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EVIDENCE SUMMARY
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How does newcomers' mental health impact their economic integration?

Very strong evidence shows that newcomers' mental health and their economic integration influence each other over time.

- **Mental health and employment are mutually reinforcing.** Employment improves mental health, while poor mental health reduces employment opportunities, occupational status, and workforce participation.
- **Economic mobility and meaningful work support well-being.** Upward mobility, employment, education, and apprenticeships are associated with better mental health, whereas unemployment and underemployment contribute to psychological distress and lower self-esteem.
- **Poor mental health undermines economic integration.** Poor mental health reduces employment, earnings, job quality, and life satisfaction, particularly among newly arrived refugees and those with limited social support.
- **Social support and government assistance are protective factors.** Strong social networks and access to public benefits can reduce the negative effects of mental health challenges on economic integration outcomes.

To enhance service effectiveness, providers should:

- Integrate mental health and employment services
- Embed trauma-informed practices in workforce programs
- Invest in early and targeted supports
- Promote meaningful employment opportunities
- Evaluate outcomes holistically

Purpose of this summary

This document summarizes the state of available evidence regarding the reciprocal impacts of mental health and economic integration among resettled populations.

What is meant by "mental health" and "economic integration"?

Mental health is a state of well-being that enables people to cope with the stresses of life, realize their abilities, learn well and work well, and contribute to their community. Mental health includes emotional, psychological, and social well-being.[1]

Economic integration is the achievement of parity in employment probability, earnings, and other economic outcomes, between newcomers and natives with similar demographic characteristics.[2]

What does the evidence show?

Very strong evidence shows that newcomers' mental health and their economic integration influence each other over time.

- Perkins et al. (2022) conducted a systematic review to identify key areas of social functioning influenced by trauma and post-traumatic stress disorder (PTSD). The review included 39 studies on the impact of trauma or PTSD on social functioning in adult displaced populations post-migration. The studies included a variety of research designs, including longitudinal studies (studies that track participants over time) and randomized control trials, both of which allow for assessment of causal pathways. The findings showed that **trauma and PTSD have an impact on multiple domains of social functioning**, including post-migration living difficulties, everyday functioning, acculturation and integration, social relationships, and **employment and education**. War-related trauma predominantly affected psychosocial functioning and integration, whereas interpersonal trauma had a greater impact on social relationships. While most findings indicated a negative influence of trauma and PTSD on these areas, some evidence suggested the potential for post-traumatic growth.

- In a systematic review of 72 studies, including numerous longitudinal studies, that examined the relationship between employment and health and well-being for refugees and asylum seekers, Lai et al. (2022) found evidence to support the bi-directional relationship between employment and health. **Employment had a positive effect on mental health**, particularly in reducing levels of psychological distress and depression. **Conversely, poor mental health negatively impacted refugees' odds of employment and occupational status.**

- Another systematic review examined how changes in people's social and economic status after migration affect their health. Thirteen studies were included in the review, representing five different country contexts and covering international migrants, asylum seekers, refugees, and

[1] Centers for Disease Control and Prevention (2026). *About mental health*. https://www.cdc.gov/mental-health/about/index.html

[2] Bahar, D., Brough, R. J., & Peri, G. (2024). *Forced migration and refugees: Policies for successful economic and social integration* (No. w32266). National Bureau of Economic Research. https://www.nber.org/papers/w32266; Naseh, M., Lee, J., Zeng, Y., Nabunya, P., Alvarez, V., & Safi, M. (2024). Understanding economic integration in immigrant and refugee populations: A scoping review of concepts and metrics in the United States. *Economies, 12*(7), 167. https://www.mdpi.com/2227-7099/12/7/167#

rural-to-urban migrants. All study designs were cross-sectional (data was collected only one time) except for one longitudinal study. **People who felt they had moved down in social status tended to report poorer general health, lower life satisfaction, and higher risk of depression** (Pereira et al., 2025).

- Hajak et al. (2020) conducted a systematic review to examine contextual factors during post-migration that influence the mental health and well-being of asylum seekers and refugees in Germany. Thirteen articles, including two longitudinal studies, were included in the review. Participants reported that **unemployment, or employment below their occupational level, led to lower self-esteem, frustration, and despair. An occupation that was attended regularly, such as work, school, or apprenticeship, was associated with lower psychological distress. For men, but not women, employment was a protective factor against poor mental health.**

Two studies capitalized on a large-scale national longitudinal survey, *Building a New Life in Australia*, to examine the causal directions of the mental health-economic integration relationship:

- Dang et al. (2023) found that **poor mental health lowers the probability of having paid employment and labor income.** Worse mental health also **reduces labor force participation, job quality, and life satisfaction. Refugees' mental health also impacts their partners' life satisfaction and their children's mental health and school performance.** Further, these effects are more pronounced for refugees who recently arrived or are without a social network. At the same time, **these negative effects are diminished for those who receive benefits from the government.** This highlights the beneficial role of government support programs in reducing the negative impacts of mental health issues on labor outcomes and in improving refugees' integration, especially if these programs are targeted at newly arrived refugees or refugees who do not have a social network to rely on.

- Using the same dataset, Garton et al. (2022) sought to determine the possibility of a reciprocal association between employment status and symptoms of PTSD and psychological distress. **Symptoms of psychological distress and not being in paid work were significantly correlated** with each other, and they reciprocally influenced each other over time. **Likewise, PTSD symptoms and not being in paid work were correlated with each other**, and a reciprocal relationship between these was found over time.

What are the implications for practice and research?

"The evidence for the bi-directional relationship between employment and [mental] health underscores the need for better coordination between [mental] health and employment services for refugees."

(Lai et al., 2022)

Integrate mental health and employment services.

- Refugee programs should address mental health and economic integration simultaneously, recognizing their strong reciprocal relationship.

Embed trauma-informed practices in workforce programs.

- Employment services should be complemented by mental health services, including mental health screening, referrals, and support for trauma-related barriers to workforce participation.

Invest in early and targeted supports.

- Newly arrived refugees and those with limited social networks may benefit most from holistic, coordinated mental health, employment, and resettlement services.

Promote meaningful employment opportunities.

- Access to stable, appropriately matched employment can improve mental health, self-esteem, and long-term integration outcomes.

Evaluate outcomes holistically.

- Programs should measure both mental health and economic indicators, recognizing that improvements in one domain often contribute to gains in the other.

How did we identify evidence for this summary?

Included Studies

The Switchboard evidence database includes the following types of studies, categorized by the strength of their evidence:

Strong Evidence

Meta-analyses: systematic analyses of sets of existing evaluations of similar programs

Systematic reviews: syntheses of the best available evidence on specific research questions that use narrative synthesis focused on evaluations of the impacts of at least one specific policy, program, or intervention

Moderate Evidence

Published individual **impact evaluations** using randomized controlled trials (RCTs/C-RCTs), natural experiments, quasi-experimental techniques such as difference-in-difference (DID), instrumental variables (IV), regression discontinuity design (RDD), and propensity score matching (PSM) or other forms of synthetic matching, as well as fixed effects techniques with interaction terms

Suggestive Evidence

Published studies using methods including non-systematic literature review, uncontrolled before and after tests, post-test only, interrupted time series (ITS), cross-sectional regressions, longitudinal panels, cohort and case-controls, and purely qualitative techniques

Excluded Studies

The Switchboard evidence database excludes case studies, unpublished suggestive research, opinion papers, descriptive studies, and unpublished literature reviews.

Search Protocol

Studies included in the database focused on high-income or upper middle-income countries, including but not limited to the United States. Studies included must have been published since 2020. To identify evidence, we searched the following search resources using the following population, methodology, and target outcome terms:

Search Resources	Population Terms	Methodology Terms	Target Outcome Terms
PsycInfo Google Scholar ChatGPT	refugee OR immigrant OR “unaccompanied minor” OR asylee OR “temporary protected status” OR “victims of traffick*” OR “traffick* victims” OR T-Visa OR U-Visa OR Cuban OR Haitian OR Amerasian	systematic review OR treatment outcome study	mental health economic integration employment

For databases or websites that permitted only basic searches, free-text terms and limited term combinations were selected out of the lists above, and all resultant studies were reviewed for relevance. Conversely, for databases or websites with advanced search capability, we made use of relevant available filters. All terms were searched in the title and abstract fields only in order to exclude studies that made only passing mention of the topic under consideration.

After initial screening, Switchboard evidence mapping is prioritized as follows: First priority is given to meta-analyses and systematic reviews, followed by individual impact evaluations when no meta-analyses or systematic reviews are available. Evaluations that are rated as impact evidence are considered before those rated as suggestive, with the latter only being included for outcomes where no evidence is available from the former.

Studies Included

Database and website searching identified 589 studies. After removing duplicates, studies were then screened. Thirty-one abstracts were determined to be relevant to this search. Of those, 22 full-text articles were assessed for eligibility. Sixteen full-text articles were excluded due to not meeting one or more of the inclusion criteria pertaining to resettlement country, year of publication, population, methodology, or target problem. Six studies were eligible for inclusion. They are listed below, with hyperlinks to the abstracts or full text (when available).

Meta-Analyses and Systematic Reviews

Hajak, V. L., Sardana, S., Verdeli, H., & Grimm, S. (2021). A systematic review of factors affecting mental health and well-being of asylum seekers and refugees in Germany. *Frontiers in Psychiatry, 12*, 643704. Full text.

Lai, H., Due, C., & Ziersch, A. (2022). The relationship between employment and health for people from refugee and asylum-seeking backgrounds: A systematic review of quantitative studies. *SSM-Population Health, 18*, 101075. Full text.

Pereira, M. P., Gottlieb, N., Hintermeier, M., Nutsch, N., & Bozorgmehr, K. (2025). Migration-induced subjective social mobility and its associations with self-rated mental and general health: A systematic review and narrative synthesis. *Social Science & Medicine*, 118459. Full text.

Perkins, A., Michalek, J., Dikomitis, L., Shergill, S., & Mareschal, I. (2025). The impact of trauma and PTSD on social functioning in refugees and asylum seekers post-migration: Systematic review. *The British Journal of Psychiatry,* 1–9. Full text.

Impact Evaluations

Dang, H.-A. H., Trinh, T.-A., & Verme, P. (2023). Do refugees with better mental health better integrate? Evidence from the Building a New Life in Australia longitudinal survey. *Health Economics, 32*(12), 2819–2835. Full text.

Garton, A., Rogers, K., & Berle, D. (2022). Reciprocal relationships between employment status and psychological symptoms: Findings from the Building a New Life in Australia study. *Social Psychiatry and Psychiatric Epidemiology, 57*(5), 1085–1095. Full text.

Suggestive Studies

None.