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MENTAL HEALTH THERAPY AS A CORE STRATEGY FOR
INCREASING HUMAN CAPITAL:
EVIDENCE FROM GHANA

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Mental Health Therapy as a Core Strategy for Increasing Human Capital: Evidence from Ghana

We study the impact of cognitive behavioral therapy (CBT) for individuals selected from the general population of poor households in rural Ghana. Results from 2-3 months after a

randomized intervention show strong impacts on mental and physical health, cognitive and socioemotional skills, and downstream economic outcomes. We find no evidence of heterogeneity by baseline mental distress; we argue that this is because CBT can improve human capital for a general population of poor individuals through two pathways. First, CBT reduces vulnerability to deteriorating mental health; and second, CBT directly improves bandwidth, increasing cognitive and socioemotional skills and hence economic outcomes.

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