

Editor's Letter

How Talent Fuels Growth

EVERY GREAT LEAP in human progress—from the printing press to the steam engine to the semiconductor—has been driven by ideas. But ideas do not emerge in a vacuum; they come from people. And among them, it is often the most talented minds that push the boundaries of what is possible.

This makes talent one of the world's most valuable resources that can drive innovation and growth. Countries that develop the best minds gain a competitive edge. Those that fail to do so don't just slow their own progress—the world loses, too. Every untapped genius is a discovery that never happens, a technology that never emerges, a field that never takes off. The next transformative idea—a cure for a disease, a revolutionary technology—could come from anywhere. But only if the right minds are given an opportunity to reach their full potential.

Societies have a strong interest in expanding opportunities for people to become scientists, inventors, and entrepreneurs. Ruchir Agarwal and Patrick Gaule examine what they call *the missing equation*: how best to identify, nurture, and empower young geniuses, particularly in science, technology, engineering, and math. Overlooking even one talented individual can mean sacrificing insights that could transform entire fields. Too often, developing economies fail to spot their top talent early, allowing potential to go untapped.

Consider Tabata Amaral, a child prodigy from Brazil whose rise—from a modest background to become a leading voice in policy—was made possible by public school math Olympiads. “If I’m here,” she says, “it’s because of those competitions.” Her case is all too rare. Across the world, latent talent often remains undiscovered—not for lack of ability but for lack of opportunity.

The data illustrate this reality. Research by Xavier Jaravel of the London School of Economics and his colleagues shows that access to education, family income, and social networks shape who becomes an inventor. Many children have the ability but lack the circumstances to realize their potential. The economic cost of this untapped talent is staggering. If gifted youth worldwide had equal access to the resources needed to develop their potential, global scientific output could rise dramatically, benefiting everyone.



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Artificial intelligence adds a new dimension to this challenge. As IMF economist Marina Tavares notes, AI could either amplify human potential or shrink the space for innovation. If used wisely, it could empower talent at an unprecedented scale. If mismanaged, it could concentrate power in fewer hands and limit creative breakthroughs.

Meanwhile, Harvard University’s William Kerr argues that countries adept at attracting and retaining top performers will be better positioned to counter demographic pressures such as aging populations and slowing productivity growth. The global race for talent is not just about finding the brightest minds—it is about securing the economic future.

Identifying standout individuals—especially in disadvantaged communities—is crucial. But so is expanding access to education. Strengthening secondary and postsecondary education, equipping youth with vocational skills, and fostering environments that nurture creativity and problem-solving can also help reduce inequality of opportunity.

The economics of talent is an emerging field, but one thing is clear: Smart policies that help people realize their potential can change the game for entire societies. We hope the articles in this issue will spark new thinking among policymakers and leaders. By shining a light on talent, we aim to inspire real progress where it matters most: expanding human ingenuity to solve the defining challenges of our time. **F&D**

Gita Bhatt, editor-in-chief