

Health is a strategic asset, not simply a cost

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Governments spend years debating energy security, semiconductor capacity and critical minerals. They devote far less attention to one of their most valuable strategic assets: the health of their people.

Energy, semiconductors and critical minerals are treated as strategic assets because they underpin economic security. Health deserves the same status. Healthy populations sustain economic growth, support productive work and strengthen national resilience. Yet governments still tend to treat health as a social good or a cost to contain, rather than an asset to build.

A sector becomes strategic when it is essential to national prosperity and vulnerable to disruption. Health meets both tests. Healthy people drive productivity and economic growth, while resilient health systems and life sciences industries strengthen countries against future shocks.

How governments need to think differently when viewing health as a strategic asset:

- Invest in healthier populations that can work, innovate and contribute to the economy.
- Build competitive health and life sciences industries that generate jobs, exports and technological progress.
- Identify and derisk core vulnerabilities, through trusted partnerships and lessons learned from other strategic sectors.



Healthy populations sustain economic growth, support productive work and strengthen national resilience.



Countries that invest in healthier populations strengthen the human capital on which long-term growth depends.

£1 

Every £1 invested in public health = £14 for the wider economy

Source: UK NIHR¹

Healthy populations drive economic growth

Prevention keeps people healthier for longer by avoiding disease through vaccination, addressing risk factors and treating diseases in their earlier stages. Healthier people are more likely to work, remain productive and contribute to the economy throughout their lives. They are also less likely to need costly treatment, easing pressure on health systems and public finances.

The economic returns are substantial. The UK's National Institute for Health and Care Research estimates that every £1 invested in public health returns around £14 to the wider economy.¹ The McKinsey Health Institute estimates that scaling proven public-health interventions could add nine healthy years to life expectancy and generate US\$12.5trn in annual economic value globally by 2050.²

A study funded by the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) found that investing in adult immunisation programmes for common conditions offered a return of up to 19 times.³ For respiratory syncytial virus (RSV), the same study found mean net benefits of up to \$3,646 per person vaccinated.³ RSV usually takes one to two weeks to recover from, and America's Centres for Disease Control and Prevention recommends waiting at least 24 hours after symptoms have gone before returning to work

or school.⁴ Vaccination would therefore reduce the time people take off work when they or their children are ill.⁵

Prevention is therefore more than good healthcare. It is good economic policy.

Health innovation is an industry, not just a service

Health and life sciences are also productive industries. They attract investment, create skilled jobs, generate exports and produce technologies that benefit the wider economy. The scale of these benefits depends partly on how well government, industry and the wider health system work together.

Several governments have begun to align health policy with industrial strategy. Saudi Arabia aims to make itself a MENA biotech leader by 2030 and a global hub by 2040.⁶ It has integrated a National Biotech Strategy within its government-wide Vision 2030 strategy to deliver on this goal.⁷ France's Healthcare Innovation 2030 programme backs biomedical research, clinical translation and company growth.⁸ Canada's biomanufacturing strategy aims to strengthen both health resilience and domestic production.⁹ Japan presents medical innovation and healthier ageing as opportunities to create new industries.¹⁰ In designing such strategies governments need to consider broader trade implications, for example applying subsidies thoughtfully and leaving industry open to foreign investment.



**The goal should be resilience,
not self-sufficiency.**

These examples reflect a broader shift.

Governments increasingly recognise that stronger health systems and competitive life sciences industries can reinforce each other, supporting both better health and economic growth.

Building health resilience

Treating health as a strategic asset does not require a new policy playbook. Governments can apply the same principles they already use for other strategic sectors.

That means identifying capabilities that are economically or strategically important, reducing supply-chain risks and building domestic or regional capacity where dependence creates genuine vulnerabilities.¹¹

The goal should be resilience, not self-sufficiency. No country can produce every medicine, medical device or technology it needs at a competitive cost. Attempts to reshore everything risk raising costs while creating new vulnerabilities. A stronger approach combines diversified supply chains with open trade, international research partnerships and robust intellectual property systems that support both innovation and security.¹¹

Putting health at the centre of economic policy

Governments already recognise that energy, semiconductors and critical minerals deserve strategic investment because they support economic resilience. Investment in health should also be viewed as strategic, rather than simply as a cost to contain.

Countries that prosper over the coming decades will be those that invest in healthier people and stronger health innovation systems. Treating health as a strategic national asset will not only improve lives. It will strengthen productivity, support economic growth and make countries more resilient to future shocks.

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