet		
	Arabic	Latin	Other
	(1)	(2)	(3)
Islamic primary	0.1992***	0.0144***	-0.0109***
	(0.0118)	(0.0020)	(0.0025)
Islamic junior secondary	0.2627***	0.0003	-0.0021
	(0.0093)	(0.0013)	(0.0030)
Islamic senior secondary	0.2842***	-0.0004	-0.0012
	(0.0085)	(0.0012)	(0.0053)
Number of Individuals	839,019	839,019	839,019
Number of Districts	275	275	275
Dependent Variable Mean	0.343	0.914	0.060

Notes: This table regresses indicators for literacy in different languages/alphabets on indicators for whether the respondent's final level of schooling was Islamic primary, junior secondary or senior secondary. The data come from our baseline *Susenas* data from 2012 to 2018, and the sample is restricted to our baseline cohort specification used throughout the paper. The regressions are conditional on total years-of-schooling fixed effects such that the coefficients identify the differential literacy rates for those completing Islamic versus non-Islamic school with the same total years of schooling. The specification omits the interaction of INPRES and the exposure dummy but is otherwise identical to that used in column 4 of panel (a) in Table 9.

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

A.7 Additional Figures and Tables

Figure A.11: Education and Religiosity Across Countries



Notes: This figure reports the cross-sectional regression-based correlation between education and religiosity in the World Values Survey data spanning 1981 to 2020 with specific years of enumeration varying across countries. Education is an indicator for high school completion. Religiosity is measured based on the question, "How religious are you as a person?", with answers being "religious", "not religious", and "convinced atheist". Our outcome is a binary indicator for whether the respondent answers "religious". Each point estimate and 95% confidence interval is based on a country-specific regression pooling across all survey waves for the given country. The regression controls for age, gender, religious denomination and survey year fixed effects, and standard errors are robust.

Table A.22: INPRES Exposure and Religious Political Preferences

	Corporal Punishments (1)	Prohibit Interest (2)	Hijab Mandatory (3)	Support Polygamy (4)	Punish Adultery (5)	Punish Apostasy (6)	**Index** Objective (7)
INPRES × young	0.0057	0.0389	0.0430	-0.0343	0.0343	0.0240	0.0143
	(0.0675)	(0.0633)	(0.0602)	(0.0866)	(0.0589)	(0.0381)	(0.0288)
Number of Individuals	1,241	1,181	1,250	1,277	1,257	1,238	1,286
Number of Districts	142	140	142	144	144	143	144
Dep. Var. Mean	0.313	0.463	0.822	0.376	0.449	0.175	0.434

Notes: This table reports estimates of equation (4) using data from Pepinsky et al. (2018). The outcomes in columns 1–6 correspond to the sub-components of the objective index of support for *sharia* law used in Table 10 and reproduced here in column 7. The specification is otherwise identical to that in Table 10 (see the notes therein).

* p<0.1, ** p<0.05, *** p<0.01. Robust standard errors clustered by district of birth.

B Conceptual Framework: Proofs and Extensions

B.1 Baseline Setup: Proofs

Stage 4 There are four types of markets that may arise: (1) markets with only s; (2) markets with only r; (3) markets with both schools; (4) markets without any school. Markets of type (4) do not involve any decision by the students. In markets of type (1) and (2), students need to decide whether to attend the only school they have or not. In markets of type (3), students need to choose between attending s, r or no school at all.

Consider market of type (1). School s must set $x_s = 0$. Hence, a student with religious preference ρ_i (called type ρ_i henceforth) will choose to attend the school if and only if

$$v_s - \rho_i^2 \geq 0, \text{ which implies } \rho_i \leq \sqrt{v_s}.$$

Note: if this market's J is lower than $\sqrt{v_s}$, all students will choose to attend the school.

Consider market of type (2). Suppose school r sets curriculum x_r. Then a student with type ρ_i will choose to attend if and only if

$$v_r - (x_r - \rho_i)^2 \geq 0, \text{ which implies } \rho_i \in [x_r - \sqrt{v_r}, x_r + \sqrt{v_r}].$$

Note: if this market's J is lower than $\sqrt{v_r}$, any choice of x_r will lead to all students attending the school.

Consider market of type (3). We already know that a student of type ρ_i may choose to attend school s if $\rho_i \leq \sqrt{v_s}$ and may choose to attend school r if $\rho_i \in \left[x_r - \sqrt{v_r}, x_r + \sqrt{v_r}\right]$. Consider a student whose type satisfies both conditions, i.e. she has to choose which of the two schools to attend. She will choose school s if and only if

$$v_s - \rho_i^2 \geq v_r - (x_r - \rho_i)^2, \text{ which implies } \rho_i \leq \frac{1}{2}\left(\frac{v_s - v_r}{x_r} + x_r\right).$$

This condition can also be rewritten as $(v_s - v_r) \geq x_r(2\rho_i - x_r)$, which intuitively corresponds to comparing the benefit of higher quality in the public school on the left side and the benefit of more religious education in the religious school. Note: this constraint matters if and only if $x_r < \sqrt{v_s} + \sqrt{v_r}$.

This completes the analysis of stage 4.

Stage 3 Consider the curriculum decision of the religious school in markets of type (2) and (3).

In markets of type (2), the school wants to maximize the mass of attending students, which can be represented as

$$\max_{x_r} \left(\min\{x_r + \sqrt{v_r}, J\} - \max\{x_r - \sqrt{v_r}, 0\}\right)$$

There may be a continuum of optimal values of x_r, provided that J is larger than $2\sqrt{v_r}$ (or smaller than $\sqrt{v_r}$). However, across all possible values of J, setting $x_r = \frac{1}{2}J$ is always an optimal choice. The range of optimal curricula is given by $x_r \in [\sqrt{v_r}, J - \sqrt{v_r}]$.

In markets of type (3), the school has to balance maximizing its reach over students and competing with the public school. A student of type ρ_i will choose to attend the religious school if and only if:

$$\begin{cases} x_r - \sqrt{v_r} \leq \rho_i \leq x_r + \sqrt{v_r} \\ \rho_i \geq \frac{1}{2}\left(\frac{v_s - v_r}{x_r} + x_r\right) \end{cases}$$

Recall from stage 4 analysis that competition does not affect school r as long as $x_r > \sqrt{v_s} + \sqrt{v_r}$. This effectively splits the school's problem into two possible situations: $x_r \geq \sqrt{v_s} + \sqrt{v_r}$, and vice versa. We can solve the problem separately and then compare the solutions to figure out the optimal x_r.

Case 1: Consider the case $x_r \geq \sqrt{v_s} + \sqrt{v_r}$. School r's problem then becomes

$$\max_{x_r \geq \sqrt{v_s}+\sqrt{v_r}} \left(\min\{x_r + \sqrt{v_r}, J\} - (x_r - \sqrt{v_r})\right).$$

If $J > 2\sqrt{v_r} + \sqrt{v_s}$ holds, then school r is not constrained by competition. There is a range of x_r (or a unique x_r in case of equality) where its objective function is maximized at the value of $2\sqrt{v_r}$. This range is given by

$$x_r \in [\sqrt{v_s} + \sqrt{v_r}, J - \sqrt{v_r}].$$

Notably, picking $x_r = \frac{1}{2}J$ may no longer be optimal. This occurs when $J < 2\sqrt{v_s} + 4\sqrt{v_r}$.

If $J < 2\sqrt{v_r} + \sqrt{v_s}$ holds, then the school's problem becomes

$$\max_{x_r \geq \sqrt{v_s}+\sqrt{v_r}} \left(J - (x_r - \sqrt{v_r})\right).$$

This problem has a unique solution $x_r = \sqrt{v_s} + \sqrt{v_r}$, i.e. the school wants to pick as low x_r as possible, while still maintaining the constraint of this case.

Case 2: Now consider the case where $x_r < \sqrt{v_s} + \sqrt{v_r}$. Based on the above, this case should only matter if $J < 2\sqrt{v_r} + \sqrt{v_s}$. In such a case, the lower bound of students who pick school r is determined by school s, not by the student's individual rationality constraint. In other words, school r's problem becomes

$$\max_{x_r < \sqrt{v_s}+\sqrt{v_r}} \left(\min\{x_r + \sqrt{v_r}, J\} - \frac{1}{2}\left(\frac{v_s - v_r}{x_r} + x_r\right)\right).$$

For low enough values of x_r the problem takes form

$$\max_{x_{r1} < \sqrt{v_s}+\sqrt{v_r}} \left(x_{r1} + \sqrt{v_r} - \frac{1}{2}\left(\frac{v_s - v_r}{x_{r1}} + x_{r1}\right)\right).$$

and for higher values it takes form

$$\max_{x_{r2} < \sqrt{v_s}+\sqrt{v_r}} \left(J - \frac{1}{2}\left(\frac{v_s - v_r}{x_{r2}} + x_{r2}\right)\right).$$

The first subcase has a strictly increasing function of x_r, so its solution will be on the upper edge

of the subcases, where $x_{r1} = J - \sqrt{v_r}$.[1] The second subcase is solved at $x_{r2} = \sqrt{v_s - v_r}$ or $x_{r2} = J - \sqrt{v_r}$, whichever is larger.

Assuming $v_s < 2v_r$, we can conclude $J > 2\sqrt{v_r} > \sqrt{v_s - v_r} + \sqrt{v_r}$, implying that $J - \sqrt{v_r} > \sqrt{v_s - v_r}$. Thus, the optimal choice for the religious school in the case $J < 2\sqrt{v_r} + \sqrt{v_s}$ becomes $x_r = J - \sqrt{v_r}$.

Overall, we can conclude that Case 2 is solved at $\sqrt{v_s - v_r}$ or $J - \sqrt{v_r}$, whichever is larger. If $v_s < 2v_r$, then Case 2 is solved at $x_r = J - \sqrt{v_r}$.

To summarize, if $J \geq 2\sqrt{v_r} + \sqrt{v_s}$, the religious school can enter the market without being affected by the secular school's competition, and get the same payoff as in a market of type (2). If $J \in (2\sqrt{v_r}, 2\sqrt{v_r} + \sqrt{v_s})$, then the religious school has to actively compete with the secular school for students, and provided that $v_s < 2v_r$, it will choose $x_r = J - \sqrt{v_r}$.

Note that in both cases, one of the religious school's best responses is to set $x_r = J - \sqrt{v_r}$ in every market it enters, i.e. it focuses on the most religious students. It's not the only best response in larger markets and markets without competition from the state school. However, it is the only best response in markets where $J < 2\sqrt{v_r} + \sqrt{v_s}$.

Stage 2 Consider the entry decision of the religious school. From its perspective, the markets are split into two groups: ones with school s and ones without.

School r's problem may be viewed as a sequential decision about which market to enter next. It will identify "the best" market in each of the two groups, and then compare them. Whichever market is "better", it will choose to enter, and move on to choosing which market to enter after that. This way, the school's problem can be viewed as a sequence of binary comparisons between the best market with school s and the best market without it.

Since school r only cares about enrolling as many students as possible, a market's value to it is measured by the mass of students it will be able to cover upon entering. For markets without s, this is easy to identify: given the assumption that $J > 2\sqrt{v_r}$, such a market always has value $2\sqrt{v_r}$ to the religious school.

Markets with school s split into two cases. If $J \geq 2\sqrt{v_r} + \sqrt{v_s}$, then the market's value is equal to $2\sqrt{v_r}$. If $J \in [2\sqrt{v_r}, 2\sqrt{v_r} + \sqrt{v_s})$, then the market has value

$$J - \frac{1}{2}\left(\frac{v_s - v_r}{J - \sqrt{v_r}} + J - \sqrt{v_r}\right) = \frac{1}{2}\left(J + \sqrt{v_r} - \frac{v_s - v_r}{J - \sqrt{v_r}}\right).$$

To summarize,

(a) A market without s will have value $2\sqrt{v_r}$.

(b) A market with s has value $2\sqrt{v_r}$ if $J > 2\sqrt{v_r} + \sqrt{v_s}$. Otherwise, it has value $\frac{1}{2}\left(J + \sqrt{v_r} - \frac{v_s - v_r}{J - \sqrt{v_r}}\right)$. Note that the latter value is increasing in J and is less than $2\sqrt{v_r}$ when $J < 2\sqrt{v_r} + \sqrt{v_s}$.

This implies that the school will first prioritize markets that have value $2\sqrt{v_r}$. These are all markets without s and markets with s where $J > 2\sqrt{v_r} + \sqrt{v_s}$. After that, it will rank remaining markets based on their J and enter them in descending order.

[1] Note that $J - \sqrt{v_r}$ is smaller than $\sqrt{v_s} + \sqrt{v_r}$ for this case.

Stage 1 Here we introduce additional terminology: a market is called *major* if it satisfies $J \geq 2\sqrt{v_r} + \sqrt{v_s}$, and otherwise it is *minor*. Major markets can host both schools without them actively competing for students, and hence harming each other's attendance. Let the number of major markets be m.

If the combined budget of the two schools is smaller than or equal to $N + m$, then there are many equilibria where the schools do not compete in any market, major or minor. For example, both schools might enter all major markets, and then split minor markets in a non-overlapping way. Alternatively, one school may mostly occupy minor markets, while the other mostly occupies major ones. Multiplicity of equilibria comes in how the schools split the set of markets in a non-overlapping way (except major markets, which they may share without affecting each other).

If the combined budget of the two schools is larger than $N + m$, then the equilibria all involve the following: both schools enter every major market and the largest (by J) minor markets; the smaller minor markets are divided between them in an arbitrary but non-overlapping way. Below is an example of how this may work.

Example: Suppose there are 5 major markets and 10 minor markets, with both schools having a budget of $R = S = 12$. If the schools enter all major markets, they both will still have a budget of 7 remaining. This implies that they will have to share at least 4 minor markets regardless of how they split them. In equilibrium, the state school will enter the 4 largest minor markets, and an arbitrary 3-large subset of the remaining minor markets. The religious school will then enter the 4 largest minor markets too, and the 3 unoccupied smaller minor markets. The multiplicity of equilibria here comes in how the two schools split the smaller 6 markets. The fact that they enter all major markets and the 4 largest minor markets is true in every equilibrium.

A few lemmas supporting the results above follow.

Lemma 1. *Suppose s and r share a minor market with $J = j_1$, and suppose there is a minor market with $J = j_2 > j_1$ such that none of the schools entered it. Then this cannot be an equilibrium.*

Proof. Either school obviously can improve their payoff by switching to the larger market in the corresponding phase. □

Lemma 2. *Suppose s and r share a minor market with $J = j_1$, and suppose there is a minor market with $J = j_2 > j_1$ such that only one of the schools entered it. Then this cannot be an equilibrium.*

Proof. Let us start with school r, as it moves last. Suppose both schools occupy the market with $J = j_1$, but only school s occupies the market with $J = j_2$. By entering market with $J = j_1$, school r splits the market with the other school and earns a payoff of

$$\frac{1}{2}\left(j_1 + \sqrt{v_r} - \frac{v_s - v_r}{j_1 - \sqrt{v_r}}\right).$$

If it instead enters the larger market with $J = j_2$, it will earn a payoff of

$$\frac{1}{2}\left(j_2 + \sqrt{v_r} - \frac{v_s - v_r}{j_2 - \sqrt{v_r}}\right).$$

Note that this payoff is larger than the previous one, since the expression is strictly increasing in J. Hence, religious school prefers to deviate from $J = j_1$ to $J = j_2$, and the initial outcome cannot be part of an equilibrium.

Now consider school s in the same situation: it splits the market $J = j_1$ with r and doesn't enter market $J = j_2$, with r entering it afterwards. Under this outcome, it earns a payoff from this market equal to

$$\frac{1}{2}\left(\frac{v_s - v_r}{j_1 - \sqrt{v_r} + j_1 - \sqrt{v_r}}\right).$$

If it instead switches to $J = j_2$ in stage 1, then two things might happen later: r might remain in market $J = j_2$ or switch it to some other market. If it remains, then payoff of s improves to

$$\frac{1}{2}\left(\frac{v_s - v_r}{j_2 - \sqrt{v_r} + j_2 - \sqrt{v_r}}\right),$$

since its payoff above is increasing in J.

If r switches to another market, there are two subcases: either it switches to a market without impacting s's payoff (a major market or a minor market without s), or it switches to a minor market with s in it. The former doesn't impact s's payoff improvement, but the latter can. However, the latter occurs if and only if there is an even larger minor market which s originally occupied but r did not. In that case, the first half of this proof shows that the initial outcome could not be an equilibrium because r would prefer to switch. However, if r did not have such incentive while occupying $J = j_1$, then it will not switch to another minor market with s when that switches to $J = j_2$. Hence, s's payoff will improve, and the original outcome could not be an equilibrium. □

These two lemmas show that there is no equilibrium outcome where the largest minor markets are not split between the two schools. If a particular minor market is split between the schools, it must be the case that the larger minor markets are also split; otherwise, this is not an equilibrium. How many of these largest markets will be split in equilibrium?

Lemma 3. *Suppose s and r share a minor market with $J = j_1$, and suppose there is a smaller minor market with $J = j_2 < j_1$ such that no school entered it. Then this cannot be an equilibrium.*

Proof. It is sufficient to show this is not optimal for school r, though the same is true for the other school. By occupying the same $J = j_1$ market as school s, r earns a payoff of

$$\frac{1}{2}\left(j_1 + \sqrt{v_r} - \frac{v_s - v_r}{J - \sqrt{v_r}}\right) < 2\sqrt{v_r},$$

where the inequality follows because of $J < 2\sqrt{v_r} + \sqrt{v_s}$. By switching to the unoccupied $J = j_2$ market, r will earn a payoff of $2\sqrt{v_r}$ instead, which is clearly better. Hence, the original outcome cannot be an equilibrium. □

This lemma shows that the equilibrium will have a particular split of the minor markets. All of them will be occupied by at least one of the schools, and the number of the largest minor markets split between both schools must be such that the remaining minor markets are partitioned exhaustively between the two schools in a non-overlapping way. There's a unique number that makes this work, and can be constructed in the following way. Start with schools jointly entering all of the largest markets, and then switch a school from the smallest of these largest markets to one of the smaller unoccupied markets one by one, until all markets are filled.

The exact number of minor markets that will be shared in equilibrium is given by $R + S - N - m$ or $N - m$, whichever is larger. This is true if and only if $R \geq N$ and $S \geq N$ are impossible.

Otherwise, the exact number of shared minor markets depends on the parameters in a slightly more complicated way.

B.2 Introducing Religious Secondary Education

In this extension, we introduce religious secondary education. We then explore how this affects school r's entry decisions at the primary and secondary levels. The market for primary schools works in the same way as above, except that the religious sector can allocate a fraction of its budget towards secondary schools. The new timing of the game is as follows:

1. The state decides which markets to enter.
2. The religious sector sets R_p, the amount of its budget R spent on primary schools.
3. The state decides which markets to enter for primary schools.
4. School r sets curriculum for primary schools in each market where it entered in stage 3.
5. Primary students in each market decide (in a myopic way) which school to attend, if any.
6. Using the remaining funds from stage 2, $R_h = R - R_p$, the religious sector decides which markets to enter for secondary schools, under the constraint that secondary schools can only be built wherever there is either a primary state or religious school. Secondary religious school curriculum must be set at some exogenous x_r^h and school quality is $v_r^h > v_r$. The cost of building a primary and a secondary school is equal to 1.
7. Primary student *graduates* in each market decide whether or not to attend the secondary religious school. They attend the religious secondary school if $v_r^h - (x_r^h - \rho_i)^2 > 0$.

In this modified setup, school r now maximizes a combination of primary and secondary enrollment (P and H, respectively), $P + \eta H$. We focus on the $\eta \geq 1$ case and, for simplicity, assume that there are no state secondary schools.[2] Additionally, suppose that $x_r^h = J - \sqrt{v_r^h}$, since that is a best response under all circumstances.

Description of the equilibrium. In the baseline setup, religious schools avoided markets served by a state school. This changes once we introduce religious secondary schools, which may capture the excess demand from primary graduates educated in both sectors. This excess demand makes markets with a school s relatively more attractive for the religious sector, and leads to a change in the order in which schools r enter each market. The religious sector first prioritizes (major and minor) markets with a state school. Only then will it enter (major and minor) markets without a school s.

This different pattern of entry also incentivizes schools r to adopt a more religious curriculum at the primary level, for two reasons. First, in major markets with a state school s, the set of optimal curricula shifts weakly upwards to avoid competition from the state. Second, in all markets without a school s, the set of optimal curricula also shifts upwards because a low value of x_r would lead r to lose some of its least religious primary graduates at the secondary level.[3] Thus, in addition to increasing incentives to challenge the state in the markets where it entered, the introduction of secondary education also increases curriculum differentiation at the primary level. Furthermore, this changes the incentives of

[2] To maintain tractability, we do not consider competition between public and religious schools at the secondary level. Although restrictive, this assumption helps clarify the religious sector's incentives and will be relaxed in the empirical analysis.

[3] Here, recall that we asume $x_r^h = J - \sqrt{x_r^h}$. Formally, x_r must satisfy $x_r \geq x_r^h - \sqrt{v_r^h} = J - 2\sqrt{v_r^h}$ in order to minimize enrollment losses at the secondary level.

the state, which previously would have prioritized major markets and the largest of the minor markets. Now, it has a strict incentive to avoid entering the largest of the minor markets because the religious school prioritizes those markets if it sees s in them.

Proof. Given $\eta \geq 1$, any religious primary school that entered a market will want to build a secondary school in the same market. The value of major markets and minor markets without s will increase, as the school now builds both a primary and a secondary school there (for the price of 2). Since $v_r^h > v_r$, both of these markets will have value $(2+2\eta)\sqrt{v_r}$. As for a minor market with school s, the primary attendance there is equal to

$$\frac{1}{2}\left(J + \sqrt{v_r} - \frac{v_s - v_r}{J - \sqrt{v_r}}\right).$$

Note that the market is split exhaustively between the state and religious primary schools. Hence, when r builds a secondary school in it, it can take some of the state school's graduates and enroll them. Assuming $J > 2\sqrt{v_r^h}$, this makes secondary attendance in such a market equal to $2\eta\sqrt{v_r^h}$. This makes a minor market of size J with school s have a combined value for school r equal to

$$\frac{1}{2}\left(J + \sqrt{v_r} - \frac{v_s - v_r}{J - \sqrt{v_r}}\right) + 2\eta\sqrt{v_r^h}.$$

Note that for some parameters, this may be larger than $2(1+\eta)\sqrt{v_r}$. For instance, if J is sufficiently close to the cutoff between major and minor markets ($2\sqrt{v_r} + \sqrt{v_s}$), then the value of the market is close to

$$2\sqrt{v_r} + 2\eta\sqrt{v_r^h},$$

which is larger than $(2+2\eta)\sqrt{v_r}$.

Another case to consider is that of major markets with school s. If J of that market is low enough, it is possible for a secondary religious school to get some gradutes from the state primary school. For this, we need $J - 2\sqrt{v_r^h} < \sqrt{v_s}$ to hold, i.e. $J < 2\sqrt{v_r^h} + \sqrt{v_s}$. The value of building a primary and a secondary school in such market is

$$(2+2\eta)\sqrt{v_r} + \eta\left(2\sqrt{v_r^h} + \sqrt{v_s} - J\right).$$

This is clearly better than any market without school s, so school r will prioritize these markets in addition to minor markets with s. Note that this value is decreasing in J, so the school ranks a market higher when it is closer in size to $J = 2\sqrt{v_r} + \sqrt{v_s}$, the separating cutoff between major and minor markets.

How does the school comparatively rank major markets with s and minor markets with s? Consider a minor market with $J = J_m$ and a major market with $J = J_M$, both with a primary state school. School r values the major market higher than the minor market if and only if

$$\frac{1}{2}\left(J_m + \sqrt{v_r} - \frac{v_s - v_r}{J_m - \sqrt{v_r}}\right) + 2\eta\sqrt{v_r^h} < (2+2\eta)\sqrt{v_r} + \eta\left(2\sqrt{v_r^h} + \sqrt{v_s} - J_M\right)$$

$$\frac{1}{2}\left(J_m + \sqrt{v_r} - \frac{v_s - v_r}{J_m - \sqrt{v_r}}\right) < 2\sqrt{v_r} - \eta\left(J_M - 2\sqrt{v_r} - \sqrt{v_s}\right)$$

The comparison on J_M and J_m is not clear. However, it is possible for this inequality to go either way. For example, when J_m is very close to $2\sqrt{v_r} + \sqrt{v_s}$ while J_M is not, the minor market is better than the major. When J_M is close to the cutoff instead, the major market is better than the minor. If school r has enough budget to fill both of these types of markets with primary and secondary school, it will do that. Otherwise, it will go through both lists and sequentially choose the best option out of the two.

Here is a formal summary of school r's optimal order of building.

Lemma 4. *School r will both build a primary and a secondary school in the following order of priority:*

1. *Minor markets with school s that satisfy*

$$\frac{1}{2}\left(J+\sqrt{v_r}-\frac{v_s-v_r}{J-\sqrt{v_r}}\right)+2\eta\sqrt{v_r^h}>(2+2\eta)\sqrt{v_r},$$

   in the descending order of J, as well as major markets with school s that satisfy

$$J<2\sqrt{v_r^h}+\sqrt{v_s}$$

   in the ascending order of J.

2. *Major markets without s, minor markets without s, and major markets with s that satisfy $J\geq 2\sqrt{v_r^h}+\sqrt{v_s}$.*

3. *Minor markets with s that satisfy*

$$\frac{1}{2}\left(J+\sqrt{v_r}-\frac{v_s-v_r}{J-\sqrt{v_r}}\right)+2\eta\sqrt{v_r^h}\leq(2+2\eta)\sqrt{v_r}.$$

In the first step, if the school has to pick and choose due to low budget, it will arrange the minor markets in descending order of J and the major markets in ascending order of J, and then compare the top options of both lists. As shown above, this formally corresponds to comparing

$$\frac{1}{2}\left(J_m+\sqrt{v_r}-\frac{v_s-v_r}{J_m-\sqrt{v_r}}\right)\ \text{ and }\ 2\sqrt{v_r}-\eta\left(J_M-2\sqrt{v_r}-\sqrt{v_s}\right).$$

Lemma 4 impacts the choice of primary curriculum for r. Recall that we assume $x_r^h=J-\sqrt{v_r^h}$. When r expects to build a secondary school in the same market as a primary school, the primary curriculum cannot be too low (in order to maximize secondary enrollment. Specifically, x_r should satisfy

$$x_r\geq x_r^h-\sqrt{v_r^h}=J-2\sqrt{v_r^h}.$$

If this does not hold, r will be losing some of its least religious primary graduates when it comes to the secondary enrollment. This changes the analysis in Stage 3 of the baseline model as follows:

- In markets of type (2) (without s), r must pick $x_r\in[\max\{\sqrt{v_r},J-2\sqrt{v_r^h}\},J-\sqrt{v_r}]$, as opposed to $[\sqrt{v_r},J-\sqrt{v_r}]$. This potentially shifts the set of optimal curricula upwards (in a weak sense), since the lower bound of the set may increase from $\sqrt{v_r}$ to $J-2\sqrt{v_r^h}$, provided that J is large enough.
- In major markets of type (3) (with s), r must pick $x_r\in[\max\{\sqrt{v_s}+\sqrt{v_r},J-2\sqrt{v_r^h}\},J-\sqrt{v_r}]$. Once again, the set of optimal curricula weakly shifts upwards as its lower bound may increase from $\sqrt{v_s}+\sqrt{v_r}$ to $J-2\sqrt{v_r^h}$, provided that J is large enough.
- In minor markets of type (3) (with s), there is no change. The optimal primary curriculum is still $x_r=J-\sqrt{v_r}$.

Interestingly, Lemma 4 changes the incentives of school s. Previously, it would prioritize entering major markets and the largest of the minor markets first. Now, it has a strict incentive to avoid entering

the largest of the minor markets because the religious school is going to prioritize entering those if it sees s in them. Instead, it will prioritize markets in the following order.

Lemma 5. *School s will build its primary schools in the following order of priority:*

1. *Major markets, as well as minor markets that do not satisfy*

$$\frac{1}{2}\left(J+\sqrt{v_r}-\frac{v_s-v_r}{J-\sqrt{v_r}}\right)+2\eta\sqrt{v_r^h}\leq(2+2\eta)\sqrt{v_r},$$

   in any order.

2. *Minor markets that satisfy this condition, in the descending order of size.*

Thus, s first prioritizes major markets and the smaller of the minor markets, and only then it goes back to the largest minor markets, if it has leftover budget.

Note that if the schools share any market, it again must be the largest of the minor markets. The exact number of shared markets depends on budget S first and foremost, and on budget R next.

Let m_{cond} be the number of minor markets that satisfy the condition

$$\frac{1}{2}\left(J+\sqrt{v_r}-\frac{v_s-v_r}{J-\sqrt{v_r}}\right)+2\eta\sqrt{v_r^h}>(2+2\eta)\sqrt{v_r}.$$

The next lemma details the number of minor markets that r and s will share and compete in. Note that it is possible for the schools to share major markets without competing, i.e. impacting each other's attendance.

Lemma 6. *Schools s and r do not share any minor markets if $S\leq N-m_{cond}$. Otherwise, the schools share the number of the largest minor markets equal to*

$$\min\left\{m_{cond};\ S-N+m_{cond};\ \frac{1}{2}R\right\}.$$

To understand this lemma, note that if S exceeds the number of markets that are not minor markets satisfying the condition above, it means that s will enter $S-N+m_{cond}$ or m_{cond} of those markets, whichever is lower. That is also the exact number of markets s and r will share, unless r does not have the budget to fill them all with a primary and a secondary school (which would happen if $\frac{1}{2}R$ is smaller).

C Oral History Accounts of School Construction in the 1970s

We conducted qualitative field visits to better understand the contexts, institutions, and history of local education markets at the time of SD INPRES, purposively focusing on the Islamic sector's response to the program. In total, we reconstructed from local interviews the histories of 9 SD INPRES schools, 33 elementary *madrasa* (MI), 14 junior secondary *madrasa* (MTs), 4 senior secondary *madrasa* (MA), 4 boarding schools (*pesantren*), and 6 Qur'anic afternoon (*madrasa diniyah*) established in 1973 or later. This appendix provides further background on these oral history accounts.

C.1 Setup

Site Selection. We selected the location for our qualitative interviews using the following considerations: (i) the historical importance of Islamic schooling in the area, and (ii) *madrasa* and SD INPRES construction activities between 1973–80. Our field locations included the districts of Sijunjung in West Sumatra province and Lamongan and Gresik in East Java province.

We selected West Sumatra based on a review of the secondary literature in Indonesian, Dutch, and English. Historical accounts of Islamic education in Indonesia highlight its deep roots in the region, reflecting its history as one of the first areas to be Islamized due to early contacts with Muslim traders from the Arabic Peninsula and India. Steenbrink (1986) noted that Adabiyah School, the first "modern" *madrasa* in Indonesia, was built in 1907 in Padang Panjang, West Sumatra. In addition, village-level data recorded as many as 51 SD INPRES schools in the district. Interviews were conducted in Fall 2021.

On the other hand, Lamongan in East Java stands out as one of the districts with the most *madrasa* constructions between 1973–80. In this period, Lamongan experienced the most constructions of Islamic junior secondary (MTs), the third-most of Islamic senior secondary (MA), as well as substantial numbers of Islamic elementary (MI) constructions (18 MTs, 7 MA, 87 MI). As a result, Lamongan had 0.39 more *madrasa* (across all levels) constructed per 1,000 children than the median district (0.32 more MI, 0.06 more MTs and 0.02 more MA). Interviews were conducted in Lamongan and neighboring Gresik district between October-November 2021.

Respondent Selection. We targeted respondents using snowball sampling. We instructed our local assistants to identify the following individuals for possible interviews: SD INPRES teachers or principals when the school was first established, *madrasa* teachers or principals at time of establishment, or community leaders (including village heads and subdistrict heads) who were in office during the construction period. Reaching the original *madrasa* founders typically required several interactions with intermediaries. Respondents were 69 years old on average.

C.2 Key Lessons

1. SD INPRES and *Madrasa* Compete on Location and Content. The first finding from our oral histories was that SD INPRES and elementary *madrasa* built between 1973–80 tend to operate in close geographical proximity to each other. Several villages had both types of schools constructed less than one kilometer apart from each other; occasionally the two schools were a few dozen meters apart. Constructions of new elementary *madrasa* tended to closely track the timing of SD INPRES construction.

One of the SD INPRES schools we located was described as having been strongly opposed by local religious leaders, who would frequently mention it during Friday prayers and subsequently mobilized the community to build a MTs. In this case, the SD INPRES itself competed back by providing free uniforms to students. One striking anecdote mentioned to us was that religious leaders would often refer to SDN (*Sekolah Dasar Negeri*, i.e., public primary school) as "schools in hell", using a wordplay on the

Indonesian acronym. Finally, we recorded instances of (i) failed attempts to merge the SD INPRES with the local MI, after pushback from local chapters of large Islamic organizations (*Nahdlatul Ulama* (NU) and *Muhammadiyah*), and (ii) cheating in national exams orchestrated by SD INPRES and MI instructors as part of the ongoing competition between both types of schools.

Neighboring SD INPRES and elementary *madrasa* also competed on the content and organization of schooling. A local religious leader (known colloquially as *kiai*) who established an MI openly declared competition with the new SD. The kiai *"already had many students, the children in the neighborhood all went there. But when the SD was built he reacted like that. He felt the competition, because his school is located close with the SD."* In that same village, the SD INPRES initially had high enrollment, but this enrollment dwindled—by the mid 1990s, the school only had six pupils left. *"The reason was that over time the community felt that the portion of religious teaching in the SD was inadequate for the children."* In this and other cases, combining formal education in the state (SD) school with Islamic teachings in the early morning or the late afternoon was a solution adopted by many families: *"the elders and youths of the village discussed this and agreed to hold extra religious classes prior to the normal school day. The school day was made to start at 5:30am so they could have extra religious classes before normal school started at 7 am."* The *kiai "then built a kindergarten in the village, with the hope that the kindergarten graduates go to MI, not the SD INPRES."*

Competition to attract students transitioning across instruction levels was also salient in our interviews. In one instance, an SD INPRES instructor affiliated with NU encouraged all SD INPRES graduates to transition into the local MTs. Most MI graduates chose to continue their education in the nearest MTs, especially when the schools were run by NU or *Muhammadiyah*. While others chose to transition to the nearby *pesantren*, few students were said to have chosen the nearby SMP (junior secondary public school) because *"they deemed the religious education there was lacking."* Other *Nahdliyin* (NU-affiliated) community members reported preferring educational institutions that offer a 70% religion / 30% general curriculum mix. A respondent affiliated with an MTs stated: *"To me, the curriculum from the government rather made the religious lessons fewer, because they add the numerous general subjects. We offer Fiqh, Alquran Hadits, Aqidah Akhlak, and others. The madrasa's curriculum is roughly balanced between religious subjects and general subjects."*

2. *Waqf* Contributions Supported Fixed Setup and Variable Operating Costs. New *madrasa* constructions were usually funded through donations from wealthy community members. In one case, *"the founders and administrators personally approached the Hajji [local elites who had made the pilgrimage to Mecca]. She had a lot of land, in the neighboring village a lot of land, in this village also a lot of land, she had land everywhere. Unfortunately she did not have any children, maybe she didn't know whom to leave the land to. We asked for land to build a school. Thank God, she agreed immediately."*

Constructing and launching a new *madrasa*, however, was a substantial effort that often required makeshift solutions in the short run: *In its first years, the madrasah used the space at the mosque for its classroom activities. Only in 1985 did the madrasa build its own permanent building on a land waqf endowed by . . . a local community leader who was moved to give some of his land for the constructions."*

Other community members contributed progressively through cash *waqf* auctions. This mechanism was described to us as follows: *"The land for the madrasa building was the property of one of the rich villagers which was bought communally using 'waqf auction'. This is similar to common waqf that has land as its object, but to participate in the waqf, the waqif* [waqf administrator] *from local community bought it in an auction. The price was set at IDR 1,500 per square meter* [roughly USD 1/square meter]. *The waqif voluntarily bought the parcel according to their abilities."* Prices recorded in these auctions varied across villages; in another village the price point was IDR 5,000 per square meter.

Finally, even the less well-off families were asked to contribute to the local fundraising effort: *"In this community in the old days, every harvest, a portion of the revenues was given to the madrasah. They themselves decided how much they could afford and they were keen to give. These were routine for years."* Farmers were

among the first mobilized: *"Every harvest—our biggest harvest was peanut—the children helped their parents for the harvest. The NU-affiliated Muslim women helped us collect the harvest donation for the madrasah."* These contributions would then mean that parents who enrolled their children in the *madrasa* were exempt from paying any fees: *"Here was the calculation: how much an agricultural laborer earned in two mornings, that's their contribution for their children. For a ploughman, how much did he earn plowing the rice fields for two days, that's what he gave to the madrasah. For a sawman, his earnings in two days was what he paid. Every child paid different amounts, because their parents' earnings were also different."*

3. *Golkar* Intervention in Education Markets. Finally, we uncovered anecdotal evidence consistent with SD INPRES allocation being used for political motives. In one instance, an SD INPRES planned in one village was moved to a different village after *Golkar* failed to win the election locally. Meanwhile, *madrasa* administrators faced various pressures from *Golkar* members to facilitate enrollment in the local SD INPRES. A *madrasa* teacher active since the 1970s shared with us: *"Once the village head came to visit me to ask the MI to 'share' its students with the newly built SD INPRES. Incidentally the village head is a Golkar man, so surely he sided with the SD. I told him that the decision of where children go to school is not my decision, but the decision of the child with their parents, a family decision. I did not dictate it nor should it be the village head's business."* We recorded other instances of MI and MTs teachers being pressured to join GUPPI, to participate in local *Pancasila* seminars, and to join or publicly support *Golkar*. One surviving MI founder reported feeling that his school had been ostracized by the New Order government because of the school's affiliation with NU, which was seen back then as a hotbed of support for *Masyumi*, a major Islamic political party banned in 1960 under Sukarno.

D Data Sources and Construction

We describe here the main variables and data sources used in the paper.

Education: Survey and Administrative Data

Surveys. We measure years and type of schooling using the annual National Socioeconomic Survey (*Susenas*) from 2012, 2013, 2014, 2016, 2017, and 2018. These enumerate schooling measures for all household members and also record the birth district for each, which we merge with the district-level INPRES intensity measure collected by Duflo (2001). We additionally use Islamic school attendance data from the Indonesia Family Life Survey (IFLS) in 1993, 1997, 2000, 2007, and 2014. The IFLS is too limited geographically for our econometric analysis, but we use it for descriptive purposes in Table A.14 and elsewhere in the text.

Susenas reports the type of education (Islamic or secular) for the final level of schooling certification (primary, junior secondary, and senior secondary) as well as the final year of schooling attended if falling between certification levels. Our measure of Islamic schooling is based on the union of these two, but results are nearly identical when restricting to final level certified or final level attended. For example, some individuals report completing secular primary school and attending two years of Islamic junior secondary but not completing the full three years at that level. Our approach identifies this individual as having secular primary school and, separately, Islamic junior secondary school.

Registries. We use data from numerous administrative sources provided by the Government of Indonesia. Table A.14 used data on total non-*pesantren* enrollment in 2019 from the Ministry of Education (MEC) and Ministry of Religious Affairs (MORA) as reported at the following website: `http://apkapm.data.kemdikbud.go.id` (accessed March 22, 2020). *Pesantren* enrollment in 2019 is computed from school-level records that we scraped from the MORA portal: `https://ditpdpontren.kemenag.go.id/pbsb/` (accessed November 15, 2018). These records also indicate the district and year of establishment for each *pesantren* (see Bazzi et al., 2020, for additional details).

Data on *madrasa* come from MORA registries provided to us by MORA officials in August 2019 and January/February 2020.[1] These include village, district, and year of establishment for all formal *madrasa* (primary, junior secondary, and senior secondary) as well as informal *madrasa diniyah*. The latter are entirely privately-run. The former are majority private with a small fraction (around 8%) that are publicly-run by MORA. Overall, 6% of *madrasa* and 22% of *pesantren*, respectively, have missing establishment years. This missing-ness is uncorrelated with SD INPRES intensity.

Data on non-Islamic schools come from a MEC registry known by its Indonesian acronym *Dapodik*.[2] These data include village, district, and year of establishment for all formal schools not administered by MORA. These include 166,257 publicly-run schools and 52,888 privately-run schools. Among the latter, 10,919 schools have Islamic names, indicating that they are likely religious schools operating under the MEC instead of MORA. These schools are subject to different regulations on curriculum and also have access to other sources of state funding than the Islamic schools under MORA oversight. We distinguish secular from Islamic-named private schools in the MEC data by identifying the latter as having any of the following terms appearing in the school name: Islam, Darussalam, Darul, Muhammada, Salam, Sunna, Kuran, Jihad, Umma, Madrasa Halal, or Imam. We use this distinction to examine private secular schools in Appendix Figure A.2.

[1] We are grateful to the following individuals for graciously sharing these data: Dodi Irawan, Aziz Saleh, Dr. Abdullah Faqih, and Doni Wibowo.

[2] We are grateful to Wisnu Harto Adiwijoyo for graciously sharing these data.

In addition to the main district-level data constructed from the above registries, we also built a village-level panel. We use the 2018 *Podes* dataset listing all villages in Indonesia as the master. We match this database by successively using a fuzzy merge with the *Dapodik*, MORA *madrasa*, MORA *diniyah*, and *pesantren* data. The *Dapodik* and MORA *madrasa* data record the village name where the school is located, while the *diniyah* and *pesantren* datasets have address fields to identify the location of each establishment. The fuzzy merge uses province code, district name, subdistrict name, and village name with a high matching score threshold (0.95) and required match on province code and district name. We were able to match 80% of villages in *Dapodik* and 84% of villages in MORA *madrasa* data. For *diniyah* and *pesantren*, we use village names extracted from its full address after pre-processing the address string with extensive regular expressions. We are able to match 62% of villages in the *diniyah* dataset and 66% of villages in the *pesantren* dataset.

We measure curriculum content at the school–grade level using data from the Sistem Informasi Aplikasi Pendidikan (SIAP) registry of schools. We scraped data from this registry's online portal over several months in Fall 2019: http://siap-sekolah.com/. As of April 2020, SIAP only included detailed curriculum timetables for *madrasa*. We link these *madrasa* to the MORA registry using school IDs reported in both sources. The SIAP report detailed course timetables for every hour of every schoolday in a typical week for the 2018–2019 academic year. There are over 3,000 distinct course titles with many being (spelling) variations on the same topic. We coded up each course as being Islamic or non-Islamic and also identified courses associated with civic education and *Pancasila*, which are known by their Indonesian acronym of PPKN. These course codings are available upon request. SIAP includes data for around one-fifth of all *madrasa*, but as noted in footnote 21, this selective reporting likely works against our core findings with respect to INPRES intensity.

We measure test scores using data collected by the MEC on the national exam scores in 2014 for science and math. We scraped these data in March 2015 from the MEC portal: http://referensi.data.kemdikbud.go.id. We link these data to the *Dapodik* and MORA registries using school IDs available across datasets.

Electoral Outcomes: Vote Shares and Legislative Candidates

Vote Shares. First, we draw upon district-level vote shares by party from the national legislative elections in 1971, 1977, 1982, 1987, 1992, 1999, 2004, and 2009. These data were graciously shared with us by individuals that worked with Dwight King. In 1971, one observes the following Islamic parties: NU, PSII, Perti, and the Muslim Party of Indonesia (*Partai Muslimin Indonesia* or Parmusi). From 1977 to 1992, the only Islamic party was the United Development Party (*Partai Persatuan Pembangunan* or PPP), which was forged out of a forced merger of the four Islamic parties contesting the 1971 election. We study the vote shares for the PPP and the Suharto regime party, *Golkar*.

Legislative Candidates. We use data on the universe of legislative candidates in the 2019 election. Thanks to Nicholas Kuipers for scraping and sharing these data from the Indonesian Electoral Commission: http://www.kpu.go.id/. These include candidates for national, provincial, and district legislatures. We use information on candidate age, district, and party ticket. We also categorize their campaign motivation and platform statements as appealing to Islamic themes as reflected in the following words: *umma*, *dawah*, Muslim, Islam, *sharia*, and jihad. We separately classify appeals to nation building as reflected in the following words: *Pancasila*, Indonesia, NKRI, *bangsa* (nation), *bhinneka* (diversity), and *satuan* (unitary). The latter three terms are staples in the nation-building corpus of Indonesian leaders and literature. NKRI is an acronym for the Indonesian homeland in a popular nationalistic slogan.

Linguistic Proxies for Identity

We proxy for national identity using an indicator of whether an individual speaks the national language, *Bahasa Indonesia*, as his/her main language at home (instead of his/her native ethnic language). This is distinct from Indonesian speaking ability, which we also observe. These data—along with religion, age, and district of birth—are recorded in the complete-count 2010 Population Census, which we obtained from the Harvard Library.

We view Arabic language proficiency as one indicator of Islamic identity. The *Susenas* data described above record literacy in Latin, Arabic, and other alphabets.

Religiosity and Religious Political Preferences

We use rich individual-level survey data from Pepinsky, Liddle, and Mujani (2018), which is based on a 2008 survey conducted by the authors in which 10 individuals were sampled from each contemporary district. These data include individual age, religion, years and type of education, a host of questions on Islamic piety, practice, and political preferences. Seven Islamic practices are explored in Table 9. The survey also record dimensions of support for Islamic law (*sharia*) and religious politics more generally. We also use a measure of stated support for *Pancasila*.