

THE INDIVIDUAL PRESIDENT'S CHARACTERISTICS AND THE ECONOMIC GROWTH

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In this work the influence of individual characteristics of president on the GDP growth is studied. We have included in analysis data about 127 presidents of 30 European, Asian, South American, African presidential and mixed republics, which are commensurable with Ukraine by population or total area. Our data cover period 1960-2006, but for some countries data are available for shorter period. Hence GDP growth during presidency is the dependent variable, and data set consists of 127 observations.

As explanatory variables we have used age of president in the moment of entering in office, military service of president and duration of presidency (as control variable). The main finding of our study is that U-shape relationship exists between age of president and GDP growth in the countries that are like on Ukraine by geographical parameters. The estimated critical age for presidency is 61, 3 years. In addition we found that president which served in military structure as an officer will increase GDP growth on additional 24,66% relatively to president without officer rank. Also we have confirmed that duration of presidency significantly positively influences on GDP growth during presidency.

Policy recommendations

Politicians and electors should account that younger candidate in presidents will have more chances to ensure high economical growth. So our paper shows that it is advantageously to lower age barrier (35 years) for candidates in presidents. Also it is possibly necessary to increase term of presidency. It will decrease expenditures on elections and will increase economical stability. In spite of that officer rank of president positively influences on GDP growth politicians and electors should apprehend possible dictatorship.

Directions for future research

We plan to investigate the influence of presidents-women on GDP growth. Also it will be interesting to change dependent variable, for example use population growth instead GDP growth.