

Opinion **US economic recovery**

Boosting brain health is key to a thriving economy

The jobs of the future will value different skills than those of the past

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US economic recovery updates

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Fuelled by fiscal and monetary stimulus, the US economy has bounced back. Output in the second quarter of 2021 exceeded its pre-pandemic level for the first time since Covid-19 struck. The labour market, however, has been slower to recover.

There are a number of plausible explanations, but one isn't getting enough attention: brain health. Boosting the nation's mental state might bring workers back faster, while at the same time helping people retool for the new economy and unlocking higher productivity growth.

[Good brain health](#) allows an individual to optimise their cognitive, behavioural and emotional functioning across an entire lifespan. It's not just mental health, as we think of it, even though according to [estimates from the US National Center for Health Statistics](#), nearly three times the number of Americans now experience regular signs of depression or anxiety as before the pandemic. Brain health as researchers conceive it also includes interpersonal and work skills such as teamwork, leadership, adaptability and cognitive function, as well as the ability to maintain these qualities over a career.

Roughly 5.7m Americans employed when the pandemic hit remain out of work today. This isn't because firms aren't hiring. At the end of June, there were a record-high [10.1m](#) job openings. In the latest National Federation of Independent Business (NFIB) [survey](#), nearly half of small-business owners reported they could not fill job openings, also a record high.

Many people aren't even trying to find jobs. The labour force participation rate is still 1.6 percentage points below its pre-Covid level and the prime age (25-54) employment-to-population ratio is still down by 2.7 percentage points. Some are [concerned](#) about getting Covid-19 and don't want to return to the office. Others are stuck at home caregiving for younger or older [dependants](#). Some took the opportunity to retire when the economy was shut down. And some may be biding their time, living off of enhanced unemployment insurance benefits.

But many of those without jobs may just not be in the right mental state to return to work. In April 2020, more than 1,000 mental health experts from over 40 countries signed an [open letter](#) calling on global leaders to integrate mental healthcare into their Covid-19 recovery plans. A year of restrictions and shutdowns have led to [uncertainty and fear](#) about the coronavirus, housing and food insecurity, grief and a loss of social cohesion. Some of those symptoms may abate as the economy returns to normal. But there is reason to believe this dynamic could get even worse.

Brain health disorders such as depression, anxiety and substance misuse don't tend to disappear on their own. Often people power through crises, only to find the full weight of the experience sets in once they pass, and brain health gets worse. As a [recent article in Nature](#) put it: "The Covid pandemic can be regarded as a brain health catastrophe."

Boosting brain health would not only heal the labour market, it is also the key to a thriving economy over the long term. Even before Covid-19, conservative estimates suggested poor brain health cost the global economy at least [\\$2.5tn in lost productivity](#) every year. It also saps corporate profits as a result of employee days off, lost productivity and higher healthcare costs.

Improving brain health can help workers adjust and adapt to changes. In our modern, knowledge-driven economy, employees must increasingly adapt throughout their working lives. The jobs of the future will value different skills than those of the past — among the most valuable will be social intelligence, leadership and teamwork.

Unfortunately, we've never been very good at proactively boosting brain health. There is a stigma about treatment of disorders, with nearly [two-thirds](#) of those with known mental health issues failing to seek professional help. One-third of countries globally allocate [less than 1 per cent](#) of their health budgets to mental health. The American Rescue Plan Act, signed into law by President Joe Biden in March, included [funding](#) for treating mental health and substance use disorders, providing school-based mental health programmes and supporting the mental health workforce. This certainly helps, but does not go far enough.

Neuroscience research should be incorporated into economic policy, with brain health at the heart of it. This idea is gaining some ground — for example, the OECD's New Approaches to Economic Challenges group, which I advise, has established a [Neuroscience-inspired Policy Initiative](#), which aims to use neuroscience insights to influence policy supporting productivity, education and innovation.

Businesses also can and should do better. New scientific developments allow us to measure brain health. And just as we can exercise our muscles and strengthen them, we can do the same with the brain. While mental health benefits have become more common, companies should also offer voluntary, confidential coaching to their employees on boosting brain health.

Beyond the obvious positive effects of better brain health on social cohesion and inclusion, people who can adapt to post-pandemic life are more likely to join the labour force and be more productive for longer. For policymakers and business leaders, investing in this should be a no-brainer.