When Elders Rule:
Is Gerontocracy Harmful for Growth?
A Comparative Study of Seven European Countries

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In this paper, we study the connection between the aggregate economic performance and the age of the political elite of society. In a very simple framework, we show that an older ruling class, whose interest may be less devoted to long-term delayed-return investment, may weak the human capital accumulation process because of inadequate public education policies and hinder private sector productivity growth because of poor expenditure in productive services. In this sense, we argue that gerontocracy is harmful for growth. To estimate the impact of this phenomenon on the economic performance, we use a wide set of information on the Parliamentarians of some European countries along with a rich industry-level dataset. Our main goal is to exploit differences in the politicians' age to estimate the effect that the gerontocracy exerts on the allocation of public spending and thus on productivity growth.