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ARTICLE

Can social investment empower social innovation? A comparative discourse analysis of UK and Scottish policy

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Abstract
Social investment can act as an empowering funding mechanism that could activate the economic agency of marginalised people while addressing their social needs. Nonetheless, political agendas might cause divergence in the achievement of social investment's potential benefits. To develop our understanding in this area, this paper aims to extract discursive policy framings of social investment by comparing the UK and Scottish Government policies to identify the use of social investment and its implications on social innovation. Using corpus linguistic methods that allows for a framing analysis, the paper's findings are twofold. Firstly, both the UK and Scottish Governments share similarities in the framing of social investment policy, especially in the proclivity towards the privatisation of social welfare delivery using market mechanisms. Secondly, the governments differ in their intensity of conviction for social investment which creates divergent implications for social innovation practice in the countries.

Keywords: social investment; social innovation; corpus linguistic; framing analysis

Introduction

Social investment can unlock social change and address wicked problems in society (Edmiston & Nicholls, 2018; Rosenman, 2019). While environmental, social, and governance (ESG) principles have made inroads into the traditional investment market, social investment (the investment of repayable finance into projects and organisations that purposefully aim at generating measurable social impact alongside a financial return) has also received broad support from public policymakers (Wiggan, 2018).

Different governments have framed the meaning of social investment to advance their political agenda (Mason & Moran, 2018; Wiggan, 2018; Nicholls & Teasdale, 2017, 2021); this tactic has been used across the political spectrum. Framing in this context refers to the process of selecting and presenting 'some aspects of a perceived reality and make them more salient in a communicating text, in such a way as to promote a particular problem definition, causal interpretation, moral evaluation, and/or treatment recommendation for the item described' (Entman, 1993, p. 52).

Discursive framings of social investment risk the privatisation and marketisation of public service delivery (Hall et al., 2012; Roy & Teasdale, 2022), which can inhibit social innovation (Sinclair et al., 2021). Social innovations are processes that address social needs of especially marginalised and disadvantaged communities, where the needs are unmet or exacerbated by the state or the market (Montgomery, 2016), by shifting power relations through inclusive and often bottom-up processes (Teasdale et al., 2021; Purna & De Paoli, 2022). Social investment can facilitate such processes by providing funding (Harvie & Ogman, 2019; Edmiston & Nicholls, 2018). However, marketised framings can create conflict or tension between the underlying paradigms of social investment and social innovation. The short-termist nature of neoliberal financial markets contradict social innovation logic (Davison, 2013; Davison & Heap, 2013), as most definitions of social innovation tend to focus on the notion of creating long-term social value (Montgomery, 2016).

Place plays a significant role as differences in 'political and institutional struggles' (Casasnovas, 2023, p. 1), policies, investor rationalities, and market infrastructure can influence the framing of social investment, thereby, resulting in distinct social investment markets (Rosenman, 2019). The UK context, with its devolved nations, provides a good example of social investment markets across varying yet connected places. Differences between England and Scotland's welfare and social enterprise policies are well-documented (Teasdale, 2012; Hazenberg et al., 2016; Roy & Hazenberg, 2019). This suggests there could be divergences in social investment policy and practice between the two countries. However, existing scholarship has not explored how these differences manifest in the framing of social investment (Wiggan, 2018; Daggers, 2022). This study addresses two research questions: (i) how is social investment policy framed by different government actors? and (ii) what are the implications of such framings on social innovation?

To answer these questions, we used corpus linguistic techniques to identify frames in policies central to social investment in the UK. Using corpus linguistic techniques in framing analysis can strengthen the study by enabling systematic and objective identification of frames (Touri & Koteyko, 2015). The paper is structured as follows: firstly, we explore social investment in the policy landscape and connect social investment with social innovation. Secondly, we seek further clarification through policy frames in related fields like social enterprise. Thirdly, we outline the corpus linguistics method used to identify framings. Fourthly, we present the diagnostic, prognostic, and motivational framings and finally discuss the implications of these framings on social innovation, which includes implications for different actors including policymakers, practitioners, and academics.

Situating social investment

In the USA and the UK, social investment is considered a subtype of social finance, where private capital is harnessed to seek blended returns of both social and market components, i.e., financial, and social and/or environmental returns (Rosenman, 2019).

Social investment can be a vital tool to enable social innovation. Traditional models of financing the third sector rely on grant finance, which typically supplies restricted funds that are difficult to use for innovation as they are tied to the delivery of existing programmes. Simultaneously, as Moore et al. (2012, p. 115) state, more mainstream sources of finance (such as traditional banks and investors) tend to marginalise social innovators, and their beneficiaries because of the risk to return on investment of seeking blended returns. The need for social investment to encourage social innovation therefore is clear, yet the threat of co-opting remains. Langley (2020, p. 132) suggests that the social investment market is a 'discrete and hybrid' means of marketisation of the social economy. Thus, while the social investment market mimics traditional financial markets which typically maximise short-term shareholder value, it simultaneously seeks measurable social impact, requiring a longer-term view (Langley, 2020). Facilitating this complex investment market calls for an enabling regulatory environment, which arguably the UK offers through policy interventions.

However, the policy landscape in the UK is not homogenous. It faced notable shifts in its policy and political environment following the devolution of Scotland in 1999 (Alcock, 2012). Divergences in policy and political landscape emerged between England and Scotland, which can be traced back to the UK's departure from its social democratic roots and towards free market ideologies during the 1980s' Thatcher government (Mabbett, 2013). This shift towards the free market was unpopular within Scotland, North England, and Wales where left-wing principles remained popular (Hazenberg et al., 2016). Such political differences manifested in variations in social welfare and third sector policy (Roy & Hazenberg, 2019). Since social investment is subsumed within such policies, variations in social investment policies and policy framings would be evident; thereby, resulting in distinct social investment markets within the UK. Looking at the related field of social enterprise could offer a preliminary understanding of the scope of policy framing of social investment in these countries.

Policy framing in social enterprise/innovation

Framing has gained increasing purchase within public policy and wider social-science literature (Benford & Snow, 2000; Daviter, 2007). Thus, framing analysis of concepts like social enterprise and entrepreneurship are not new since these are strong avenues of social policy delivery. Teasdale (2012) tracked the framing changes of social enterprise in public policy (and other contexts) showing its shift in meaning from being a means of combating market failure and attaining local regeneration to being an avenue for entrepreneurship. This frame valorised the promise of market-based solutions to reform public services and address social issues. The widening of social enterprise's definition and organisational forms (like the Community Interest Company), with no restraint for democratic governance and profit distribution, enabled the government to inflate the number of such enterprises (Teasdale, 2012). Social entrepreneurship similarly witnessed the marketisation of social impact through the Schumpeterian frame of the 'hero (social) entrepreneur' and 'agents of change', (Hervieux & Voltan, 2018, p. 279). Collective action framing is a dynamic process which is amenable to changing meanings through different actors modifying, appropriating, or recombining frames to suit their objectives (Teasdale et al., 2023). The proliferation of framings that prioritise market logic and individual promise can subdue democratic and collaborative organisation needed for social innovation. Since social investment operates within a hybridity of purpose and ethos by drawing from both for-profit and non-profit domains (Höchstädter & Scheck, 2015) it is susceptible to such discursive framing at the cost of social innovation.

A burgeoning literature has explored the context in which social investment discourses have emerged and evolved (Mason & Moran, 2018; Wiggan, 2018; Nicholls & Teasdale, 2017, 2021; Daggers, 2022). Nicholls & Teasdale (2021) showed how under changing governments, the Social Impact Investment Taskforce shifted the social investment discourse towards a more financialised rhetoric of adopting market mechanisms for social welfare. Thus, social enterprise and social investment policies were both framed as means of welfare state reform (Nicholls & Teasdale, 2017). Mason and Moran (2018) identify such framing attempts as deliberate and successful in creating a holistic social investment and enterprise ecosystem in the UK. Wiggan (2018) offered a systematic framing analysis of social investment by highlighting how under a 'Broken Britain-Big Society' narrative, the Conservative government reproduced the idea that the financialised mechanism of social investment is a resolution to complex social problems (Wiggan, 2018, p. 722).

These framings in the social investment discourse have implications for social innovation practices. To encourage democratic social innovation, policy needs to be steered towards addressing overlooked or unmet social needs, and not towards clustering more power around the already powerful. The marketisation scenario bolsters technocratic views of social innovation which leverages private capital that aims for short-term financial returns (Montgomery, 2016), and privileges larger organisations over early-stage small and medium enterprises on grounds of 'investment readiness' (Casasnovas, 2023). While third sector organisations (TSOs) are not always socially innovative, bottom-up social organisations are well-placed to facilitate inclusive processes (Purna & De Paoli, 2022). Within critical perspectives of technocratic social innovation, privatisation of social welfare services is viewed with concern (Edmiston & Nicholls, 2018; Harvie & Ogman, 2019). It can erode state accountability, constrain service accessibility (Sinclair & Baglioni, 2014; Sinclair et al., 2021) and justify downsizing the welfare state (Rosenman, 2019) and inhibit democratic social innovation.

Policy framing, thus, merits attention since it has the potential to exert social power (Gamson, 1992). Social investment is a nascent field in practice where it looks up to dominant norms to gain legitimacy (Olson et al., 2022). (Private) Investor rationality may (re) direct investments in spaces where investors derive most profitability quickly or incur least risk (Rosenman, 2019). If such a nascent and malleable field with a strong market component and implications on social innovation is subjected to policy framing, those policy trends need to be highlighted and critiqued. Thus, Harvie and Ogman (2019, pp. 998–999) assert that 'critical scholars must not only produce serious critical scholarship, they/we must also meet and match the social investment market's enthusiasts' political determination'. This study contributes to such critical scholarship to explore the implications of social investment policy framing by government actors on social innovation by comparing the UK Government (UKG) and Scottish Government (SG) approaches.

Methodology

Our study explores the discourse of the social investment concept as it is used in two governments. Our approach combines corpus linguistic methods with a framing analysis to understand the underlying paradigms behind how social investment is discussed in policy documents. We firstly outline the justification for choosing the UK as a context to study, before elaborating on our methods and analysis.

Context of study

Social investment has become a mainstream public policy tool in the past two decades, particularly in the UK where successive governments have mobilised policies to create an enabling regulatory framework (Mason & Moran, 2018). This includes the creation of the Big Society Capital (BSC), the first wholesale social investment bank, introduction of the Social Investment Tax Relief (SITR) (UK Government, 2014a), the Dormant Account Scheme 2008 (UK Government, 2014b), and the formation of the Social Impact Investment Taskforce (UK Government, 2014c). The UKG is therefore recognised as intervening in its social investment market (Rosenman, 2019).

Within the UK, comparing the UKG to the SG offers an interesting opportunity for insight. While some social welfare policy is retained at Westminster, much has been devolved to Holyrood, including third sector policy (Alcock, 2012). There is similarity in how both the governments have reformed the significance they award to TSOs and to social investment, especially on the back of a global financial crisis (Woolvin et al., 2019). Yet, there are divergences in their social welfare policymaking and implementation (Hazenberg et al., 2016) suggesting distinct social investment markets have emerged in these countries.

SG is considered to offer a supportive policy environment conducive to TSOs (Woolvin et al., 2019), including provision of social investment funds especially in the wake of the Covid-19 crisis (Scottish Government, 2021b). England's third sector is primarily supported via organisations like BSC[1]. Comparing the UKG, which represents England, and SGs' social investment policy framing, thus, can offer novel insights into how social investment's meaning and practice take shape within divergent yet connected place-based policy contexts. While our study draws on two countries within the UK, the process of analysing the discourse of social investment in these documents and our findings are relevant beyond the UK, as social investment becomes increasingly popular with governments internationally (Olson et al., 2022; Hoppania et al., 2022).

Corpus linguistics

We used a corpus linguistic approach, which is 'a set of procedures, or methods for studying language' (McEnery & Hardie, 2012, p. 1). Corpus linguistic tools have been used to understand discourses within policy documents (e.g. Mason and Moran's (2018) exploration of social enterprise discourse in policy documents). To identify the frames, firstly we build a corpus of the policy documents based on publications by both the UKG and SG (listed in Table 1). We sought to focus only on a recent rather than historic perspective of this issue, thus our first selection

Table 1. Documents in the corpus

	UKG	SG
Corpus documents	• Civil Society Strategy (2018) • Social investment: a force for social change 2016 strategy • Government response to advisory group report on 'growing a culture of social impact investing in the UK (HM Government, 2018b)'	• Scotland's social enterprise action plan/ 2021–2024 • Scotland's social enterprise strategy 2016–2026 • Third sector growth fund • Third sector policy • The third sector resilience fund
Total words	53,263	32,996

criteria was that the documents be currently active. Secondly, we wanted policy documents which had had a significant impact on shaping the social investment market, and therefore selected those where social investment was likely to play a significant role. Lastly, we also looked for documents which would enable a strong comparison between the governments. The corpus building process is outlined in Figure 1.

Concordance

Concordancing is a corpus linguistic technique; extracting key words and phrases in context. We used Sketch Engine to extract concordances by searching the predetermined focus terms. Sketch Engine yields all the occurrences of those focus terms in their context. Examining concordances allows linguistic patterns or frames to be unpacked within the corpora (Baker & McEnery, 2005). See Table 2 for a list of focus terms. To operationalise the concept of social investment, it was necessary to include synonyms and related terms; however, we focussed on social investment and its mechanisms to identify the most relevant frames. The concordances show an equal band of words from the left and right of the focus term as presented in Appendix 1. This is a unique way of viewing textual data that allows the researcher to explore how a word or term is modified by the text around it (Mason & Moran, 2018).

Working with concordances enabled us to unpack the ways social investment and its variants are framed. Frequency of words, phrases and frames is not considered as necessarily a measure of importance in this study. It is possible for a frame to appear infrequently within a text and yet, be salient enough due to its context to deserve enquiry (Entman, 1993). Sketch engine is not used to determine such salience. Rather, the framing analysis where the concordances were categorised into the three framing areas enabled identification of patterns in the data (Benford & Snow, 2000).

Framing analysis

Benford and Snow (2000) conceptualise framing as a dynamic process of meaning-making by emphasising the role of frame creators in shaping the dominant meaning

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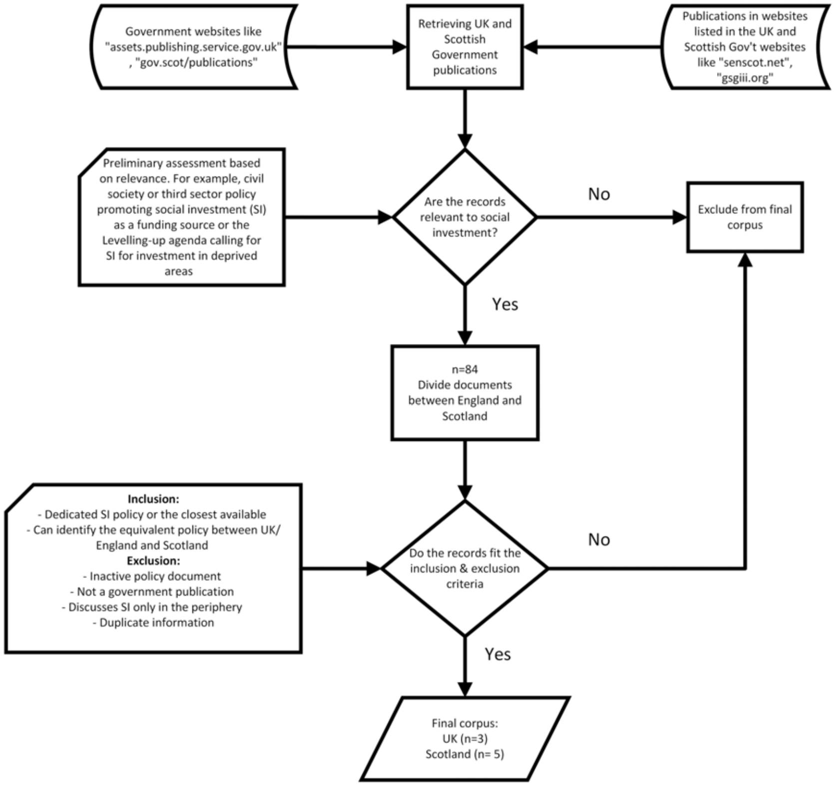

Figure 1. Corpus selection process and criteria.

of a certain problem which is then positioned as the one that warrants action. Although audiences are not regarded as passive recipients of information (Entman, 1993), in policy framing analysis policymakers are the dominant actors as citizens often lack the tools to uncover covert interests (Kahneman & Tversky, 1984). Framing analysis unpacks dominant framings of an issue by a mix of deductive and inductive approaches. We utilise Benford & Snow's (2000) broad framework of three framing categories : (i) diagnostic framing i.e., attributing blame or locating cause/s of the problem, (ii) prognostic framing i.e., identifying or proposing a set of remedial actions or resolution to the problem, (iii) motivational framing which represents the call-to-action or aspirational frames.

Findings

Diagnostic framings: social investment for effective funding of social challenge solutions and TSOs

In this study, diagnostic framings relate to understanding the reasons for supporting social investment by both governments. The diagnostic framings show that both governments share some similar ideas on the key problems that social investment

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Table 2. List and count of focus terms used to extract concordances

Focus terms – raw count		
	UK	**Scotland**
Social investment	106	11
Social investing	0	0
Social impact investment	42	0
Social impact investing	20	0
Social investment market	18	0
Repayable	5	4
Loan	3	60
Social impact bond(s)	13	0

can address. These include two interrelated problems: (1) social challenges such as community welfare needs and (2) a lack of finance for TSOs. This is apparent in the UKG documents showing a push for increasing the use of social impact bonds (SIB) designed to address specific social needs. Framing of social investment as an efficient means of addressing complex social challenges is evident in Appendix 1 that cites a sample of the concordances. The term 'social investment' or 'social impact investment' is commonly paired with addressing social challenges like homelessness, unemployment. For example, one concordance reads:

> 'and government is committed to providing the necessary resource and support to leverage the significant potential of *social impact investment* to help shape a society that works for everyone'. (HM Government, 2018b, p. 15)

This shows the UKG's commitment to address social needs by framing social investment as having the resource capacity to enable it to do so. Social investment, according to this concordance, has the potential to benefit all in society without specifying the means. Hence, it is unsurprising that social investment strategy labels it as a 'force for social change' (HM Government, 2016, p.19, 2018b).

Relatedly, the funding needs of TSOs are a key reason for the provision of social investment. SG regards TSOs as important vehicles in addressing social needs (Alcock, 2012). Throughout the SG corpus the emphasis on TSO's funding needs can be seen (Appendix 1). The SG documents use 'social investment' and 'loans' interchangeably. Despite the overt diagnostic framings, further contextualisation can be observed within the concordances. For example, to strengthen the justification for social investment, the UKG argues that the 'Government alone cannot deliver these priorities' (HM Government, 2016, p. 19) and thus, needs to pull resources from 'the social sector, the private sector, and the public sector' (HM Government, 2018a, p. 12). The UKG corpus additionally justifies social investment with the increase in demand for responsible business practices and, thereby, expands the remit of social investment (and policy support associated) to include

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for-profit organisations. The inclusion of profit-oriented private sector organisations by the UKG raises questions on both governance and accessibility of social welfare services. The SG Corpus focuses more on post-Covid recovery of its third sector and community, thus, largely promoting TSOs as recipients of social investment.

Prognostic framings

Within prognostic framing, the concordance analysis enabled us to identify the underlying mechanisms and justifications behind promoting social investment by both the governments.

Changing government's role in social welfare delivery

The UKG and SG show a propensity towards shifting government responsibility of social welfare provision, however, to slightly differing degrees. Previously, we identified that the UKG uses a justification of insufficient resources for its drive towards privatisation of social welfare delivery. As such, the UKG distances itself from provision of social welfare:

> 'This would make progress towards every social sector organisation having the opportunity to access the *social investment* they need. As a market steward, we can look to remove legal and other barriers to social impact investing'. (HM Government, 2016, p. 19)

This frames the government's role as an overseer, rather than a primary provider of public services. Hence, it is unsurprising that one of the concordances in the UKG corpus states that 'Just as there will not be an automatic assumption that the state delivers public services . . . ' (HM Government, 2018a, p. 106) showing an attempt to shift perceptions of the government's involvement in social welfare delivery. Even though the policy document continues to clarify that ' . . . there will not be an assumption that only large corporations – the ones capable of carrying major financial risk – can be trusted to do important work on the government's behalf' (HM Government, 2018a, p. 106), framing the government as a steward diminishes its role in social welfare provision and promotes that of the private sector. The UKG has simultaneously promoted SIBs as a means of reorganising public service delivery, as the following concordance shows:

> 'Over the next 12 months, we aim for at least two-thirds of central government departments to develop new models using *social investment*'. (HM Government, 2016, p. 20)

SIB is a novel social investment mechanism leveraging cross-sectoral collaboration. A strong emphasis on use of SIBs for public service delivery indicates a shrinking role of the UKG in social welfare delivery. The SG corpus provides a slightly varying approach. It largely promotes social enterprises and the outsourcing of public services to such ventures:

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> 'This *loan* fund will be aimed at ambitious, high growth potential organisations that will be key to inclusive growth' (Scottish Government, 2021a, p. 24)

SG is more proactive in promoting social investment by funding social enterprises, without making explicit the government's retreat from social welfare delivery. Nonetheless, social enterprises are lauded with strong descriptors such as 'ambitious' or 'high growth potential'. This indicates a propensity towards marketised and privatised solutions for attaining social policy goals which parallels the Westminster Government's truncated role in public service delivery. Concurrently, the SG corpus shows more awareness of the struggles of TSOs regarding taking on loans as one concordance recognises that 'issues remain in terms of the availability of small amounts of *loan* funding, the affordability of the money available, and the ability to repay within a suitable timeframe' (Scottish Government, 2016, p. 34). Thus, the SG shows commitment towards supporting the demand side of social investment by enabling 'enterprises to test new ideas, support trial trading, and develop the track record and confidence to access follow-on *loan* finance' (Scottish Government, 2016, p. 34). The UKG also addressed TSOs investment readiness, as the following concordance states the government mobilised social investment 'to allow social sector organisations to purchase tailored capacity-building support. This helped them to secure social investment and win public service contracts'. (HM Government, 2016, p. 8). However, comparatively, in the English corpus there is inadequate recognition of the challenges of low capacity TSOs to access social investment. While superficially the two governments' approach to social welfare delivery has similarity, differences emerge upon probing the details. In corpus analysis absence of information can also be used to determine salience. Thus, in comparison it appears that the UKG's investment readiness initiatives lack in evaluating if the social investment schemes are fit for TSOs.

Private sector inclusion in public service delivery

There is strong evidence in the UKG concordances to suggest that they consider marketised avenues as the more efficient means of delivering public services:

> 'the social investment market grow, and in partnering with this market to deliver better services to the public. *Social investment* does not relieve governments of their responsibilities. But it can help to fulfil them more effectively'. (HM Government, 2016, p. 7)

Here, UKG frames marketised avenues of delivering public services via social investment as the more efficient means of addressing the challenges identified under diagnostic framing. This position forms the pretext for promoting private-social partnerships and extracting capital from the private sector. Examples of the UKG leveraging private capital for social investment include the Arts Impact Fund, the Dementia Discovery Fund, and SIBs (HM Government, 2016). As part of this mechanism, the UKG can be seen to rely on the BSC, the significance of which is discernible from the concordance stating, 'Big Society Capital acts as a market champion for the sector and provides funding to intermediaries' (HM Government, 2016, p. 8). By declaring BSC as the 'market champion', UKG positioned it as the central actor in the social investment market.

There is no reference to BSC or SIBs in the Scottish concordances. Nonetheless, the SG similarly promotes social investment from diverse sources like private investors, community shares. SG differs from its southern counterpart by apparently lacking the same conviction towards private capital. SG's awareness of market conditions like social enterprises' apprehension towards private capital can explain the relative indifference, as shown in the following:

> 'Social enterprise leaders remain cautious about taking on commercial *loans* with a view to operating in sometimes uncertain and challenging private and public markets'. (Scottish Government, 2016, p. 34)

The SG mitigates this apprehension by partnering with local actors for delivering its social investment funds instead of relying on the BSC or the private sector. For example, the Corra Foundation distributed SG grants for TSOs, and Social Investment Scotland (SIS) managed government loans like the Catalyst Fund (Scottish Government, 2020). Indeed, these funders can also source private capital for social investment. Nonetheless, close partnership with the SG suggests social investment funds can be made more accessible for social innovation. This is supported by the concordances showing SG's commitment to make investments more affordable and suited to the market needs by encouraging small-sized funding, patient capital, equity investments, blended capital, and reducing cost of capital.

Use of quantifiable or monetised success metrics

The success metrics set out by specific funds or projects suggest that the UKG tends to prioritise quantifiable and/or financial impact, as shown in the concordance as follows:

> 'number of people being supported with the help of social investment-backed government programmes • The amount of *social investment* being made into public services • The number of central and local government organisations that are actively using' (HM Government, 2016, p. 20)

Overall, the metrics in the UKG concordances are quantifiable or monetised factors like financial returns, cost savings, number of people supported, number of departments who have taken on social investment. Limited mention of multiple bottom-line is present with social, artistic, and financial return but such mentions are disproportionately low.

The SG corpus is less specific about the type of success metric or impact sought. Nonetheless, within limited concordances, the outcomes or success factors are primarily quantifiable ones. For example, 'size of the loans awarded', average size of loans, number of TSOs having 'their loans approved and received' (Scottish Government, 2020, p. 29). While this concordance describes the outcomes of a particular fund, we see a preference for reporting on quantifiable (financial) metrics which is mirrored in other concordances. However, concordances citing application

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of revenue-based repayment models, interest free loans, or repayment holidays suggest that generating financial returns is potentially not the sole or even key objective of the funds (Scottish Government, 2020, 2021b). Indeed, the source of these funds is the SG, which can explain the flexibility. Hence, even if the social impact requirements are not made explicit, the somewhat relaxed provisions towards financial returns make the Scottish social investment approach appear to be more oriented towards the social side.

Motivational framing: global leadership

Both governments aspire to their country becoming or retaining positions as global leaders in social investment (UKG) and social enterprise (SG). UKG's ambition for the social investment market is summarised in the following concordance:

> 'as the most advanced social investment market in the world. We created the world's first social investment bank, first *social investment* tax relief and the first-ever social impact bond (SIB). Indeed we continue to be a world leader in this area'. (HM Government, 2016, p. 4)

The term 'global leader' surfaced repeatedly in the UKG concordances. The position is attributed to the UK's supportive regulatory environment consisting of the BSC, SITR, and SIBs. The application of grandiose language is evident in the UK concordances where social investment is expressed as a means to revolutionise public services, as seen in the following concordance:

> 'over this Parliament and it remains a crucial element in the creation of a bigger, stronger society. A vibrant *social investment* market will support the growth of new businesses, drive the transformation of our public services and help us to build' (HM Government, 2016, p. 4)

In this concordance, with the use of phrases like 'bigger, stronger society' the UKG is inflating the promise of social investment by asserting it has transformative potential to not only fix public service delivery but also for societal regeneration. Such description appears grandiose especially in the absence of evidence in the UKG concordances specifying how social investment would do so or the basis for such conviction in a nascent field.

The SG corpus provides a similar narrative around forging its position as the global leader in the social enterprise field. This can be seen in the following concordance:

> 'It also goes some way towards our commitment to explore other strands of *social investment*, including capital loans, to build upon Scotland's world leading position in social enterprise'. (Scottish Government, 2021b, p. 2)

This is an example of SG valorising Scotland for its global leader position in social enterprise support. As part of maintaining that position, it intends to continue leveraging various forms of social investment. However, SG's expressions are

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comparatively tamer. While it valorises its own initiatives in mobilising social investment supply as we see in this excerpt, ‘Our work, and that of others, has supported the development of a strong supply of social finance for Scotland’ (Scottish Government, 2016, p. 34), the language and aspiration is not as radical as UKG’s.

Discussion

Having addressed our first research question of ‘How is social investment policy framed by different government actors’ in our framing analysis of corpus concordances, we now turn to our second research question of ‘What are the implications of such framings on social innovation’ to structure our discussion. Framing social investment as an effective means of funding social challenge solutions and third sector organisations is common across the governments. This is expected, since the social prefix of the term largely refers to its objective of addressing social needs (Nicholls & Teasdale, 2021). However, it is the confidence in social investment’s effectiveness to facilitate social challenge solutions that raises important concerns since there is also a strong market component to social investment (Langley, 2020). Both the governments converge on framing marketised and privatised avenues as efficient channels of delivering social welfare services. With the UKG this move towards privatisation of social welfare services is particularly evident through the promotion of SIBs and in their positioning of BSC as the market leader. The emphasis on BSC in the UKG concordances is expected, since it is a UK-wide organisation. BSC is a manifestation of the Conservative Government’s Big Society agenda, which according to Alcock (2012) did not take off in Scotland. SG’s proclivity towards marketised channels primarily surfaces through the promotion of social enterprises from within the third sector and its dismissiveness towards grant dependency. The prioritisation of social enterprises can sideline what social investment could mean to other forms of TSOs with charitable structures. While social enterprises can be socially innovative (Tuckerman et al., 2022), fixating on one organisational form in social welfare discourse and delivery, especially one with a prominent market component, raises concerns about the ability of such services to support the marginalised communities social innovation should be aimed at. Mechanisms can be in place to prevent these issues, for example through asset locks and/or caps on profit distribution.

However, aversion towards grants ignores the funding needs of early-stage enterprises which require diverse sources of capital to attain long-term sustainability (Hall et al., 2012). If SG continues to frame marketised avenues like social investment and social enterprises as the best means of addressing social problems, it risks inducing charities towards marketisation to access funding and state contracts and justifying withdrawal of grant funding. It is also unclear from the SG concordances whether bottom-up, grassroots TSOs are privileged. These organisations create social innovation by transforming social and power relations of especially the marginalised communities (Purna & De Paoli, 2022), but struggle to compete with larger private providers for public contracts (Casasnovas, 2023).

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A crucial aspect of social innovation is its juxtaposition to technocratic mechanisms (Montgomery, 2016). Under technocratic practices, existing power disparities are retained or expanded and principles of the common good subside. By reframing the government as a market steward of public services and by delegating its duties to private and the third sector, the 'Big Society' social investment approach of the UKG reconfigures the relationship of the state with its citizens (Sinclair et al., 2021). Citizens take on the role of 'customers' without having meaningful participation in the public service design or delivery (Sinclair et al., 2021). Framing is not just about what is said but also about how it is said and what is excluded (Entman, 1993). Interestingly, austerity policies are not highlighted in the UK policy documents as a cause of engendering multifaceted social needs. Rather a simplistic narrative of resource inadequacy of the government is pushed. Crucially, by failing to frame social investment policies as means of collaboration and user participation, and instead, focusing on market notions of investment readiness and measurable social impact, the social investment discourse moves away from social innovation (Teasdale et al., 2021).

Despite the lack of evidence to support social investment's efficacy (Roy et al., 2017; Olson et al., 2022) the UKG's enthusiastic promotion of such programmes and funding raises concerns over its agenda, especially considering its neoliberal tradition of relying on market mechanisms to resolve socio-economic issues. As widely debated, the current model of social finance is shoehorned into the present financial system which prioritises short-term returns over the longer-term needs of the community that is central to the logic of social innovation (Davison, 2013). The challenge is in locating investors who are willing to accept a new mode of risk appetite, social returns over short-term capital gains, with the 'prospect of sustained positive social and financial returns in the medium and long-term', (Davison & Heap, 2013, p. 3). The SG's framing of social investment comparatively appears complementary to social innovation. As a result, Alcock (2012, p. 232) remarks that Big Society is 'a distinctly English political phenomenon'. The Big Society agenda, while framed as empowering communities to innovate regarding dealing with their economic and social situations like poverty, healthcare etc. in-effect justifies the shrinking of the public sector (Dowling & Harvie, 2014). Consequently, the marketised logic approach in social investment and welfare delivery employed by both governments brings a conflict of interest to the role of social innovation in empowering the disadvantaged. Ultimately the tension between market and community logics brings questions on how effectively the proposed funding mechanisms of social investment can deliver the social value it seeks.

We cannot deduce whether social investment is causing a retrenchment of the welfare state through privatisation without reviewing the overall social policy scenario, as there can be trade-off effects (Van Vliet & Wang, 2015). Nonetheless, if funds are driven towards supporting measurable and quicker returns which both the countries prioritise, then those projects where social impact can be easily quantified or monetised will primarily get financed (Roy et al., 2017; Harvie & Ogman, 2019) choosing the 'low hanging fruit' over transformational change. Shifting government's responsibility onto the private and/or third sector can create more opportunities for those sectors to be socially innovative. However, short-termism and the lack of incorporation of user voices suggest the governments are implicitly promoting a culture of social investment that will be incommensurate with supporting socially innovative projects. This conforms to Rosenman (2019) who highlighted that such investment mechanisms remain agnostic towards the social repercussions of their projects. On paper the governments leverage private capital into the social welfare mix to facilitate social innovation, however, there is limited evidence so far suggesting this approach is effective (Edmiston & Nicholls, 2018; Sinclair et al., 2021).

The global financial crisis of 2007/2008 showed the fragility of market mechanisms. As such, promoting social investment and privatised social welfare delivery without due acknowledgement of its limitations could provide an example of dressing 'bad capitalism' as 'good capitalism'. SG has a more nuanced view of social investment as it recognises gaps in the market. However, the recognition requires follow-up with commitment to address those gaps, for example by working towards amending investor's risk-return appetite and stringent funding conditions. Both governments' pursuit of being global leaders in social investment and social enterprise, respectively, echoes competition. This omits marginalised communities' acute social needs, their voices, and the responsibility and accountability of the government from the narrative.

Conclusion

Framing attempts are inevitable and necessary as they enable frame holders to dedicate resources (Höchstädter & Scheck, 2015) and can bring diverse actors together around malleable concepts (Hill O'Connor et al., 2023). Framing enables governments to justify that the acute social challenges and resource inadequacy of the governments must be supplemented by social investment and the promise of private capital. While framing is a dynamic process where audiences can be purposive agents guiding policy directions, their voices remain obscured in the social investment policy documents analysed. The findings advance existing critical scholarship that shows the risks of subjecting social policies and the resolution of social problems to market mechanisms, which can ultimately justify relocating responsibility of social welfare to private and third sector entities (Wiggan, 2018; Edmiston & Nicholls, 2018; Harvie & Ogman, 2019). Our study goes beyond analysing SIBs or focusing on the UK as a singular policy landscape, by showing how social investment policies are framed with points of convergence and divergences between the two countries. We show that frames need not be unidimensional as seen through the abstention of hyperbolic language to describe social investment and showing awareness of market limitations in SG policy documents. Overall, both governments' framing attempts have significant room for resetting the narrative to support socially innovative actions. It is important to recognise that policies in themselves do not translate into effective interventions, as seen in the field of social enterprise (Mazzei & Steiner, 2021). Especially in markets where competing logics are at play, policy can eventually be counterproductive in stimulating the market (Casasnovas, 2023). However, complete deregulation can fortify the market component which once again resorts to short-termism and capital extraction instead of social innovation facilitation. Nonetheless, a retreat from

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framing social investment as a cure-all is possible; hence, we join the call for more evidence of its promise (Roy et al., 2017; Sinclair et al., 2021). That way the prevalent gaps in the social investment market can be identified and filled to align the policies with social innovation. Social innovation is about forging horizontal and inclusive systems by empowering depoliticised or marginalised communities. Hence, if social investment policies are partial to agents, projects or processes that do nothing to equalise power differences in societies, it will fail to induce social innovation.

This study has focused on limited, nonetheless dedicated, policy documents. Social investment is part of a wide range of social policies and hence its policies do not holistically reflect each country's position on welfare state reform. However, it can be a doorway to understanding the trajectory of a government's social policies. Future research can incorporate further policy documents and instruments on social welfare delivery to analyse and situate social investment policy framing in government's discourse more holistically. Furthermore, we have not examined the relationship between party political promises and the use of chameleonic concepts (Smith, 2013) such as social investment. This could provide an interesting area for future research, using campaign documentation, which would be timely. This analysis could focus on for example, the Scottish National Party's approach to differentiation from Westminster in their approach to policymaking (Cairney et al., 2016).

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Note

1 BSC is owned by the Oversight Trust (an arms length organisation which oversees companies who receive dormant bank account monies) and large private banks (Big Society Capital, n.d.).

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