


Patronage for Productivity: Selection and Performance in the Age of Sail*

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Abstract

Patronage is a byword for poor performance, yet it remains pervasive. We study the selection effects of patronage in the world's most successful navy – the British Royal Navy between 1690 and 1849. Using newly collected data on the battle performance of more than 5,800 naval officers promoted – with and without family ties – to the top of the navy hierarchy, we find that connected promotees outperformed unconnected ones. There was substantial heterogeneity among the admirals in charge of promotions. Discretion over appointments thus created scope for “good” and “bad” patronage. Because most admirals promoted on the basis of merit and did not favor their kin, the overall selection effect of patronage was positive.

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Figure A6: Difference in promotion hazard rates by connectedness

