

# Intelligence, Economic Development, and the Fiscal Dynamics of Migration

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## Abstract:

This paper explores critical dimensions of economic development by drawing insights from three scholarly works: "National Intelligence and Economic Growth: A Bayesian Update," "The Case for Colonialism" by Bruce Gilley (2017), and Joakim Ruist's (2019) study on "The Fiscal Lifetime Cost of Receiving Refugees." By examining the nuanced connections between intelligence, economic growth, colonial legacies, and refugee integration from an economics perspective, we aim to unravel the intricate relationships that underpin global socio-economic dynamics.

## Discussion

The paper "National Intelligence and Economic Growth: A Bayesian Update" by Kirkegaard, provides a methodological lens for economists to reevaluate the traditional understanding of their interconnection. By employing Bayesian statistical methods, the study transcends conventional correlations, introducing a probabilistic framework that recognizes the uncertainties inherent in these complex relationships. The sophistication of this approach contributes to a more precise assessment of the impact of national intelligence on economic development, crucial for policymakers navigating the challenges of fostering sustainable economic growth. The study emphasizes the need for economists to move beyond simplistic models and incorporate a more nuanced understanding of intelligence's role in shaping a nation's economic trajectory. The Bayesian update methodology, rooted in probability theory, aligns with the economic discipline's demand for robust statistical methods, offering a refined perspective on the intricate interplay between intelligence and economic growth.

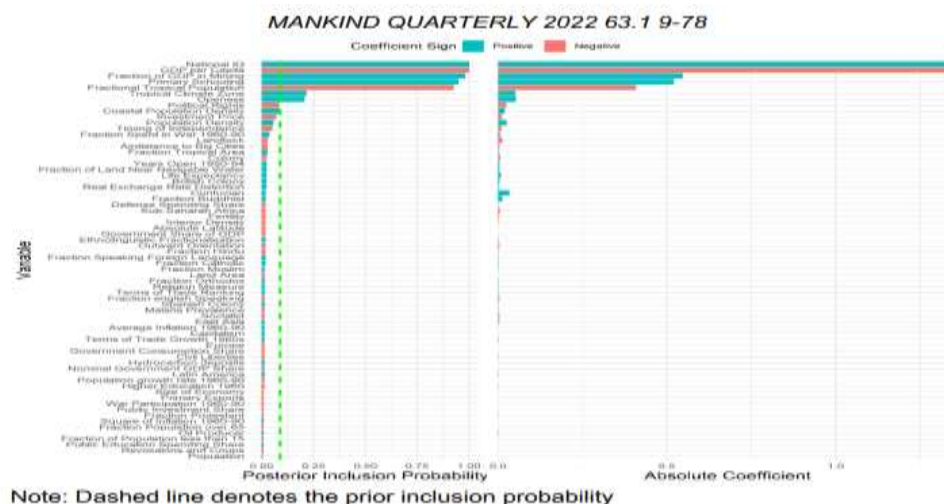


Fig. 1

Bruce Gilley's (2017) stance in "The Case for Colonialism" challenges the prevailing discourse on the economic consequences of colonialism. From an economic perspective, Gilley prompts a reassessment of historical narratives, suggesting that when managed ethically, colonialism could have positive outcomes for both the colonizers and the colonized. While acknowledging the ethical complexities surrounding this argument, economists can extract valuable insights by scrutinizing the economic dimensions of colonial legacies. Economists engaging with Gilley's work are compelled to critically analyze the economic dynamics that unfolded during colonial periods. This involves exploring economic structures, trade relationships, and resource allocation within the context of colonial rule. While Gilley's perspective may be controversial, an economic lens allows for a focused examination of the potential economic implications of colonial legacies.

Joakim Ruist's (2019) study on the fiscal lifetime costs of receiving refugees aligns closely with economic inquiries into the implications of migration on public finances. Economic policymakers grapple with the immediate and long-term fiscal consequences of refugee integration. Ruist's research methodologically enriches economic discussions by considering not only short-term financial burdens but also the comprehensive fiscal impact over the refugees' lifetime. From an economic standpoint, Ruist's study provides crucial insights for policymakers making decisions related to refugee intake. It emphasizes the importance of adopting an economic lens when formulating policies to strike a balance between humanitarian concerns and economic considerations. By assessing the fiscal lifetime costs, economists can offer nuanced perspectives on the economic sustainability of refugee integration policies.

The concept of an "immigration surplus" is illustrated in Figure 2, where increased labor supply from  $S$  to  $S'$  leads to lower wages ( $w(0)$  to  $w(1)$ ). The surplus (triangle  $BCD$ ) represents the difference between immigrants' contribution to total output and the share they receive as wages. Conditions for this surplus include immigrant absorption into the labor market and reduced wages for some natives. Evidence suggests a negative correlation between welfare state generosity and the immigration surplus, with more generous states realizing smaller surpluses. However, achieving an immigration surplus may heighten income inequality, posing political challenges, particularly in redistributive welfare states.

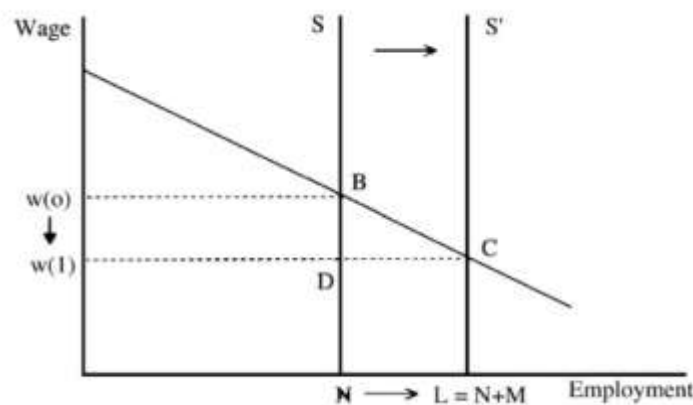


Fig.2

As nations strive for economic advancement, understanding the nuanced relationship between intelligence and economic development becomes crucial. Policymakers should invest in intelligence infrastructure and

consider the multifaceted nature of intelligence, acknowledging that it goes beyond traditional measures. This study underscores the importance of adapting economic policies based on refined intelligence assessments, thereby fostering sustainable economic growth in an era where information plays a pivotal role. In today's interconnected global economy, acknowledging and addressing the economic implications of historical colonial legacies is imperative. Economists and policymakers should examine how colonial history shapes existing economic structures, trade relationships, and resource allocations. The study prompts a critical evaluation of the economic dimensions of colonialism, urging nations to consider ethical and economic aspects when engaging in international relations and development assistance. As nations grapple with the humanitarian crisis of forced migration, economic considerations should play a central role in policymaking. Policymakers need to balance the immediate humanitarian response with long-term fiscal sustainability. Understanding the economic costs associated with refugee integration is vital for crafting policies that address both the humanitarian imperative and the economic viability of hosting displaced populations. In today's globalized world, where migration is a complex and ongoing challenge, these economic insights can guide more effective and sustainable immigration policies.

The synthesis of these studies reinforces the importance of a comprehensive approach to global economic dynamics. The Bayesian update methodology in intelligence research aligns with the precision required in economic analyses, while Gilley's controversial thesis encourages economists to critically assess historical economic dynamics. Ruist's focus on fiscal considerations in refugee integration provides a pragmatic lens for economists navigating the complex terrain of migration economics. Modern-day policymakers must adopt a multidisciplinary perspective that considers intelligence, historical legacies, and migration economics in tandem. This holistic approach ensures that economic policies are not developed in isolation but take into account the complex interplay of factors shaping the contemporary world. It calls for a more nuanced understanding of global economic challenges and opportunities, guiding nations towards informed decision-making and sustainable economic development.

Migration has become a pressing global challenge, with Europe and India facing distinct but significant issues related to the movement of people across borders. The implications of these studies can help develop policies that sieve out the productive migrant population, develop sustainable methods for the repatriation of refugees which pose a pertinent security challenge, and even explore options of colonising these territories, not only for the protection of national interests, but for the welfare of the people of these countries, fostering economic and cultural exchange, and promoting the growth and development of these nations. It is crucial to balance the economic costs and benefits of accepting refugees, between the economic costs and benefits, as well as the moral and humanitarian aspects of the issue.

The Hardy-Weinberg formula indicated that more than ten percent of the population carried the gene for feeble-mindedness. With G. H. Hardy's help, he also estimated the rate at which a population could be freed from mental defects by segregating or sterilising the affected. Even under the unrealistic assumption that all the feeble-minded could be prevented from breeding, it would take more than 8000 years before their numbers were reduced to 1 in 100,000. Even under Punnett's assumptions of a single gene for mental defect and of random mating, substantial progress could be achieved in the first few generations if affected individuals were prevented from breeding. In the first generation alone, the reduction would be more than 11 percent. We believe that in the East and Global South, this may take even more time. By 2100, the

prevailingly onerous African population is set to breach the 4.2 billion mark, which is an alarmingly ominous statistic for the civilised world. Thus, it may be noted that advancing this novel concept of new eugenics cannot be fully materialised unless it is substituted by a robust sterilisation mechanism. And considering the observations of Punnet, it gives us more impetus to embark upon this project if civilizations and the human race are to thrive. It is essential to overcome the most prominent predicaments of Punnet's research and correct evolutionary progress by addressing the core concerns of miscegenation.

**Disclosure Statement**

No potential conflict of interest was declared by the authors.

**Data Availability**

The data that support the findings of this study are available from the corresponding author upon request.

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