MIND MATTERS

In the era of AI, the real driver of economic growth, productivity and societal wellbeing is inside our heads. The new paradigm of the brain economy not only puts humans in control but promises to bolster cognitive resilience.

Story by Deborah Tarrant

It took a global pandemic and a tech revolution for the world to start thinking seriously about the brain economy. The notion of the human brain as a form of economic infrastructure, with its value measured as brain capital – the sum of "brain health" and "brain skills" such as creativity, cognition, adaptability and psychological resilience – is rapidly gaining traction.

The significance for wellbeing fits every stage of life, whether you zoom in on pre-natal development, education, the post-pandemic mental health load and ageing populations or the impact of rapid tech shifts that may burn out the workforce or build our smarts.

WHY BRAIN CAPITAL?

From the United Nations to the World Economic Forum (WEF) and the Organisation for Economic Co-operation and Development (OECD), a growing global movement of scientific scholars, business leaders and policymakers is behind the push to develop stronger brains to power future prosperity. With the proliferation of AI and all the benefits and job-taker or job-maker complexities presented by this exponential technology, the brain's time has come.

Prioritising brain health and fostering brain capital has the potential to unlock US$26 trillion in economic opportunities globally, according to the McKinsey Health Institute. The new paradigm, it claims, will enhance workforce performance, ignite innovation and reclaim millions of years of quality life that are lost to mental health issues. Currently, brain disorders cost the world economy US$5 trillion annually – a figure that's projected to increase to US$16 trillion by 2030.

THE BRAIN AS AN ASSET

The original idea, sparked by a Canadian finance minister, the now-late Michael Wilson, in 2011, was fortuitously picked up by young Australian neuroscientist Dr Harris Eyre, who heard the term "brain capital" at an event in California's Napa Valley in 2020. For Eyre, it was a profound "Aha!" moment. "It ignited my brain," he quips. Crucially, it became the kernel of an idea he could build on to tackle "the panoply of human brain issues" that preoccupied him.

Later that year, Eyre was the senior author on a technical paper, *A Brain Capital Grand Strategy: toward economic reimagination*, published in the journal *Molecular Psychiatry*, that grabbed the

"WE'RE LOOKING ACROSS INDUSTRIES AND SECTORS TO IDENTIFY WHAT CAN CHANGE FROM BEING BRAIN NEGATIVE TO BRAIN POSITIVE." Dr Harris Eyre

attention of the OECD and led to its Neuroscience Policy Initiative. "Brain capital became a unifying framework to view the brain as an asset and reimagine what a society could look like across all industries and sectors," says Eyre.

At James Cook University in North Queensland, Eyre studied mental health and dementia on various socio-economic levels, including among First Nations peoples. After studying at UCLA in the United States in 2014, he considered numerous approaches, from the purely clinical to the entrepreneurial. "I wanted to have the biggest impact on the brain in a positive way for the community."

He realised that wholesale systems change via public-private engagement was required. "So many brain issues are caused by systems, whether it's the declining levels of literacy and numeracy, environmental – think air or plastic pollution – stress and anxiety, the rise of the attention economy and smartphone addiction," he says.

BEING BRAIN POSITIVE

Today, Eyre runs the Global Brain Economy Initiative (GBEI) at Rice University in Houston, Texas. He works with a direct team of about 30 as well as "a constellation" of organisations and projects across the world to address the high-pressure perfect storm on our brains. He has become the chief catalyst of the brain economy, a convenor and advisor on a multiplicity of projects.

Though the GBEI only launched in January this year, it already has about 50 partner organisations, from world-leading universities and hospitals to multinational corporations. And there's plenty to do. "The Initiative is looking across industries and sectors to identify what can change from being brain negative to brain positive, from depleting brain capital to growing it then how to measure and track that progress. It's about food systems, the internet, education, health, banking and finance – we need brain-positive systems-change strategies for all of these."

Pivotal in the mix is the Barcelona-based Brain Capital Alliance, which has an index and a dashboard tracking brain capital in 100 countries. OECD members are leading, with Finland the most advanced in terms of outcomes. Australia is doing well comparably, says Eyre, but doesn't have a formal strategy around the brain economy.

One recent breakthrough is the launch of Project Metis in Houston, the first city-level brain economy program, which aims to fast-track the region as an epicentre of brain health. "When you explain the growth narrative for the brain economy," says Eyre, "the politicians and businesses who hold the levers of power pay attention."

CAPTURING AI'S UPSIDE

There's now a regular calendar of brain economy events to maintain the attention of global leaders, including at last year's 80th United Nations General Assembly in New York, as well as the annual climate change COP gatherings and the G7 and G20 meetings.

In January, the McKinsey Health Institute captured imaginations at the WEF's annual Davos talkfest, with its report *The Human Advantage: Stronger Brains in the Age of AI*. The study highlights the need to reshape workforces and how nations and organisations must develop strategies through collaboration to harness the strengths of human intelligence and technology or risk slower growth and being left behind.

Eyre sees highs and lows for AI in the brain economy. "You can do better science and provide faster diagnoses by analysing massive data sets, developing new treatments or creating chemical compounds for drugs." The downsides of AI, however, include manipulation on social media and sports gambling sites, and the inequities for those who are not yet AI literate.

For businesses, working on brain capital can capture AI's upside and manage its risks but CEOs need to balance the spend on technology with investment in brain health support initiatives. Among the latest of these are cognitive and emotional screening to identify stress and workflow overload and programs to develop brain-based skills and foster focus.

Generally, AI makes knowledge workers more productive but "there's this new term, 'AI brain fry', where you get cognitively exhausted analysing data all day," says Eyre. His personal approach is to split the working day, with a longer break in the middle. "You need brain health for energy and motivation."

When it comes to brain skills, he says, the challenge is that AI isn't static. "We may not understand how it works but we do know AI is constantly evolving so our brain skills need to change."

On the to-do list for companies are brain health policies and workload redesign. These are needed along with skills pathways, with the core capabilities of critical thinking, problem-solving, digital literacy, self-leadership and, crucially, adaptability.

BENDING, NOT BREAKING

Experts argue that adaptability is the primary skill to promote brain health and competitive advantage in the AI era. The human ability to adapt, learn and reinvent can't be automated, insist authors Dara Simkin and Tane Hunter in their book, *Full Stack Human: The Mindset Upgrade You Need to Stay Human in a World Ruled by Technology*, which explores solutions for the stressors that come with AI in the workplace.

There's a reason that major tech companies such as Canva, Microsoft and Netflix have already made adaptability their organisation's North Star. "The ability to adapt allows people to keep a grounded place in themselves while navigating chaos and complexity," says Simkin. "It's about being able to bend without breaking."

The Deloitte 2026 Global Human Capital Trends report shows 80 per cent of leaders say adaptability is critical but only seven per cent of them think they are good at helping their people adapt. So how do you bring it on? Giving people permission to play is one way businesses are tapping into workforce adaptiveness. "When we get heavy about stuff, we lose access to our most adaptive thinking and stop playing with possibilities," says Simkin, who helps companies foster playfulness and curiosity through her business, Culture Hero.

Organisations can strengthen adaptability by encouraging people to experiment. It's innate for kids but adults may need to be reminded how to play, says Simkin. "It regulates our nervous system, brings us back online and creates new neural pathways." Some everyday workplace practices can help, such as sketching a new strategy on a whiteboard, running a simulation or building a prototype, role playing and brainstorming ideas with workmates.

MEASURING RESULTS

Brain capital is a fresh concept for many but there are readily available tools to instigate initiatives and track and measure progress. At the Business Collaborative for Brain Health, large businesses can explore the nine levers to produce workplace brain capital, which reveal the interrelationship between the risk and resilience factors for mental health, work performance and neurological health on business outcomes. And they can see the results with the HERO Health and Well-being Best Practices Scorecard.

For small businesses, there's the Entrepreneur Well-being Check screening tool from the Wharton Neuroscience Initiative at the University of Pennsylvania and Econa, a California-based centre for entrepreneur mental health and wellbeing. The research suggests that some 40 per cent of founders will experience a diagnosable mental health condition and many more struggle with burnout, chronic stress and emotional exhaustion, which can impact teams, industries and regions. Many innovators are reportedly using the Well-being Check to enhance their cognitive skills and brain capital.