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NBER WORKING PAPER SERIES

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

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Working Paper 29407
<http://www.nber.org/papers/w29407>

NATIONAL BUREAU OF ECONOMIC RESEARCH
1050 Massachusetts Avenue
Cambridge, MA 02138
October 2021

The authors thank Idemil Azindoo Basko, Daniel Janamah Doot, Abubukari Bukari, Kamal-Deen Mohammed, Richard Appiah, David Djari Kony, Salifu Amaha, Isah Mohammed, Madeleen Huselma, Kelsey Larson and Sarina Jain at Innovations for Poverty Action for excellent project management and research assistance in the design, implementation and analysis of the project. The authors thank the Bill and Melinda Gates Foundation, Ford Foundation, and the Wellspring Foundation, for funding support for research and implementation. All errors and opinions are our own. The views expressed herein are those of the authors and do not necessarily reflect the views of the National Bureau of Economic Research.

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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.

March 21, 2022