



# **The social investment approach to Western Balkan and Eastern partnership countries**

Comments

Leonard Geyer, 13.06.2023

# Preconditions for SI

- Social investment (SI) comprises a lot of different policies to **create** (e.g. education, training), **mobilise** (e.g. ALMP, care) and **preserve skills** (e.g. unemployment benefits)
- To the extent that it can be generalised, what are the biggest obstacles to (effective) SI policies in Western Balkan and Eastern Partnership countries?
  - Politics?
  - State capacity?
  - Incompatibility with the growth model?

## And pitfalls

Investments in people are not necessarily inclusive. Policy design matters (a lot).

- Targeting:
  - Is there evidence of ‘Matthew effects’ (policies benefiting the more affluent/less in need)?
  - Discretion of local official can be double edged sword
- (un)intended side effects:
  - South Korea: Financial support for childcare at home
  - Helps children, but reduces female labour market participation

# Social investment and labour migration

- Education and training = prototypical SI policy
- But (youth) brain drain dilemma: emigration of well-trained and educated
- Social investment as locational advantage?
  - Health & care services
  - Childcare
  - Pensions & unemployment insurance



@EuroCentre\_SWPR



European Centre for Social Welfare Policy and Research

**Berggasse 17, 1090 Vienna, Austria**

**+43 1 319 45 05-0**

**[ec@euro.centre.org](mailto:ec@euro.centre.org)**