

**WEALTH & IMMIGRATION IN DENMARK: AN ANALYSIS OF HUMAN CAPITAL**

Johannes Kabderian Dreyer, Roskilde University, Roskilde Denmark  
Poul Wolffsen, Roskilde University, Roskilde Denmark  
Mia Mortensen, Work in Denmark, Copenhagen, Denmark

[dx.doi.org/10.18374/JABE-14-2.2](https://doi.org/10.18374/JABE-14-2.2)

**ABSTRACT**

Applying newly developed methods this paper quantifies human capital in Denmark and analyzes highly qualified immigration as a potential source of wealth generation. In order to quantify human capital, we use the methodology of Lettau and Ludvigson (2001, 2004), Zhang (2006) and Dreyer et al. (2013) where human capital is modeled as a latent variable. We apply a dynamic least squares co-integration regression for the multi-variate setting of Stock and Watson (1993). Our estimates are significant and the model suggests a per capita amount of human capital of about 3.2 million DKK.

Keywords: *Quantification of Human Capital, Denmark, Green Card, Income, Consumption, Immigration.*