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Book Review

Olli Kangas, Signe Jauhiainen, Miska Simanainen and Minna Ylikännö (eds.), *Experimenting with Unconditional Basic Income, Lessons from the Finnish BI Experiment 2017–2018*, Edward Elgar Publishing: Cheltenham, 2021; pp. 224

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What can we learn from Finland's basic income (BI) experiment? This is the central question of the collective volume *Experimenting with Unconditional Basic Income.* It all began in 2015, with the decision of the centre-right government to launch a 'basic income pilot study' (Chapter 3). This social experiment was unique in scope and methodology: it granted 560 euros monthly, without any conditions or means tests, to 2000 unemployed people in Finland between 2017 and 2018. The book contains contributions from 12 authors, including four editors involved in the research, and reports on the lessons learnt from the study. It offers complex but clear insights into the experiment's results. Scholars of social policy and working on BI, as well as policymakers, from both Finland and abroad, could all gain knowledge from this research. Let us see why.

The book is a pedagogical journey through the issue of BI. While the first chapter introduces the motives behind the BI experiment, the following chapters take the reader 'backstage', from the design process (Chapter 3) to its evaluation (Chapter 5). It becomes clear that at all stages, from the governmental proposal and experiment design to the final outcome, researchers and policymakers had to master the 'art of compromise' (Chapter 3) in dealing with time constraints, existing legislation, and limited capacities. Although the experiment faced restrictions on its design and evaluation, as discussed in Chapter 5, one of the main strengths of the book is that it combines a wide range of methods and data sources (register data, telephone survey, media coverage and interviews). The Finnish experiment was a major step forward in social innovation and testing, but it did not happen in virgin territory. The BI was integrated into the twofold Finnish social security system, made up of social safety nets on the one hand, and insurance-based protection on the other (Chapter 2). The legal and constitutional constraints also had to be considered in the design of the experiment: in order to comply with principles of proportionality and equality, and to identify an effect following academic requirements, the BI recipients were selected by random sampling (Chapter 4).

Having described the experiment's foundations in some detail, the book proceeds to analyse the impact of the unconditional grant on the 2000 recipients. All of them were, at the beginning of the experiment, jobless. The main objective of the experiment was to determine whether BI could reduce unemployment and the so-called 'inactivity traps' said to affect people. However, the BI, as implemented in this pilot project, had little effect on employment, and it was shown that

public services and social accompaniment were needed to reintegrate long-term unemployed into the labour market. Yet, the study indicates, it did increase their self-rated ability to work (Chapter 6).

Taking an alternative perspective, looking beyond 'activation' goals in a narrow sense, several authors shed light on BI's other positive effects. In relation to subjective health, the results seem to indicate that BI could improve (self-assessed) cognitive abilities and life satisfaction as well as reducing feelings of loneliness (Chapter 7). It could also have positive effects on financial stress and well-being (Chapter 8). Finally, personal capabilities and self-confidence were overall better in the treatment group of people who received the regular cash payment (Chapter 10). In relation to the current social security system, the survey data show that BI could improve the beneficiaries' experience with bureaucracy, although to differing extents depending on the recipients' profiles (Chapter 9).

The book contributes to the discussion on perceptions of policies by investigating public support (Chapter 11), media coverage (Chapter 13) and lives on basic income through qualitative interviews with beneficiaries (Chapter 12). Here, the labour market position and the household income seem to influence public perception of BI: insecure employment and insufficient income tend to be positively correlated with support for BI. Besides, we should stress that the social insurance institution (Kela) was able to partly frame the media coverage of the experiment, emphasizing the importance of testing social innovations. The economic perspective, following the general orientation of the project, remained dominant in both national and international media, recalling the experiment's main objective of exploring the consequences for incentives to work.

Seeing the impact of the BI experiment, one might wonder whether such a policy is politically feasible. The last chapter of the book makes a bold claim: it is not. Under current circumstances, a genuine BI scheme has low chances of being implemented in the near future in Europe, according to the authors. Nevertheless, the Finnish test was instructive, as the book shows, and could inspire other large-scale experiments (and, perhaps, more modest reforms).

This book has undeniable added value for policymaking, but also for the ever-expanding BI literature, although the experiment design deviates from a pure BI scheme. Although it focuses on the Finnish context, many bridges are built with the international and European levels, through, for example, research or data comparison with the European Social Survey (Chapter 10). The book includes some concepts relatively new to the BI literature, such as trust, confidence (Chapter 10) and financial well-being (Chapter 8), and the randomised control trial used to select beneficiaries made it possible to draw causal conclusions from the experiment. Finally, the combining of different data sets and methods enabled a welcome comprehensive approach to the topic, avoiding the pitfalls of single method research.

The book focuses on, and therefore had to follow closely the approach of, the Finnish experiment. However, it is maybe regrettable that little distance was taken from the initial assumptions underlying the governmental programme. Although some chapters address themes other than employability, activation is still the unquestioned priority, which misses, in my opinion, the subtlety and diversity of social recipients' circumstances. Inter-chapter transitions are also sometimes lacking and some repetition is inevitable. Although the multiplicity of concepts and corpuses of literature used has resulted in a somewhat heterogenous approach, this publication is still a highly insightful and easy-to-read study of an experiment considering the implications of BI.

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