



Heterogeneous Talent and Optimal Emigration

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This paper is part of my PhD research on “The New Economics of the Brain Drain” under the supervision of Prof. Ohno in GRIPS.

- This paper is a contribution to a new line of theory arguing that a certain outflow of human capital (brain drain) is not always a bad thing to the source country.
- First, it enriches the methodology by solving the problem with assumption on workers’ heterogeneous talent and shows that the distribution of talent is important in deciding brain drain or brain gain.
- Second, in contrast to the previous literature, this paper shows that positive effect of the outflows may never take place under some certain conditions (*emigration trap*).
- Third, if there is a positive effect, there exist conditions in emigration constraints that maximize the gain from brain drain - or the “*optimal brain drain*” conditions.