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An open letter to the World Economic Forum and global financial leaders meeting in Davos

## Mental Health Investment as Economic Strategy

January 2026

**To the leaders of global finance, development institutions and capital markets:**

As you gather in Davos for the World Economic Forum Annual Meeting, we write on behalf of the Royal College of Psychiatrists and the World Psychiatric Association, comprising of 123 national psychiatric associations, representing the global international coalition behind *The Prague Agreement* to **urge decisive action on one of the most material, yet persistently under-invested, determinants of global prosperity: mental health.**

An estimated **1.1 billion people – nearly one in seven globally – are living with a mental illness.** Mental ill health accounts for approximately **15% of the global burden of disease**, yet on average **only around 2% of government health budgets** are allocated to mental healthcare. This imbalance represents not only a failure of health systems, but a profound economic blind spot.

Launched at the World Psychiatric Congress in Prague, *The Prague Agreement* has also been co-signed by **mental health charities and organisations** from across regions and resource settings. Together, we are calling on global financiers – including the capital markets, the World Bank and the International Monetary Fund – to **incentivise and expect national investment in mental health** as a marker of sustainable economic development and responsible lending.

**Mental illness is not a marginal issue. It is the leading cause of disability worldwide and disproportionately affects young people**, undermining workforce participation, productivity, and long-term economic growth, while placing sustained pressure on health systems, social care, and public finances. Around **50% of mental health conditions begin before the age of 14, and 75% before the age of 24.** These are the years in which education, skills and future productivity are shaped. Without early intervention and access to evidence-based care, too many young people go on to experience chronic, relapsing illness that limits their ability to complete education, participate in the workforce and contribute fully to society.

For any country to realise its growth potential, it must actively reduce the population-level prevalence of mental illness while improving care for those living with poor mental health. **Good mental healthcare is not a cost to be contained; it is an investment that underpins everything from educational attainment, labour market participation, to productivity and social stability.**

*The Prague Agreement* therefore calls on global financial institutions and investors to make mental health visible within their decision-making. Specifically, when lending to or investing in countries, financiers should expect to see – or support the development of – a **cross-government national mental health strategy**, with an accompanying implementation plan and at least one tangible, measurable commitment that can be evaluated over time. While there is no single model of mental healthcare, successful systems share common principles: they are population-focused, co-produced with service users, evidence-based, and clinically led in their implementation.



**The tools to deliver this already exist.** The World Health Organization has identified cost-effective and feasible mental health interventions. UNICEF continues to advocate for improved services for children and young people. United Nations partners support governments to develop investment cases. Psychiatric associations and mental health organisations worldwide stand ready to help build and sustain the mental health workforce and strengthen community-based systems of care.

The case for investing in mental health stands firmly on human rights grounds alone. Yet experience shows that this argument, while morally compelling, has not delivered the scale of change required. It is now equally clear that promoting good mental health is a matter of sound economic judgement. Countries cannot prosper while neglecting the mental health of their populations, and global finance cannot credibly claim to support long-term growth without addressing this reality.

**As leaders shaping the future of the global economy, we urge you to recognise mental health as a core pillar of sustainable development and economic resilience. We invite you to engage with *The Prague Agreement* and to work with clinicians, civil society and governments to ensure that mental health investment becomes an expected and incentivised component of economic support.**

The cost of inaction is already visible. The opportunity for change is firmly within reach.

Yours sincerely,



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Royal College of Psychiatrists



**Professor Danuta Wasserman**  
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*On behalf of the signatories to The Prague Agreement.*