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Review of Hemerijck, A. (2017). *The uses of Social Investment*. Oxford: Oxford University Press

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Introduction- Erosion of the golden era of the w elfare state has brought in different views of how it should be developed. Immediate neoliberal response appears to be still alive and present, not only in the academic debates but also in practice. However, there is a growing concern of the consequences of the neoliberal approach and especially after the economic crisis of 2008 and later. Social investment is an approach or set of policies that came into the focus of the attention in the 1990s but since then, the interest for it has only increased. The economic downturn propelled the question of inclusiveness, growth, employment and human capital, just to name a few, to be the major points of interest. There is now a surge of scientific articles on the topic and Hemerijck's volume is one of the most encompassing. Moreover, introduction of social investment in the European Union's social policy through the Social Investment Pact and OECD's stronger emphasis on it support the need of further debate. Hemerijck's edited book provides ample evidence for this thinking.

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I. Introduction

Erosion of the golden era of the welfare state has brought in different views of how it should be developed. Immediate neoliberal response appears to be still alive and present, not only in the academic debates but also in practice. However, there is a growing concern of the consequences of the neoliberal approach and especially after the economic crisis of 2008 and later. Social investment is an approach or set of policies that came into the focus of the attention in the 1990s but since then, the interest for it has only increased. The economic downturn propelled the question of inclusiveness, growth, employment and human capital, just to name a few, to be the major points of interest. There is now a surge of scientific articles on the topic and Hemerijck's volume is one of the most encompassing. Moreover, introduction of social investment in the European Union's social policy through the Social Investment Pact and OECD's stronger emphasis on it support the need of further debate. Hemerijck's edited book provides ample evidence for this thinking.

"The Uses of Social Investment" is an edited book by Anton Hemerijck, which was a result of a workshop held in Amsterdam, the Netherlands, in 2015. It has 8 parts with 35 contributions in total, including introduction and conclusion. The objective of the volume was to provide a multilinear overview of social investment before and after the economic crisis, by answering questions of what social investment is, how to understand it, who supports it and how its governance is structured. On the overall, it can be stated that the volume delivers significant amount of differentiated views on the mentioned questions and despite differing views of authors who contributed, there is enough evidence that these questions had been answered. However, it does imply that the answers are self-sufficient but on the contrary, they have only opened a wider debate on the future of the welfare state, especially on the question if social investment is the future of the welfare state. Broadly put, authors agree it is, but their views on how to conceptualise it differ. Authors raise different issues, but there are 6 major points that the volume has put forward as the key issues concerning social investment. Also, the 6 issues can be understood as the connecting points of different views on social investment.

Firstly, authors question and discuss social investment from the methodological point of view. The major issue here is whether it is fully-fledged paradigm. It appears that, despite the strong support for it, an agreement of considering it as an emerging approach prevails. This does not mean that it is questioned, but rather, that differentiation between specific policy areas as well as policies does not allow having it considered as a unified whole. Authors rightly point to the fact that it is still an emerging paradigm as many of the specific policies are still being developed and means for implementing them differ greatly. On the other hand, social investment state cannot be identified with the welfare state, as will be explained in more detail later. Changing social circumstances and way of life contribute to the constant need of adaptation, further limiting thinking of the approach in the finalistic terms. The authors also confirm the use of Hemerijck'*sstock*, *flows* and *buffers* as the accepted terms in theoretical thinking and discussing social investment in different terms became easier, due to commonality of the three policy functions.

Secondly, the question of the purpose of social investment is raised together with the aim of the approach. Although it might appear that there is even no need of raising these points, authors in the volume show how difficult it is to provide a fulfilling answer. Manifold policy areas, together with the new life-styles, question an ability of the approach to fulfil expectations. Consequently, there are differences in thinking how successful social investment is in combining family and work duties, women and men social position, solving problems of new family forms and finally, whether it is able to approach everyone, irrespective of their class position. Matthew effect is widely debated in the volume and empirical evidence shows that it is the middle classes that benefit the most. It is a crucial point in the debate and the authors cannot agree on the final response: who is social investment for? Having in mind rising inequality and poverty traps, it is a point of utmost

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interest and the greatest challenge for the future and sustainability of social investment. Therefore, raising this issue is one of the greatest contributions the volume has to offer, without undermining the approach as the whole. Thirdly, the volume has confirmed that social investment must go hand in hand with redistributive policies. In other words, third way thinking does not offer enough space for development of social investment approach. Redistributive policies should not be replaces with social investment. Different authors point to different ways to embrace this argument, but questioning the sole investing character of a specific policy can be considered as the most fruitful. Some forms of passive policies can have an investing character on the long run despite their passive orientation. Turn towards future oriented policies does not imply that current mischiefs would disappear and impaired living conditions of parts of the population emphasise the need of classic redistributive policies. It is a good point of the volume because it implies alienation from neoliberalism as the starting point of policy creation and offers hope of staying on the course of pro-equality orientation of social investment.

Fourthly, the Europocentric course of social investment is put into question. Despite historical closeness of the paradigm to Europe, especially Nordic countries, some of the authors show that investment policies are present in the rest of world as well. However, it is clear that its presence is regionalised and what is more important, policy focus is different. Consequently, it can be seen that social investment is understood in different terms across the world and objectives of policies differ, but some policies are present. Thinking in this way raises the issue of whether social investment can function on these principles at all and authors in the volume present difficulties for specifics regions, mainly Asia, Northern and Latin America. Lack of encompassing approach to social investment means that it is difficult to embrace it in the full manner, as has been done in Nordic countries in Europe. At the very end, there is even a contradiction in this way of thinking, as the next passage will show, because partial policy reforms may not result in desired outcomes. But even in Europe, social investment is not a leading paradigm in all countries, even in the European Union, but the policy orientation is accepted and confirmed.

Fifth, all of the previously stated means that no unification can be expected. Social investment functions as a set of policies in different policy areas but more importantly, it is happening in a specific social milieux. Authors in the volume rightly stress this and even in the European Union, no unification of policies can be observed and it is even not desired. Path dependency is identified as relevant factor for policy outcomes and especially for understanding some of the outcomes. Recalibration of the welfare state is happening but it is often the long history of certain nature of the system of social care that dictates possibilities for the reform. Considering the other countries where social investment is being developed, there is even less expectancy for moving towards policy unification. Conditional cash transfers which dominate in Latin America are perhaps the clearest example and authors who contributed on this type of policy point in the same direction. However, social investment depends on complementarity and it is a paradigmatic stance taken on the issue by majority of the authors. The whole volume can in this sense be considered as an effort to show how difficult it is to have a well-coordinated system of social care, which is based on the social investment approach.

Finally, just as Crouch stresses in the last contribution of the volume, there is a voice of the number of authors saying there should be no domination of the market, not even the labour market. An essential focus of social investment is human capital or more precisely, its development and sustainment. Consequently, authors in the volume are pushing for qualitative approach to work, saying that any job is not good but rather, it is a good job that everyone should have. But our life should not be just about work. There is family and care and constant insistence of social investment supporters on institutional development, especially in the area of early childhood education and care, completely ignores family. It is a good point, raised in the aim of presenting our lives as still having some of the traditional roles that are expected of us to do. On the other hand, can we really live with all the pressure towards constant development and improvement, knowing that we are dependent on the income we receive? Social investment neglects this issue, looking almost completely just into the formalised life, structured around labour market. The volume does not appear to provide a final answer to this question but raising this point is already its high achievement.

Edited volumes often lack a clear message and it is the same with Hemerijck's book. Differing focus and thinking of authors are hard to summarise but this review is an attempt to show connecting points of contributing authors. It is a reason why no final and unified view on the book can be taken. However, it is a good contribution to the contested debate, because it shows that an emerging paradigm, as social investment is, has a strong support both in theory and practice, but many unresolved issues hinder its full-time support. Austerity and fiscal consolidation measures, together with rising inequality pose a serious threat for social investment and its promises. According to this book, social investment is a future of the welfare state but how it will be achieved is a question that needs contextualisation, thinking ahead and careful planning.