

POLICY BRIEF

“The vicious cycles connecting poverty to mental health problems are the price we pay for the current focus on stimulating competition and performance in a society obsessed with increasing total economic output.”

Olivier De Schutter,
Report on the burnout economy to the
UN General Assembly, October 2024



The burnout economy: poverty and mental health Breaking the vicious cycles

The issue

Policies designed to drive economic growth – flexibilising labour, weakening social protection etc. – have taken a devastating toll on the mental health of people in poverty. While [970 million people](#) (11% of the world’s population) live with a mental health condition, those on lower incomes are up to [three times](#) more likely to suffer from depression, anxiety and other mental illnesses than those with the highest incomes.

Tackling mental health therefore requires moving beyond a biomedical approach, which treats it as a problem of the individual, to an approach that addresses its social determinants: the economic insecurity, inequality, discrimination and social exclusion people in poverty face on a daily basis.

This requires questioning the way the economy treats women and men (as

resources to be exploited, and to be made as productive as possible), and prioritising individual and collective well-being over GDP.

Poverty increases the risk of mental health conditions

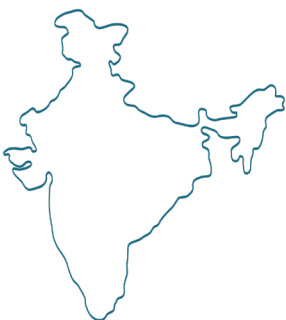
- › **Economic insecurity and shocks** are a permanent source of stress, detrimental to mental well-being.
- › **Income inequality** erodes ‘social capital’ (what binds people together), weakening the supportive environments that help individuals to cope with stress, and fuels ‘status anxiety’, which drives up stress hormones.
- › Mental health conditions are strongly associated with **unemployment**. **Underemployment** also increases the likelihood of psychological distress.
- › **Poor quality jobs and precarious work** lead to even worse mental health outcomes than being unemployed – due to insecurity, lack of bargaining power, unfair pay and wildly unpredictable work schedules.
- › People in poverty generally **contact psychiatric services later** than those on higher incomes and have **less access to green spaces** which have a proven positive impact on mental health.

Mental health issues can perpetuate poverty

- › Discriminatory attitudes in the workplace and a failure to provide reasonable accommodation put people with mental health conditions at a **higher risk of unemployment**.
- › People with mental health conditions are routinely **excluded from the mainstream education system**.
- › The **stigma associated with mental health conditions** limits access to employment and housing, and can affect self-esteem and the ability to develop social relationships.

People on lower incomes are 3X more likely to suffer from mental illnesses than those on higher incomes

In India, for temperatures above 20°C, a 1°C rise causes around 70 additional suicides per day, since such climate shocks lead to a loss of harvests



In 2009, depression was the NO. 1 cause of loss of healthy years of life in Mexico — a phenomenon researchers related to high inequality and economic insecurity



Unemployment in Great Britain increased 4X the likelihood of substance abuse and drug dependence, and more than 2X the odds of depression, anxiety and obsessive compulsive disorder



What can be done?

- › **Increasing investment in mental health care** should be a first step. While not a substitute for poverty alleviation, this investment can have major effects on mental, neurological and substance misuse conditions.
- › Governments must **urgently address the rise of precarious work**, putting legal protections in place to guarantee decent work and a living wage. Work scheduling regulation should be strengthened and provide workers with advance notice of their work schedules and compensation if these change. To improve their economic security, part-time workers should be guaranteed a minimum number of hours.
- › **Social protection schemes** should be implemented to the fullest extent possible, without excessive targeting or conditionalities. **Universal basic income schemes** should be seriously considered, and pilots carefully evaluated, given their role in providing economic security and predictability.
- › **Combating stigma and discrimination around mental health** must be prioritised and people with lived experience of both mental health conditions and poverty involved in designing national action plans on mental health.
- › Measures should be taken to transform the urban landscape and **improve access for people in poverty to parks and green spaces**.

“We have encouraged growth-obsessed societies, pressuring individuals to compete and to improve their performance. We have thus manufactured status anxiety and pushed people into depression when they can’t meet unrealistic expectations of what it means to live a productive life. We should instead move to designing care-obsessed societies, that provide economic security and help all individuals gain a sense of self-esteem and worthiness.”

Olivier De Schutter,
Report on the burnout economy to the
UN General Assembly, October 2024

Further reading

- United Nations Special Rapporteur on extreme poverty and human rights, Olivier De Schutter (October 2024), *Report on the burnout economy: poverty and mental health*, bit.ly/BurnoutEconomy
- United Nations Special Rapporteur on extreme poverty and human rights, Olivier De Schutter (July 2024), *Report on eradicating poverty beyond growth*, bit.ly/PovertyBeyondGrowth