

Detlef Jahn (Coordinator)

Sustainable Governance **Indicators 2022**



SGI 2022 | 2 Sweden Report

Executive Summary

Undoubtedly, democracy in Sweden remains robust; the country continues to score highly across the gamut of sustainable governance indicators, with little change since the previous report. This mundane observation becomes quite salient if contextualized in the second year of a pandemic, which as of January 2022, was poised to usher in a third year of societal disruption. In a nutshell, the policymaking system and democratic institutions proved to be adequately resilient for the country to continue providing public goods and services to the citizens while at the same time avoiding curtailments of civil rights and political freedoms.

The economic measures that comprised the pandemic response is 2021 were well timed, appropriate, temporary and transparent, and went a long way toward navigating the consequences of the pandemic crisis and avoiding a deep recession. Having said that, existing societal cleavages have been exacerbated, including the relative lackluster performance of integration policies, resulting in disproportionately higher rates of unemployment among foreign-born people.

The Swedish administrative system remains decentralized and fragmented, featuring highly autonomous local authorities and public agencies. There are signs, however, that there is a trend toward centralization under way. Recent developments exemplify this trend that has neoliberal features, in the sense that they are based on the premise that municipalities must be able to financially weather the repeated and nested crises that seem to be the norm. For this reason, they must explore the possibilities of close collaboration with other municipalities or of merging operations with them. This is currently the case for municipal fire services, partly as a response to the major forest fires of 2014 and 2018. Additionally, a recent commission of inquiry left the door open to municipal reforms including mergers. This is a politically sensitive issue that will feature in the debates ahead of the elections in September 2022.

The precarity of the state of affairs in the parliament was exposed in the summer of 2021 with a political crisis that resulted in a new prime minister (Magdalena Andersson, Social Democratic Party) after a vote of confidence against Stefan Löfvén. This precarity rests on the composition of the parliament: the Social Democratic Party and the Green Party were in

SGI 2022 | 3 Sweden Report

government until summer 2021, supported by the Liberals and the Center Party, which pulled policies significantly to the right. At the same time, the government is opposed from the right by the Moderate Party, the Christian Democrats and the Sweden Democrats, the latter a far-right party holding 62 of the parliament's 349 seats, and from the left by the Left Party. Such need for compromise has watered down the long-term policymaking ambitions of the Social Democrats and the Greens. One such compromise was the January Accord of 2019 that secured the support of the Liberals and the Center Party and included a host of neoliberal reforms. The agreement broke down in the summer of 2021 and resulted in the vote of no-confidence against the prime minister. Though such occurrences, including snap elections, are common in other European countries, they have no precedent in Swedish politics. Finally, party polarization has increased, with the gap in the right-left divide pulled to the right.

In summary, the high performance of Sweden and the country's robust stability and broad popular support for the democratic rules of the game notwithstanding, the trend observed in previous reports persists. The political stability, broad consensus, corporatism, high taxes, large public sector and generous welfare state that have traditionally elevated Sweden to a role model in the European context are fading, so that Sweden today increasingly resembles comparable European countries.

Key Challenges

The far-reaching consequences of the COVID-19 pandemic have cast a long shadow across all polities and societies. They have affected all aspects of policymaking and good governance, while democratic values are debated, in some national contexts quite extensively. The uncertainty and the restrictions placed on human mobility combined with disruption in the supply chains have halted economic growth globally, though Sweden, in line with the Nordic countries, has performed better than EU countries as a whole. Additionally, Sweden continues to perform very well across the entire range of indicators, exhibiting a sustainable economy and society, large-scale integrity when it comes to democratic values and civil protections, and robustly good governance despite the various challenges of the last two years. However, the country faces a number of challenges.

First, in Sweden as everywhere else, the pandemic highlighted existing societal cleavages. Even though unemployment rates are declining, foreign-born people continue to have a harder time finding employment than people

SGI 2022 | 4 Sweden Report

born in Sweden. Despite government efforts to improve integration policies, recent immigrants who arrived in Sweden as refugees often find themselves in segregated urban spaces with limited opportunities to take up well-paid and secure employment. Additionally, the pandemic revealed gaps in the Swedish healthcare system, especially the shortage of staff in hospitals and nursing homes. These gaps are also the subject of some controversial debate against the backdrop of advancing privatization in the Swedish welfare state.

Second, lackluster integration policies may also have a hand in the second challenge that the country must grapple with in 2022, which is a sharp rise in violent crime, and especially gang violence and organized crime. Despite the fact that this problem has been high on the political agenda, the statistics on violent crime keep worsening, often dominating the news cycle. A legislative change is sure to take place after a 2021 commission of inquiry, placing increased responsibility on municipalities to manage violent crime in their jurisdiction. Without adequate funding and support, this risks becoming an insufficiently funded mandate. The issue of law and order is bound to dominate the public debate of the 2022 election year.

Third, and in the subject of public debate, party polarization seems to have been on the rise recently, with the center of political gravity having generally moved to the right, partly as a corollary of the precarious parliamentary coalitions. The gap between the issues covered by mainstream media, such as the economy, the labor market and healthcare, and the issues taken up in social media, such as migration, equality, taxes, and law and order also reflects the cultural polarization within Swedish society more broadly, an issue to watch for ahead of the elections in September 2022.

Finally, the political crisis of 2021 that followed the first-ever vote of no confidence against a Swedish prime minister is a sign of increased political instability and the persisting precariousness of political compromise. If the elections of 2022 once again produce complex results, the political space for compromise could erode further, and policymaking could remain difficult with unclear direction, problems and solutions.

Party Polarization

Party polarization has been increasing in Sweden. With few exceptions, cooperation across the left-right divide has been rare, highly conflictual and short lived. More recently, the so-called GAL-TAN divide (GAL: green, alternative, libertarian and TAN: traditional, authoritarian, nationalist), which

SGI 2022 | 5 Sweden Report

refers to the political cleavages associated with values and lifestyles, has emerged as a decisive feature of party system developments. Traditionally opposed parties within the left-right spectrum may adopt similar positions within the GAL-TAN scale. For example, on issues such as migration, the Social Democrats and Conservatives share a similar policy position, while left-wing, green and center parties tend to share a different policy position (Lindvall, 2017).

This increase became more pronounced in the 2014-2018 period, when polarization across the left-right continuum increased among red-green and center-right parties, but also among parties within these alliances. The extent of cultural polarization articulated in such issues as migration has also increased. This trend could be the start of an era of greater polarization, but at the same time, the increase is not out of step with the Swedish context (Oscarsson et al., 2021).

The Löfven II government (in office from 21 January 2019 to 9 July 2021), depended on informal support by the Center Party and the Liberal Party. This cross-bloc coalition was based on an explicit cooperation paper ("January Accord") and aimed to isolate the Sweden Democrats. However, this broad informal coalition broke up in summer 2021, leading to the first vote of no confidence in Swedish history. The Social Democratic minority government under the leadership of Magdalena Andersson got off to a curious start in autumn 2021. Shortly after Andersson was elected prime minister, the bourgeois parties and the Sweden Democrats supported the Conservative Party's budget - whereupon the Green Party left the minority coalition and Andersson resigned the same day. The bourgeois parties could not mobilize a majority, and so Magdalena Andersson was reelected as head of government after only seven days. The new minority government is formed only by the Social Democratic Party, and depends on cooperation with the center parties. In summary, attempts to dampen polarization in the party system and in the society are evident, but the observable success so far is small. (Score: 5)

Citation:

Lindvall, Johannes, Hanna Bäck, Carl Dahlström, Elin Naurin, and Jan Teorell. 2017. "Samverkan och Strid i den Parlamentariska Demokratin." SNS Demokratirapport 2017. https://snsse.cdn.triggerfish.cloud/uploads/2020/02/samverkan-och-strid-i-den-parlamentariska-demokratin.pdf

Oscarsson, Henrik, Bergmann, Torbjörn, Bergström, Annika and Johan Hellström. 2021. "Demokratirådets rapport 2021: Polarisering i Sverige." https://snsse.cdn.triggerfish.cloud/uploads/2021/03/demokratiradets-rapport-2021-polarisering-i-sverige.pdf

SGI 2022 | 6 Sweden Report

Sustainable Policies

I. Economic Policies

Economy

Economic Policy Score: 9

The Swedish economy fared substantially better than expected in the spring of 2020 as a result of the economic measures adopted by the government with a view to alleviating the consequences of the COVID-19 pandemic (Finanspolitiska rådet 2021a). More specifically, Sweden's economic performance was in line with that of other Scandinavian countries and markedly better than that of the euro area as a whole. Even though GDP fell by 7.6% during Q2 of 2020 (the largest recorded contraction), the overall decrease in GDP for the year was 2.8%, compared to 6.8% in the euro area. A year later, in Q3 of 2021, GDP rose by 2.0% compared to Q2, an increase driven mainly by household consumption (SCB, 2021).

There is no question that the pandemic affected the Swedish economy. However, the state was well positioned to intervene with economic measures, which continued in 2021. The objectives fell broadly under three categories, seeking 1) to allow the economy to weather the crisis, 2) to alleviate the decrease in demand for goods and services, and 3) to protect the sectors of the population that suffered the greatest financially hardships (Finanspolitiska rådet, 2021a). The Swedish Fiscal Policy Council (Finanspolitiska rådet) posits that the government acted swiftly and appropriately, though it has been critical of blanket measures that may or may not have benefited people not in need of assistance. They also point out the lack of statistics generated among the public authorities tasked with administering the financial support, rendering evaluation difficult (Finanspolitiska rådet, 2021a).

The prognosis of the National Institute for Economic Research (NIER, Konjunkturinstitutet) forecasts that as of December 2021, the recession was over (Konjunkturinstitutet, 2021). Most long-term economic indicators on Sweden assuage concern, particularly with regard to international

SGI 2022 | 7 Sweden Report

competitiveness. Thus, it is fair to say that the institutional and regulatory framework of the Swedish economy provides basic stability and predictability. However, there are some challenges. For example, there are still unused resources in the labor market, despite the swift recovery after the pandemic-induced downturn in 2020.

The housing market and increased household debt has been a concern over the past few years. In an attempt to cool the market, the government introduced mandatory mortgage repayment rules in 2018. In 2020, both the average size of the mortgage (in relation to the value of the property) and the ratio of the mortgage compared to household income increased, but at rates lower to those seen prior to 2018, before the mandatory mortgage repayment rules were introduced. Sweden's financial supervisory authority, Finansinspektionen, temporarily lifted these requirements, but this exception ended in August 2021 (Finansinspektionen, 2021). Together with increasing construction, these measures were intended to help cool off the real-estate market in metropolitan areas over the longer term. Nonetheless, the current housing shortage in metropolitan areas that is driving real-estate prices up increases the short-term risk of a bubble in the real-estate market.

Sustainability in the long run remains the departure point for the financial policy framework, both legislated and with regard to rules in use. In 2019, an acceptable debt level was adopted for the country's gross debt – the so-called Maastricht debt. This is not an operative target, but rather reflects the desired middle-range level, and is set at 35% of GDP. In 2021, Maastricht debt was at 38.9% (Finanspolitiska rådet 2021b; Konjunkturinstitutet 2021). More importantly, the economic policy framework states that public debt is to be brought down incrementally. Sweden's economy and the regulation thereof are generally considered to be efficient and sound. Whether this is a product of policy incentives, or a consequence of being outside the euro area is a matter debated among economic experts.

Although the institutional and regulatory framework of economic policy remains overall robust and efficient, the governance of that system has proven exceedingly complex since the 2018 general elections. With 62 seats, the extreme-right Sweden Democrats (SD) party holds a pivotal position between the Social Democratic-Green-Left bloc and the center-right "Alliance." In January 2019, the Social Democratic-Green government negotiated a 73-item agreement ("the January Accord") with the Center Party and the Liberals to secure parliamentary passage for major government (https://januariavtalet.se). The agreement indicated a shift toward neoliberal economic policy, including an overhaul of the tax system and reevaluation of public services across a large number of policy areas. This agreement broke SGI 2022 | 8 Sweden Report

down over a disagreement in housing policy in the summer of 2021, leading to a political crisis, when, for the first time in Sweden, a prime minister received a no-confidence vote.

Citation:

Finansinspektionen. 2021. "Den Svenska Bolånemarknaden." https://www.fi.se/contentassets/1f11d50883754a7da8c217457e154d46/den-svenska-bolanemarknaden-2021.pdf

Finanspolitiska rådet. 2021a. "Sammanfattning Svensk Finanspolitik: Finanspolitiska Rådets Rapport 2021"

https://www.fpr.se/download/18.dc1dc8b17941ccc9dbde0d/1620981128106/Sammanfattning%20Svensk%20finanspolitik%202021.pdf

Finanspolitiska rådet. 2021b. "Svensk Finanspolitisk: Finanspolitiska Rådets Rapport 2021." https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202 021.pdf

Konjunkturinstitutet (NIER). 2021. "Konjunkturläget, December 2021." https://www.konj.se/download/18.10535f7c17db81574dd3f47b/1640074614038/KLDec2021.pdf

SCB. 2021. "Uppgång i BNP Tredje Kvartalet 2021." https://scb.se/hitta-statistik/statistik-efter-amne/nationalrakenskaper/nationalrakenskaper/nationalrakenskaper-kvartals-och-arsberakningar/pong/statistiknyhet/namnlos2/

Labor Markets

Labor Market Policy Score: 6 Traditionally, unemployment rates in Sweden have been low, but current labor market statistics indicate that Sweden – with an unemployment rate of 8.5% in October 2021 – does not differ in any significant way from comparable market economies. If anything, unemployment rates in general, driven by high unemployment levels among young people and immigrants, are higher than in other comparable countries. For the same data point (October 2021), the average unemployment rates were 5.71% in OECD countries, 6.7% in the EU-27 and 7.30% in the euro area (OECD 2021). Having said this, the National Institute for Economic Research (NIER; Konjunkturinstitutet) forecasts that the unemployment rates in Sweden will decrease to 7.5% in 2022 and to 6.7% in 2023 (Konjunkturinstitutet. 2021).

High unemployment rates raise questions about the efficiency of Sweden's labor market policies and the overall regulatory framework. Unpacking the unemployment statistics reveals cleavages along immigrant status in addition to age, educational attainment and geography, a trend that has persisted for some years now.

The huge influx of asylum-seekers into Sweden in 2015 and 2016 put pressure on the labor market. One of the key problems is matching the recently arrived refugees to the often knowledge-intensive jobs that are available in the job

SGI 2022 | 9 Sweden Report

market. Also, language skills remain a significant barrier for the recently arrived job seekers. In 2017 and 2018, the strong economy kept unemployment (primarily among native Swedes) at a very low level, thereby moderating the impact of the growing number of job seekers. Inequalities persist, and the pandemic crisis exacerbated them.

The pandemic crisis affected different sectors of the labor market differently. For example, turnover in manufacturing recovered relatively quickly after the initial drop in 2020, and in March of 2021 stood at just under normal levels. This was not the case in the service sector or in some cultural industries. For example, in April 2021, turnover among travel agencies was about 72% lower than normal levels. Given that 42.5% of hotel and restaurant workers were born outside Sweden, it is not surprising that in 2020 the unemployment rate among this population rose seven times as much as among people born in Sweden. In addition, partly connected to this factor and in terms of geography, the more densely populated a region, the higher was the unemployment rate in 2020 and 2021 (Finanspolitiska rådet, 2021). A disproportionate representation of young people in the service sector is also cited as a significant factor behind the higher unemployment rate among people between 20 and 24 years of age, though a quarter of that group consists of students. (Finanspolitiska rådet, 2021).

However, the proportion of adults not in education, employment or training (NEET) in Sweden is lower than the OECD average, and is especially very low among women between 20 and 24 years of age; the rate is 9.8% in Sweden, much lower than the OECD average of 17.2% for 2020 (OECD, 2022). This indicates that, despite high levels of open unemployment, the Swedish labor market is successfully integrating a large share of young people into the labor market. This statistical artifact can be explained by the fact that in Sweden there is no compulsory insurance against the risk of unemployment, hence unemployment rates are mainly generated via surveys. As a result, youth unemployment rates are often overestimated, because to a certain extent students and even pupils are counted as unemployed.

The government took a series of measures aimed at assisting persons who became unemployed because of the pandemic, with the goal of preventing them from falling into long-term unemployment. As a means of increasing matching of employees with skills in demand by employers, the government invested in education, providing an increased number of places in universities, colleges, professional training programs and remedial education services ahead of higher education exams (Finanspolitiska rådet, 2021).

SGI 2022 | 10 Sweden Report

Ongoing EU integration and the mobility of labor has triggered a new set of issues related to the domestic regulations in the market. Also, there has been extensive debate about introducing an apprentice model to help younger age cohorts to make the transition from education to the labor market. Additionally, Swedish policymakers have been trying to create a short-time work scheme for public employees, as it exists in Germany. These examples may indicate that the old Swedish model of labor market policy is gradually moving toward the German model.

Union strength has declined rapidly in recent years, but union power remains strong by international standards. The strength of unions in part explains the relatively modest reform in labor market rules related to dismissal, minimum wage and apprentice arrangements, which would entail some workers earning a lower salary. But this applies only to insiders on the labor market because employment protection legislation for precarious work is underdeveloped. As in other European countries, Sweden's labor market is undergoing dualization, albeit at a slower speed than, for example, in Germany. Wages increased considerably faster in 2021 than in 2020, and at a slightly higher rate than during the 2017-2019 period. Based on central agreements between unions and employers, salaries rose an average of 2.5% per year (Konjunkturinstitutet, 2021).

In summary, the pandemic crisis hit the Swedish labor market hard, but there is cause for optimism in 2022 and 2023. Moreover, the political effort to activate the labor force and integrate people with an immigrant background is very pronounced in Sweden.

Citation:

Finanspolitiska rådet. 2021. "Svensk Finanspolitisk: Finanspolitiska Rådets Rapport 2021." https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202 021.pdf

Konjunkturinstitutet (NIER). 2021. "Konjunkturläget, December 2021." https://www.konj.se/download/18.10535f7c17db81574dd3f47b/1640074614038/KLDec2021.pdf

Larsson, Torbjörn and Bäck, Henry. 2008. "Governing and Governance in Sweden." Studentlitteratur.

OECD. 2021. "Chart: Unemployment Rate, Total, % of Labor Force, Monthly, Jan 2021 – Oct 2021." https://data.oecd.org/chart/6Agg

OECD. 2022 "Youth not in employment, education or training (NEET)." https://data.oecd.org/youthinac/youth-not-in-employment-education-or-training-neet.htm?context=OECD

SGI 2022 | 11 Sweden Report

Taxes

Tax Policy Score: 8 In terms of horizontal equity, this aspect of tax policy has improved over the last several years. The tax system has been reformed and simplified with fewer deductible items, which in turn has broadened the overall tax base. Combined with a less progressive tax rate and an overall reduction in taxes, horizontal equity has improved.

Vertical equity has significantly decreased, however. Differences between different socioeconomic strata have increased over the past decade in most OECD countries, but more rapidly so in Sweden. Current tax policy penalizes those who do not work, regardless of the reason for not being part of the workforce.

Though a broad tax reform has been envisaged for years, it has not taken place yet. A recent report proposed a tax overhaul based on the premise that the last tax reform was 30 years ago, and that incremental changes to tax policy have not had a holistic perspective (Eklund, 2021). Other voices do not consider a full-scale reform to be necessary, claiming that isolated changes, such as a progressive income tax reduction (Skatteverket, 2021), have the same effect (Wikström, 2020).

Tax abatement, mainly for businesses, was used as an instrument to ameliorate the consequences of the pandemic during 2021. The focus in 2020 was on direct economic measures in the form of subsidies and tax payment suspensions, starting in the fall of 2020. In 2021, however, the focus shifted to measures aimed at long-term adaptation, with measures carrying a total price tag of SEK 40 billion (Finanspolitiska rådet, 2021).

Taxes are also increasingly used to promote sustainability. This includes taxing energy consumption and CO2 emissions. Exemptions are given to high energy- consuming industries in order to safeguard their international competitiveness.

Tax policy is less of a factor in national competitiveness today than it was 10 to 15 years ago when economists pointed to the high-income tax levels as a major impediment to the competitiveness of Swedish businesses. Swedish tax levels are still largely on par with those of its main competitors – in fact, taxation of business is low from a comparative perspective.

Citation:

Eklund, Klas. (2021). Vårt framtida skattesystem – en ESO rapport med försläg på en genomgripande skattereform. https://eso.expertgrupp.se/wp-content/uploads/2020/11/2020_7-vårt-framtida-skattesystem-webb.pdf

SGI 2022 | 12 Sweden Report

Finanspolitiska rådet. (2021). Svensk finanspolitik: finanspolitiska rådets rapport 2021. https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202021.pdf

 $Skatteverket.\ 2021.\ "Jobbskatteavdrag."\ https://www4.skatteverket.se/rattsligvagledning/2940.html \#h-Vemkan-fa-jobbskatteavdrag$

Wikström, Tobias. 2021. "Svensk Skattepolitik är ett Perspektivfel." Dagens Industri. 16 November 2020. https://www.di.se/ledare/svensk-skattepolitik-har-ett-perspektivfel/

Budgets

Budgetary Policy Score: 9 Since the mid-1990s, fiscal, and budgetary discipline has been extraordinarily strong in Sweden and its tight budgetary regime has begun to yield benefits. In the wake of a financial crisis in the early 1990s, maintaining sound fiscal policy has been an overarching policy goal for both center-right and Social Democratic governments. Sweden is one of very few countries that targets a budget surplus and neither government nor opposition harbor any plans to abolish it (Brenton and Pierre, 2017).

The consequences of the pandemic put a considerable strain on the budget during the last two years. The budget approved by the Riksdag for 2022 was based on the government proposal, but also included amendments, taking into account the adjustments proposed by the Moderate Party, the Sweden Democrats and the Christian Democrats. Tax reductions for work income and on the income of persons over 65, higher salaries for police officers, and tax reductions on petrol and diesel were included in these amendments (Regeringskansliet, 2021).

However, there is cause for concern regarding public debt, which is now under 40% of GDP. The Swedish Fiscal Policy Council reports that the rate would have exceeded this limit but for a technicality involving the method used to count the financing for currency reserves (Finanspolitiska rådet, 2021). This comparatively low level of public debt is projected to decrease further, but the continuing pandemic injects a level of uncertainty into any projection. Finally, the Swedish National Accountability Office (Riksrevisionen) is critical of the budget in the sense that its fall 2021 numbers do not leave any room for adjustment in the spring of 2022, when the spring adjustment normally takes place (Riksrevisionen, 2021).

Brenton, Scott and Jon Pierre. 2017. "Budget Surplus Goal Experiments in Australia and Sweden." New Political Economy, 22 (2017):557-72.

Finanspolitiska rådet. 2021. "Svensk Finanspolitik: Finanspolitiska Rådets Rapport 2021." https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202021.pdf

SGI 2022 | 13 Sweden Report

 $Regerings kansliet \ (Government\ Offices\ of\ Sweden).\ 2021.\ "Genomförande\ av\ Riksdagsbesluten\ om\ Statens\ Budget\ för\ 2022."\ https://www.regeringen.se/artiklar/2021/12/genomforande-av-riksdagsbesluten-om-statens-budget-for-2022/$

Riksrevisionen [The Swedish National Accountability Office]. 2021. "Regeringen Borde Varit Tydligare med att det inte Finns Utrymme för Ytterligare Utgifter." https://www.riksrevisionen.se/omriksrevisionen/kommunikation-och-media/nyhetsarkiv/2021-12-16-regeringen-borde-varit-tydligare-medatt-det-inte-finns-utrymme-for-ytterligare-utgifter.html

Research, Innovation and Infrastructure

R&I Policy Score: 10 Sweden has ranked among the top five advanced industrialized democracies on all aspects of research and development (R&D): spending (public and private) per capita; number of researchers; number of patent applications and intellectual ownership licenses. This high level of investment in R&D has existed for considerable time. As an economy with high labor costs, Sweden's competitive edge lies not in large-scale manufacturing but in knowledge-intensive sectors. R&D spending thus directly sustains that competitive edge.

Governments – center-right as well as Social Democratic-Green – rarely miss an opportunity to reinforce the argument that public spending on higher education, research institutions and research and development in general is integral to future prosperity and wealth. There is nothing suggesting that the commitment among all major political players to R&D spending is about to change.

However, the portion of the population self-reporting that they have entrepreneurial skills is low. This is the case despite a reform that drastically reduced the regulatory burden on new startups to the point that it is very low compared to the average among EU member states. Additionally, recent public policy efforts to increase innovation and entrepreneurship included the provision of better communication through a consolidated portal (www.verksamt.se), and the digital streamlining of communication between municipalities and firms (OECD, 2020).

Vinnova, the Swedish public agency for innovation, has expressed concern for the immediate future of innovation policies caused by the uncertainty and concomitant budget cuts associated with the pandemic. The agency stresses that its current focus is placed on innovation systems. It also provides financing for start-ups, and backs increased collaboration with the European Union (Vinnova, 2021).

Finally, the pandemic notwithstanding, there are signs that R&D public policies are bearing fruit in Sweden, as the country was ranked second in the world in the Global Innovation Index (GII) 2021 (Dutta et al., 2021).

SGI 2022 | 14 Sweden Report

Citation:

Dutta, Sumitra, Bruno Lanvin, Loreta Rivera León, and Sacha Wunsch-Vincent. (eds.). 2021. "Global Innovation Index 2021: Tracking Innovation Through the COVID-19 Crisis." World Intellectual Property Organization. https://www.wipo.int/edocs/pubdocs/en/wipo_pub_gii_2021.pdf

OECD. 2020. "Inclusive Entrepreneurship Policies, Country Assessment Notes. Sweden, 2020." https://www.oecd.org/cfe/smes/Sweden-IE-2020.pdf

Vinnova. 2021. "Årsredovisning 2020." https://www.vinnova.se/contentassets/218b4a9789844354a1f56e2629c9dc7f/vinnova_ar2020.pdf?cb=20210 331142235

Global Financial System

Stabilizing Global Financial System Score: 9 The Swedish government has stood behind essentially all efforts to enforce regulation aiming at preventing criminal financial behavior in international financial management. Sweden also supports and implements rules laid out by the European Union and other international institutions related to international finance. It has rejected proposals, however, to introduce a Tobin-style tax on international financial transactions, and in fact this discussion has been all but nonexistent in the past few years.

On the domestic scene, some friction between the Ministry of Finance and large commercial banks has been noticeable over the past couple of years. This discord has related to the banks' high profit levels and their insistence on giving their staff huge bonuses while charging high financial management fees. The government announced in August 2019 that it intends to levy a special tax on the commercial banks, starting in 2022. The government argues that this tax will help to fund measures guarding against financial market turmoil in the future. As of December 2021, the tax committee approved the new tax on commercial banks, and has proposed approval of the measure within the Riksdag. The logic behind this is that commercial banks risk causing financial harm during a potential crisis, and for this reason it is reasonable that they contribute funding to offset any consequences (Riksdagen, 2021). The pandemic crisis has, if anything, highlighted the role of the state in protecting the incomes of households and businesses. s

Another potential source of friction between the finance ministry and major commercial banks relates to policy changes forcing lenders to forcing lenders to structure loans so that borrowers would always be repaying a part of the principal, rather than just paying interest. The Ministry, in concert with the National Bank, is concerned about the level of household debt, suggesting that there is a growing bubble in metropolitan real-estate markets. Reducing debt and/or phasing out the right to deduct interest payments would help reduce the

SGI 2022 | 15 Sweden Report

likelihood of such a bubble. Although the banks do not have a commercial interest in debt reduction per se, they have also recently expressed concerns regarding the high household debt levels. The Swedish Fiscal Policy Council has judged this reform favorably (Finanspolitiska rådet, 2021). The measure was halted for a period of time as a means of softening the economic consequences of the pandemic for households, but the Swedish National Bank, the Swedish Fiscal Council and the Finansinspektionen all recommend that the moratorium on amortization of mortgages be discontinued as part of the long-term sustainability of the financial system. High household debt levels remain a cause for concern in Sweden, while the combination of sharply rising asset prices combined with high levels of indebtedness in other countries is part of the risk outlook into 2022 (Riksbanken, 2021).

More broadly, the domestic and global financial systems must balance pandemic support measures while paying attention to long-term vulnerabilities. The Swedish central bank (Riksbank) stresses the importance of introducing internationally agreed standards such as Basel II in Sweden and other countries.

Taken together, Sweden is a forerunner for the sustainable regulation of international as well as domestic financial markets. This status is a consequence of the financial crisis in Sweden in the early 1990s, which initiated rapid policy learning in all major parties represented in the Swedish parliament.

Citation:

Finanspolitiska rådet. (021. Svensk Finanspolitik: Finanspolitiska Rådets Rapport 2021." https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202021.pdf

Riksbanken. 2021. "Financial Stability Report." 2021:1. https://www.riksbank.se/globalassets/media/rapporter/fsr/engelska/2021/210526/financial-stability-report-2021_1.pdf

Riksdagen. 2021. "Skatteutskottet Säger Ja till Ny Riskskatt för Banker." https://www.riksdagen.se/sv/aktuellt/2021/dec/10/skatteutskottet-sager-ja-till-ny-riskskatt-for-banker/

II. Social Policies

Education

Education Policy Score: 7

Education policy remains high on the political agenda in Sweden, partly as a result of a low international ranking a few years ago. The highest ranking the Swedish educational system received in the international PISA comparison,

SGI 2022 | 16 Sweden Report

which measures the aptitude of 15-year-old students in math, learning comprehension and the natural sciences, was in the year 2000, when the system started. Sweden subsequently slipped in the rankings until 2012 (Ekonomifakta, 2021). As of 2018, the most recent year of available results, the country was ranked at 11th place, which is still not satisfactory for an economy highly dependent on knowledge industries for its economic growth and international competitive advantage.

For this reason, the quality of education is a major concern for politicians as well as for businesses. In order to improve the quality of the Swedish education system, the National Agency for Education (Skolverket) operates seven national development programs focusing on areas such as digitalization, school and work life, systematic quality, and assessment and grading. Substantial resources are also channeled into educational research, with the Swedish Institute for Educational Research (www.skolfi.se) serving as a major funder. Rules granting municipalities responsibility for the provision of schools since 1989, as well as the introduction of a school voucher system in the 1990s, have led to a far-reaching privatization of schools, broad variation in pedagogical approaches and the methods used for teaching and learning, and the implementation of different learning platforms (see Edmark et al. 2014, Hinnerich and Vlachos 2017). In 2020, 84% of the Swedish population was reported to have at least a high school education, above the average of about 79% for all OECD countries (OECD, 2021).

In an effort to reverse a downward trend in terms of schools' and teachers' reputations and pedagogical suitability, the government introduced national certifications for teachers at all school levels in 2011. Only certified teachers are eligible for permanent positions. A new career program for teachers was launched in 2013, providing opportunities for professional development and higher salaries. As a corollary to this, the prognosis of the Swedish National Agency for Education (Skolverket) is that there will be a lack of qualified teachers through 2035, mainly at the level of high school professional education and in subjects taught in the 7th to 9th grades (Skolverket, 2021). Concomitantly, the skills required to enter a teachers' education program at universities today are relatively low, hence there is very little competition for entrance into those programs. As a result, new teachers may have only a limited aptitude to teach successfully.

A key means of assessing Sweden's education policy involves looking at the extent to which the education system successfully provides a skilled labor force. Some education policy experts support a two-tier model where apprenticeships facilitate a smooth transition from work-related secondary education programs into employment in industry and services, and where

SGI 2022 | 17 Sweden Report

students who seek to continue their education arrive at universities well-prepared. In Sweden, a very large proportion of the population is integrated into the labor market. Contrary to the high official youth unemployment rate, the OECD's NEET indicator (not in employment, education or training) shows that the integration of Swedish young people into the labor market is just as successful as it is in Germany, the country praised for its dual education system.

Another way to assess Sweden's education policy concerns equitable access to education. Education policy has performed rather well in this respect. If anything, the system is "too equitable" in that requirements to enter some programs in university are so low that basically anyone who applies is admitted, which could trigger a "race to the bottom" in tertiary education standards. Nevertheless, equitable access to adult education has been realized to a very large extent. Sweden is rather successfully targeting the ambitious goals of lifelong learning, as a high percentage of adults are regularly in contact with further education organizations. In 2020, the number of adults in Sweden with three years or more of post-secondary education was 29%, up from 16% in 2000 (SCB, 2021).

Finally, the government invested in more university places and provided additional financial assistance for prospective students as part of its pandemic response. Meanwhile, education remains high on the political agenda, although performance problems continue to persist.

Citation:

Edmark, Karin, Markus, Frölich, and Verena Wondratschek, Verena. 2014. "Sweden's School Choice Reform and Equality of Opportunity." Labour Economics, 30, 129-142.

 $Ekonomifakta.\ 2021.\ "Resultat\ PISA-internationellt."\ https://www.ekonomifakta.se/fakta/utbildning-ochforskning/provresultat/resultat-pisa/$

Hinnerich, Björn Tyrefors and Jonas Vlachos. 2017. "The Impact of Upper-Secondary Voucher School Attendance on Student Achievement. Swedish Evidence Using External and Internal Evaluations." Labour Economics, 47, 1-14.

 $OECD. 2021. \quad Education \quad at \quad a \quad Glance \quad 2021: \quad OECD \quad Indicators. \\ ``https://www.oecdilibrary.org/sites/b35a14e5-en/1/3/2/1/index.html?itemId=/content/publication/b35a14e5-en&_cf_chl_f_tk=MpZC4u2xYCwjmDhMXelWFHhkDUqT3LfJ9KJq.QHLAtk-1642419412-0-gaNycGzNCWU&_csp_=9689b83a12cab1f95b32a46f4225d1a5&itemIGO=oecd&itemContentType=book$

SCB. 2021. "Utbildningsnivån i Sverige." https://www.scb.se/hitta-statistik/sverige-i-siffror/utbildning-jobb-och-pengar/utbildningsnivan-i-sverige/

Skolverket. 2021. "Fortsatt Stor Brist på Behöriga Lärare – men Behovet Minskar." https://www.skolverket.se/om-oss/press/pressmeddelanden/pressmeddelanden/2021-12-14-fortsatt-stor-brist-pa-behoriga-larare – men-behovet-minskar

SGI 2022 | 18 Sweden Report

Social Inclusion

Social Inclusion Policy Score: 7 Social inclusion policies have traditionally been a feature of Swedish political life and social welfare. An encompassing welfare system with broad eligibility for (rather than means-based) benefits has resulted in an egalitarian society. In recent years, however, a range of challenges have arisen in areas such as the integration of immigrant populations, and efforts to address unemployment and poverty have fallen short (Schierup and Ålund 2011). As in many European countries, a growing radical right-wing party (Sweden Democrats) has changed the political landscape (Rydgren and van der Meiden 2019).

An examination of social inclusion policies over time in Sweden reveals that gender inclusion has worked quite well, while other areas are more problematic. The Gini coefficient is low (0.27 in 2021), but has been steadily increasing over the past five decades (SCB, 2021). Young people and recent immigrants have a harder time finding jobs. The COVID-19 pandemic exacerbated existing societal cleavages. Whereas women were not hit as hard (financially) by the pandemic in Sweden because of established family policies and the explicit goal of Swedish policymakers to avoid lockdowns in schools and kindergartens, this was not the case for young people and recent immigrants, partly due to their overrepresentation in the service sector and in jobs with part-time or precarious contacts.

The government's work with the so-called Agenda 2030 showed that low-income people, people with disabilities and older people living in care homes disproportionately died during the pandemic. Additionally, foreign-born women and girls are disproportionately susceptible to forced marriages, unwanted pregnancies, gender-based violence and sexually transmitted diseases; while mental illness is a rising problem among low-income populations, people with intellectual disabilities women and girls – though suicide is more common among men (Regeringskansliet, 2021).

If we compare Sweden with other countries, we find that recent developments challenge the country's historical position as a leader in the public provision of welfare through wealth redistribution and as a country with extremely low levels of poverty. Together, the data and recent developments suggest that Sweden is gradually losing its leading role in these respects and is today largely at par with other European countries in terms of its poverty levels and income distribution. If Sweden could previously boast an egalitarian and inclusive society, there is less justification to do so today. Reflecting on the 2014 general elections, Bo Rothstein concluded that "the days of Swedish exceptionalism are over" (Rothstein, 2014). Not only does Sweden currently have a strong anti-immigration party in its parliament, core data on Sweden's

SGI 2022 | 19 Sweden Report

welfare state are moving toward levels found among comparable, averageperforming countries. This pattern continued to hold true in 2021, not least during the pandemic crisis.

Citation:

Ekonomifakta. 2021. "Ginikoefficient – internationellt." https://www.ekonomifakta.se/fakta/arbetsmarknad/loner/ginikoefficient – internationellt/

Regeringskansliet [Government Offices of Sweden]. 2021. "Sveriges Genomförande av Agenda 2030 för Hållbar Utveckling."

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sverigesgenomforande-av-agenda-2030-prop.-201920188

Rothstein, Bo. 2014. "The End of Swedish Exceptionalism." Foreign Affairs, September 18.

Rydgren, Jens, and Sara van der Meiden. 2019. "The Radical Right and the End of Swedish Exceptionalism." Eur Polit Sci 18, 439–455.

SCB. 2021. "Ginikoefficient, 1975-2019." https://www.scb.se/hitta-statistik/statistik-efter-amne/hushallens-ekonomi/inkomster-och-inkomstfordelning/inkomster-och-skatter/pong/tabell-och-diagram/inkomster-ekonomisk-standard-riket/gini-koefficient/

Schierup, Carl-Ulrik, and Aleksandra Ålund. 2011. "The End of Swedish Exceptionalism? Citizenship, Neoliberalism and the Politics of Exclusion." Race & Class, 53(1), 45-64.

Health

Health Policy Score: 7 Sweden offers universal healthcare regardless of employment status through a single-payer, tax-funded system. Healthcare is regulated and controlled at the national level, while the planning, financing and provision of healthcare services, including specialist and hospital care, is the responsibility of the 21 regions. Healthcare spending per capita was the fourth-highest in the EU in 2019, or third-highest if counted as a share of GDP. Even though the growth in public spending had not been modest in the years leading up to the pandemic, the government increased it substantially in 2020 and 2021 as part of the response to the COVID-19 crisis (OECD, 2021).

Primary healthcare is provided in local healthcare centers. There has been some degree of privatization when it comes to local healthcare centers, but hospitals are publicly owned (Blomqvist and Winblad 2014; Rönnestad and Oskarsson 2020; see also Sparf and Petridou 2021). The number of people with private health insurance has increased considerably in recent years, though it remains marginal (OEDC, 2021). Regardless, it presents a concern when it comes to equitable access to services.

The Swedish healthcare system is based on the premise that healthcare must be egalitarian, accessible, evidence-based, effective and based on people's individual needs. Accessibility is one of the premises of good care quality

SGI 2022 | 20 Sweden Report

according to the Health and Medical Services Act (Socialstyrelsen 2020). Despite this mission, there have been intractable problems with accessibility. The picture is nuanced, however. On the one hand, during the first 12 months of the pandemic, only one in six people reported any unmet needs with regard to medical care, which is lower than the EU average. The reason for this may be the step-up in teleconsultation (and digital tools had already been widely used) as a concerted effort to combat the consequences of the pandemic. On the other hand, excessive waiting times for specialist consultations and non-urgent surgeries have been a staple of the Swedish healthcare system (OECD, 2021).

The key challenge is a governance problem. Healthcare is driven by three contending sources: elected officials, the medical profession and the market. These three sources send different signals, make different priorities and allocate resources differently. This bureaucratic split at the top has the effect of reducing quality, inclusiveness and cost efficiency. Governance problems are rarely solved by pouring more financial resources into the organization, which has thus far largely been the typical political response to problems in the healthcare sector.

Responses to remedy the problems plaguing healthcare have spanned decades and include changes in legislation (including the waiting-time guarantee), continuous national assessments of waiting times, and contractual agreements between the government and the regions (Socialstyrelsen 2020). Pre-pandemic waiting time rules for care were as follows:

- An individual seeking primary healthcare shall be able to contact a primary healthcare provider on the same day.
- An individual seeking primary healthcare shall have a medical opinion by a doctor or other primary-care physician within three days.
- Those needing specialist healthcare shall not wait more than 90 days for a visit after a referral has been sent out.
- Those in need of an operation or other specialist treatment shall not wait for more than 90 days (Socialstyrelsen 2020). Faced with a longer waiting time, one has the right to seek care in a region other than the region in which one is registered. Waiting times are reported in a database and are made available to the public. In practice, this does not provide solutions, but it increases the transparency of the system. Indeed, one may travel to a different region to receive care, but that is hardly a realistic option for many patients. Furthermore, this does not always entail shorter wait times.

Compared internationally, people in Sweden wait longer for access to primary care. Moreover, they typically do not have a regular physician, though they have a regular local healthcare center. However, increasingly fewer people in

SGI 2022 | 21 Sweden Report

Sweden feel that the physician they meet is aware of their medical history. Additionally, people with complex health problems report coordination failures that result in dissatisfaction with the healthcare they receive (Inspektionen för vård och omsorg 2020; Myndigheten för vård-och omsorgsanalys 2020).

The pandemic has exposed (and deepened) the existing lack of qualified personnel. There exist regional variations, but for example, 19 of 21 regions report that they lack nurses, while many regions also report a paucity of psychologists, dentists, delivery and X-ray nurses, and specialist doctors, with rural areas having greater shortages than big cities (Inspektionen för Vård och Omsorg, 2021). The findings of the Coronavirus Commission concur that the health system was able to respond effectively to the pandemic only by repurposing scarce personnel from other activities, and by delaying other healthcare services and procedures (Coronakommissionen, 2021).

The Swedish response to the pandemic garnered international (and some domestic) criticism (for a discussion, see Coronavirus Commission, 2021; Petridou, 2020; Zahariadis et al. 2021). The Coronavirus Commission (Coronakommissionen, 2021) generally posits that the response to the pandemic was slow, and it is true that COVID-19 death rates in Sweden were higher than those in other Scandinavian countries, overwhelmingly within the elderly population (OECD, 2021; Petridou 2020). However, life expectancy is higher than in most other EU countries, even accounting for the spike in deaths in 2020, while gender and social inequalities are not as prominent as elsewhere when it comes to life expectancy. The Public Health Agency of Sweden expects that this picture will change somewhat since the excess mortality due to the pandemic was higher among lower income and immigrant populations (OECD, 2021; Folkhälsomyndigheten, 2021).

In summary, the healthcare system in Sweden is sound and provides good quality care to all citizens, but it is still characterized by labor shortages, and healthcare services suffered due to the pandemic.

Citation:

Blomqvist, Paula and Ulrika Winblad. 2014. "Sweden: Continued Marketization within a Universalist System. In "Health Care Systems in Europe under Austerity: Institutional Reforms and Performance," eds. E. Pavolini, and A. M. Guillén. New York: Palgrave Macmillan, 9–30.

Coronakommissionen. 2021. "Delbetänkande 2: Sverige under pandemi." SOU 2021:89. https://coronakommissionen.com

Folkhälsomyndigheten (Public Health Agency of Sweden, PHAS). 2021. "Utrikesfödda och Covid-19 – Konstaterade Fall, IVA-vård och Avlidna Bland Utrikesfödda i Sverige 13 Mars-15 februari 2021." https://www.folkhalsomyndigheten.se/contentassets/2dddee08a4ec4c25a0a59aac7aca14f0/utrikesfodda-ochcovid-19.pdf

SGI 2022 | 22 Sweden Report

Inspektionen för Vård och Omsorg. 2020. "Iakttagelser i Korthet." Nr 1/2020 https://www.ivo.se/publicerat-material/iakttagelser-i-korthet/man-tycks-vara-mer-nojda-med-hur-varden-och-omsorgen-samordnas/

Myndigheten för Vård- och Omsorgsanalys. 2020. "Vården ur Befolkningens Perspektiv: IHP 2020." https://www.vardanalys.se/rapporter/varden-ur-befolkningens-perspektiv-2020/

OECD. 2021. "Sweden: Country health profile, 2021." https://www.oecd-ilibrary.org/social-issues-migration-health/sweden-country-health-profile-2021_b9027e42-en

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the Covid-19 Crisis." European Policy Analysis 6: 147-58.

Rönnerstrand, Björn and Maria Oskarson. 2020. "Standing in Line When Queues Are on the Decline: Services Satisfaction Following the Swedish Health Care Waiting Time Guarantee." Policy Studies Journal 48: 469-93.

Socialstyrelsen (National Board of Health and Welfare). 2020. "Uppföljning och Analys av Överenskommelsen om Ökad Tillgänglighet 2020. Delrapport december 2020." https://www.socialstyrelsen.se/globalassets/sharepoint-dokument/artikelkatalog/ovrigt/2020-12-7066.pdf

Sparf, Jörgen, and Evangelia Petridou. 2021. "Sweden: Country Report." University of Stavanger, Report no.98.

Vårdanalys (Swedish Agency for Health and Care Services Analysis). 2020. "Vården ur Primärvårdsläkarnas Perspektiv 2019 – En Jämförelse mellan Sverige och Tio Andra Länder." Rapport 2020:5 https://www.vardanalys.se/rapporter/ihp-2019/

Zahariadis, Nikolaos, Evangelia Petridou, Theofanis Exadaktylos, and Jörgen Sparf. 2021. "Policy Styles and Political Trust in Europe's National Responses to the Covid-19 Crisis." Policy Studies: 1-22.

Families

Family Policy Score: 10 Sweden has been politically and economically committed to strong family policy for the past 50 years. Major features of Sweden's policy have been the separation of spouses' income and individual taxation, the expansion of public and private day care centers and a very generous parental leave program provided to both women and men, which has created much better possibilities to combine a professional career with parenthood.

The basic difference between the Social Democratic and Green parties, on the one hand, and the center-right parties, on the other, is that the former emphasize gender equality whereas the latter emphasize freedom of choice. Both constellations of parties are, however, fully committed to the overarching goals of family policy and see it as integral to promoting gender equality.

Benefits include an obligatory two-week leave for mothers immediately before or after they give birth. This is either paid, or the compensation is deferred to a subsequent period of leave (Dufvander and Löfgren, 2020). The other parent is entitled to 10 days of paid leave associated either with childbirth or adoption

SGI 2022 | 23 Sweden Report

(to be taken within 60 days). For both parents, 77.6% of their regular salary is paid by the Swedish Social Insurance Agency (Försäkringskassan). The 10-day benefit is gender-neutral and is given to the parent that was not pregnant. If the parent who has been pregnant is a single parent, the benefit may be allocated to another person who is close to them (Dufvander and Löfgren, 2020).

Beyond this short-term benefit, the Swedish system for parental leave is comprehensive, egalitarian and flexible. Each parent is entitled to full-time leave from work until their child is 18 months old, regardless of whether they are using paid benefits. Parents with joint custody are eligible for 240 days of parental leave benefit each until the child turns 12 years old; some days are while transferrable between them others are non-transferable (Försäkringskassan 2021). For 390 of the total 480 days, the benefits provided during parental leave are based on income – up to an earnings ceiling. A flat rate of SEK 180 per day is provided for the remainder of the time (Försäkringskassan 2021). Parents can take full-time or part-time paid leave days, and can combine paid and unpaid leave to enable parents to stay at home longer. Regardless, all parental leave benefits offer pension credits (Dufvander and Löfgren, 2020).

Additionally, early childhood education and care services are provided beginning at 12 months. This is full-time for the children of full-time employed parents, and part-time for unemployed parents' children (Dufvander and Löfgren, 2020).

Regarding the pandemic response, the government made a conscious decision to keep the schools open (Petridou 2020) in order to allow parents to continue going to work. Measures enacted in 2020 to make it easier for parents to stay home and take care of their sick children remained in place in 2021, and as of January 2022 they were set to expire in March 2022 (Försäkringskassan, 2022).

Citation:

Duvander, Ann-Zofie and Niklas Löfgren. 2020. "Sweden Country Note." in Koslowski, A., Blum, S., Dobrotić, I., Kaufman, G. and Moss, P. (eds.) "International Review of Leave Policies and Research 2020." http://www.leavenetwork.org/lp_and_r_reports/

Försäkringskassan. 2022. "Coronaviruset – Det Här Gäller." https://www.forsakringskassan.se/privatpers/coronaviruset-det-har-galler

 $F\"{o}rs\"{a}kringskassan.\ 2021.\ ``Parental\ Benefit." ihttps://www.forsakringskassan.se/english/parents/when-the-child-is-born/parental-benefit$

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the Covid-19 Crisis." European Policy Analysis 6: 147-58.

SGI 2022 | 24 Sweden Report

Pensions

Pension Policy Score: 8 Sweden's pension system succeeds in preventing poverty among senior citizens, but those living only on the very basic pension have problems making ends meet. The average income of people over 65 is currently 14% lower than for the total population, which is close to the OECD average of 12%. Although old-age income inequality and poverty rates among people over the age of 65 have increased, they are still below the OECD average (OECD, 2021). Inequalities are alleviated partly by eligibility for additional support from social welfare programs for pensioners living on a baseline pension with limited savings and no private pension.

The stability of the pensions system was a problem for a long time but appears to have improved, due to major reforms of the whole pension system in Sweden. One result of the pension reforms is a new public-private mix, strengthening capital funded occupational and private pension schemes. The distributional principles appear to be sound but the volatility of the stock market during the most recent past has meant a major source of uncertainty about how stable and sustainable the system will be in the future. The strengths of the system that emerged after the reforms of 1998 include its consensual character, the fact that the national system is unified, adequacy (the fact that it works well for most people), fiscal sustainability, high coverage, and flexibility on whether to draw the entire amount at the time of retirement. One aspect that contributes to income inequalities is the insufficient degree to which family structure is accounted for, thus resulting in a higher incidence of poverty among single retirees than pensioner couples (Barr, 2013).

Regarding equity in the system, the results are mixed. Ideally, a pension system ensures equity among pensioners, the active work force and the adolescent generation. If equity refers to basically similar living conditions, Sweden's system fails in this respect. If equity however refers to a provision of baseline material goods related to needs, the performance of the system looks better. Some studies state that the new Swedish pension system does not undermine intergenerational equity, as long as the entry into the labor market for the adolescent generation is not blocked.

Even though the pandemic affected the health of the older populations disproportionately, pensions and the income of current pensioners were protected, as shortfalls in pension contributions were largely covered by transfers from the national budget (OECD, 2021). The 2021 budget included provisions for tax reductions for people receiving pensions, as well as an

SGI 2022 | 25 Sweden Report

increase in housing subsidies (Finanspolitiska rådet, 2021). Finally, a 2019 agreement between most political parties resulted in a plan to increase the retirement age from the current 65 years to 66 in 2023 and 67 in 2026 (OECD, 2021).

In summary, the Swedish pension system is sound and sustainable, though increasing income inequalities are a point of concern.

Citation:

Barr, Nicholas. 2013. "The Pension System in Sweden. Report to the Expert Group on Public Economies." 2013:7 https://eso.expertgrupp.se/wp-content/uploads/2013/08/Till-webben-ESO-2013-7.pdf

Finanspolitiska Rådet. 2021. Svensk Finanspolitik: Finanspolitiska Rådets Rapport 2021." https://www.fpr.se/download/18.3e9ba604179f5fc737de1d0/1624285470841/Svensk%20finanspolitik%202 021.pdf

OECD. 2021. "Pensions at a Glance: How does Sweden Compare?" https://www.oecd.org/sweden/PAG2021-SWE.pdf

Integration

Integration Policy Score: 7

By most international comparisons, Sweden has a generous immigration policy. The country has received a large number of refugees from Iraq, Afghanistan, and Syria and, in 1992, from the former Yugoslavia. In the European setting, Sweden stands out as one of the most immigration-friendly countries (together with Germany).

As is the case across Europe, geopolitical disturbances elsewhere in the world have triggered waves of immigration to Sweden. In 2015 and 2016, Sweden respectively received some 163,000 and 29,000 asylum-seekers; in 2017 the number was about 25,700, and in 2018, about 21,500. The number of asylum-seekers increased further to almost 22,000 in 2019.

For 2020, even though the prognosis was that 20,000 to 30,000 asylum-seekers would arrive in Sweden, many of whom were slated to arrive as part of the family reunification program, the number dropped to just under 13,000 applications, mainly as an effect of COVID-19. The decrease continued in 2021 with a total of about 11,400 asylum-seekers. Permanent residency was granted to about 140,000 refugees between 2015 and 2020. (Migrationsverket, 2021)

The increasing immigration flows before the pandemic hit represented a major challenge, unprecedented in size and scope, to Swedish integration policy. The related policies cover a wide range of measures, from language training to supportive labor market and housing policies. Most of the policies are

SGI 2022 | 26 Sweden Report

implemented locally. Given the extensive autonomy of Swedish local governments, the instruments vary regionally. There are now political signals that local autonomy should no longer prevent individual local authorities from being requested by the central government to receive asylum-seekers.

As a result of the "January Accord" (see Regeringskansliet, 2021a), a parliamentary committee was convened to examine the country's migration policy (Regeringskansliet, 2021b). The report of this committee ("A sustainable immigration policy in the long-term") proposed a number of measures indirectly aimed at restricting eligibility for permanent residency and naturalization. These include a shift toward offering provisional residency, the imposition of employment requirements for renewals and the migration of family members, and a language requirement for Swedish citizenship applicants. Measures went into effect in July 2021.

Persons born outside Sweden typically have a harder time finding employment than do native-born residents. A recent report by Statistics Sweden reveals that, indeed, foreign-born people and people born in Sweden with a non-Swedish background generally perform more poorly at the high school level than students who were born in Sweden with a Swedish background. The percentage of people not in employment, education, or training (NEET) is higher among foreign-born people and people born in Sweden with a non-Swedish background than among people born in Sweden, and when these groups were compared based on the grades they received in high school (i.e., same performance level), the former group earned somewhat higher marks than the latter (SCB, 2021).

It is difficult to argue that integration policy in Sweden considered as a whole has been successful. In terms of both educational attainment and employment, immigrants in Sweden find it difficult to integrate. The government has signaled the difficulty it is having with its integration policies by tying the issue of radicalization to criminality in the new law that will come into effect in 2023. This law is aimed at organized gangs, which have been a serious problem in the country in the past few years. Indeed, there is not a lack of political or economic commitment to integration policy. To the contrary, integration policy remains a very important policy sector and related political activities are far-reaching. Swedish integration policy ranks highly from a comparative perspective. The activities of the ombudsman and the minister for immigration and equality ensure that immigration issues have a high public salience.

Citation:

SGI 2022 | 27 Sweden Report

Regeringskansliet (Government offices of Sweden). 2021a. "Ett År Sedan Regeringsförklaringen – mer än 500 Regeringsbeslut med Koppling till Januariavtalet."

https://www.regeringen.se/artiklar/2020/01/ett-ar-sedan-regeringsforklaringen/

Regeringskansliet (Government offices of Sweden). 2021b. "En Långsiktigt Hållbar Migrationspolitik." SOU 2020:54.

SCB (Statistics Sweden). 2021. "Integration – Gymnasiebetyg, Vidare Studier och Arbetsmarknad." https://www.scb.se/contentassets/ae46b5d54637491c9e4427d6edf8d650/le0105_2020a01_br_be57br2101.pdf

Safe Living

Internal Security Policy Score: 6 The rate of violent crime, and specifically homicides involving firearms, have been on the rise for a decade in Sweden (Brottsförebyggande rådet, 2021a). The daily news is full of such incidents, which mostly take place within a few urban areas and are tied to organized crime and criminal gangs. The item is high on the political agenda, though not all political parties agree on how to fix the problem.

In the 2018 election campaign, law and order-related issues played a major role. It seems clear that many people living in cities now feel increasingly unsafe. This means, for instance, that they will be less inclined to be outdoors after dark and less assured of the police's capacity to guarantee safety and solve crimes. The response time, particularly outside metropolitan areas, is today longer than what many people find acceptable.

The trend in Western European countries has been that crime rates increased in the period 1960 to 1990, followed by a decrease continuing through today. In Sweden, there has been an upward trend since the middle of the 2000s. In Europe in 2017, 8 people per 1 million were victims of violent crime compared to 11 per 1 million in Sweden for that year and 12 per 1 million in 2020. The rate of violent crime involving firearms paints an even bleaker picture. Since 2013, homicides involving firearms have increased dramatically. While the rate of 1.6 deaths per 1 million inhabitants is on the descent in Europe, in Sweden the rate of four deaths per 1 million people is on the ascent. Finally, if one looks at violent crime among people between the ages of 20 and 29, that number goes up to 18 deaths per 1 million inhabitants. However, the occurrence of violent crime is rare outside the context of organized crime and certain urban areas, and researchers have not yet found the exact causes and, consequently, appropriate solutions (Brottsförebyggande rådet, 2021b). There is a growing understanding that some share of the rising crime levels in metropolitan areas reflect a failure of integration programs.

SGI 2022 | 28 Sweden Report

In 2015, regional police districts and core national staff were merged into one central police authority. A recent evaluation by the Swedish Agency for Public Management (Statskontoret, 2018) found that the organizational reform has not improved performance and that the organization remains fragmented.

The red-green coalition government and the center-right parties agreed that recruiting more police officers is an important component of the response to this situation. The goal for the years 2016-2024 was to hire 10,000 additional police officers. In 2021, the government indicated that the program was about halfway complete, with 5,000 recruitment positions yet to be filled by 2024 (Regeringskansliet, 2021).

Citation:

Brottsförebyggande rådet [The Swedish National Council for Crime Prevention]. 2021a. "Konstaterade Fall av Dödligt Våld. En Granskning av Anmält Dödligt Våld 2020." https://bra.se/download/18.1f8c9903175f8b2aa707b0a/1617022436822/Sammanfattning_D% C3% B6dligtv %C3% A5ld_2020.pdf

Brottsförebygande rådet [The Swedish National Council for Crime Prevention]. 2021b. Dödligt Skjutvapenvåld i Sverige och Andra Europeiska Länder." Rapport 2021:18. https://bra.se/publikationer/arkiv/publikationer/2021-05-26-dodligt-skjutvapenvald-i-sverige-och-andra-europeiska-lander.html

Regeringskansliet (Government Offices of Sweden). 2021. "Brå ska Analysera Polistillväxten." https://www.regeringen.se/artiklar/2021/06/bra-ska-analysera-polistillvaxten/

Statskontoret. 2018. "Ombildningen till en Samlad Polismyndighet. Slutrapport." (Report number 2018:18) (Stockholm: Statskontoret).

Global Inequalities

Global Social Policy Score: 10 Promoting global social justice is an overarching policy goal for Swedish governments regardless of ideological orientation. Sweden combines bilateral strategies with active involvement in multilateral efforts toward global social justice. Additionally, public spending on development issues is comparably very high. There has been a gradual shift from conventional aid to developing countries, mainly sub-Saharan countries, toward aid directed at countries closer to Sweden. This involves, for instance, promoting democratization and civil society in Eastern Europe. There are growing concerns about the effectiveness and efficiency of some foreign aid programs and the risk of aid being used for unintended purposes by actors in the receiving country. That said, the commitment to international solidarity and aid to developing countries remains very strong (Pierre, 2015).

The foreign policy field is a particularly gendered sector (Aggestam and Townes, 2018). The red-green governments (since 2014) launched a campaign of feminist foreign policy, which has gained international attention, as

SGI 2022 | 29 Sweden Report

international solidarity has a gender dimension that has long been ignored. This foreign policy approach has been introduced in various international venues such as the United Nations and European Union. The new government has also become known for showing less tolerance than its predecessors for what it describes as medieval punishment techniques employed in some countries, which has caused some diplomatic friction. More broadly, the return of the Social Democrats to government reenergized Swedish foreign policy. It has become more visible but also more controversial.

Despite the complex outcome of the 2018 elections, gender mainstreaming has continued to characterize Sweden's foreign policy (Regeringskansliet, 2021a;2021b). The explicit goals of this policy are: 1) to promote full respect for human rights; 2) to promote freedom from physical, psychological, and sexual violence; 3) to contribute to the prevention of conflict and reconstruction after conflict; 4) to promote political participation and influence across all parts of society; 5) to promote economic rights and independence, and sexual and reproductive health and rights (Regeringskansliet, 2021a).

Sweden plans to use its rotating presidencies in international organizations as well as its considerable diplomatic clout to push through a gender equality agenda culminating in the Swedish EU presidency in 2023; however, parliamentary elections will have taken place prior to that, in September 2022, and it remains to be seen what effect that will have on the country's feminist foreign policy. The current government's commitment to gender mainstreaming in foreign policy is further evidenced in its Agenda 2030 proposition, which was adopted by the parliament in December 2021, and contains specific instruments designed to work toward social justice (Regeringskansliet, 2021c). Sweden remains a leader in the field of international social justice and specifically gender equality.

Aggestam, Karin, and Ann Towns. 2018. "The Gender Turn in Diplomacy: A new Research Agenda." International Feminist Journal of Politics. 21(1), 9-28.

Pierre, Jon. (ed.) 2015. "The Oxford Handbook of Swedish Politics." Oxford University Press. Section 7.

Regeringskansliet [Government Offices of Sweden]. 2021a. "Feministisk Utrikespolitik och Arbetet för Jämställdhet och alla Kvinnors och Flickors Rättigheter, Representation och Resurser åren 2014-2021." https://www.regeringen.se/4aaebe/contentassets/20abe79bed9a484aa084d18f66cc2d10/resultat-av-denfeministiska-utrikespolitiken-20142021

Regeringskansliet [Government Offices of Sweden]. 2021b. "Utrikesförvaltningens Handlingsplan för Feministisk Utrikespolitik 2019-2022 med Inriktning och Åtgärder för År 2021." https://www.regeringen.se/491ecf/globalassets/regeringen/lena-micko-test/utrikesforvaltningens-handlingsplan-for-feministisk-utrikespolitik-2019-2022-med-inriktning-och-atgarder-for-ar-2021.pdf

Regeringskansliet [Government Offices of Sweden]. 2021c. "Sveriges Genomförande av Agenda 2030." Proposition 2019/20:188.

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sverigesgenomforande-av-agenda-2030-prop.-201920188

SGI 2022 | 30 Sweden Report

III. Environmental Policies

Environment

Environmental Policy Score: 9 As is the case with global social injustice, Sweden tries to be a forerunner in environmental policy as well. Sweden performs extremely well in areas such as reduction of greenhouse gas emissions and the use of renewable energy sources but is not a leader in recycling or water usage. At the same time, Sweden's Earth Overshoot Day – the day on which humanity's demand for ecological resources and services would have exceeded what the Earth could regenerate in that year if all countries consumed like Sweden – for 2021 was April 6, compared to a global average of July 29 (Overshoot day, 2021). Thus, while there is a strong political commitment among all the major political parties, the execution of that commitment in some aspects is still lagging. Meanwhile, Sweden continues to push forward environmental issues in international forums; the government's work on Agenda 2030 is an example of its commitment to environmental issues as well as sustainability in general (Regeringskansliet 2021a; 2021b).

Greenhouse gas emissions from electricity and heating production decreased by 23% – or about 1 million tons of CO2 – in 2020 compared to 2019. This was a result of a phase out fossil fuels plus a decrease in demand. At the same time, the biggest culprit with regard to greenhouse gas emissions is the burning of plastic used for electricity and district heating production, the levels of which remained about the same between 2019 and 2020 (Naturvårdsverket, 2021). With its legacy as a high-energy consuming industrial economy, Sweden certainly has a long way to go, but the data suggest its environmental policy is working. It should be noted that environmental policy is an integrated component of the larger project of restructuring the economy and making it more sustainable; much of this work takes place at the urban level.

A concrete example at the national level was the strategy issued in 2020 by the Ministry for Enterprise and Innovation for the transition to a circular economy. Measures included investment support for rental housing; funding for multifamily-housing energy efficiency, renovation and outdoor spaces; as well as an energy transition in the transport sector (Regeringskansliet 2020a). The strategy is being implemented in 2021, focusing on single-use plastics and their environmental consequences (Regeringskansliet, 2020b).

SGI 2022 | 31 Sweden Report

Electricity prices were previously relatively low in Sweden, with production mainly in the sparsely populated north, while demand is concentrated in the considerably more urbanized south. However, electricity prices shot up in 2021 so excessively that the government is now subsidizing households. This has also been the case in other European countries, resulting in some countries, such as France and eastern European nations, advocating nuclear energy as a cheap and climate-friendly alternative. Other countries, led by Germany, disagree and advocate more investment in renewable energy. Sweden has shut down four reactors since 2017, and the current government is not eager to return to the nuclear power debate, which was quite intense a few decades ago, including a heated debate on the storage of nuclear byproducts in northern municipalities. If the center-right alliance is elected in 2022, Sweden's position on this might change, with electricity prices and other developments in Europe also playing a role.

Citation:

Naturvårdsverket. 2021. "El och Fjärrvärme, Utsläpp av Växthusgaser." https://www.naturvardsverket.se/data-och-statistik/klimat/vaxthusgaser-utslapp-fran-el-och-fjarrvarme/

Overshoot day. 2021. "Country Overshoot Day. When would Earth Overshoot Day Land if the World's Population Lived Like..." https://www.overshootday.org/content/uploads/2021/01/Country-Overshoot-Days-2021.pdf

Regeringskansliet [Government Offices of Sweden]. 2021b. "Sveriges Genomförande av Agenda 2030." Proposition 2019/20:188.

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sveriges-genomforande-av-agenda-2030-prop.-201920188

Regeringskansliet [Government Offices of Sweden]. 2021b. "Sveriges Genomförande av Agenda 2030 för Hållbar Utveckling."

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sverigesgenomforande-av-agenda-2030-prop.-201920188

Regeringskansliet (Government Offices of Sweden). 2020a. "Cirkulär Ekonomi – Strategi för Omställningen i Sverige."

 $https://www.regeringen.se/4a3baa/contentassets/619d1bb3588446deb6dac198f2fe4120/200814_ce_webb.pdf$

Regeringskansliet (Government Offices of Sweden). 2020b. "Cirkulär Ekonomi." https://www.regeringens.ee/regeringens-politik/cirkular-ekonomi/

Global Environmental Protection

Global Environmental Policy Score: 10 Sweden continues to be a leader in global environmental protection. For example, in 2022, the country will host Stockholm+50, a UN conference aimed at accelerating the implementation of the Sustainable Development Goals (SDGs). During COP26, Sweden launched an initiative to strengthen the participation of young people in the Stockholm+50 conference (Regeringskansliet, 2021a).

SGI 2022 | 32 Sweden Report

Indeed, the country has a record of going beyond the requirements of international accords, as a means of setting an example to other countries. Climate change and global warming can only be addressed through multilateral efforts and Sweden plays an important role toward such arrangements. Sweden is also a very active player on the EU's environmental policy agenda.

The Agenda 2030 document and attendant government proposition outline specific ways to work with SDGs internationally, including financing this work. Indicatively, Sweden sets aside a percentage of its GNI (SEK 44.5 billion for 2020) for international development financing (Regeringskansliet, 2021b; 2021c)

Citation:

Regeringskansliet [Government Offices of Sweden]. 2021a. "At COP26: Sweden Launches Global Initiative to Strengthen Young People's Participation During Stockholm+50." https://www.government.se/press-releases/2021/11/at-cop26-sweden-launches-global-initiative-to-strengthen-young-peoples-participation-during-stockholm50/

Regeringskansliet [Government Offices of Sweden]. 2021b. "Sveriges Genomförande av Agenda 2030 för Hållbar Utveckling."

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sverigesgenomforande-av-agenda-2030-prop.-201920188

Regeringskansliet [Government Offices of Sweden]. 2021c. "Sveriges Genomförande av Agenda 2030."

Proposition 2019/20:188.

https://www.regeringen.se/4aa057/contentassets/378ab5cbd6b148acaeccc9413cc0e1ba/sverigesgenomforande-av-agenda-2030-prop.-201920188

SGI 2022 | 33 Sweden Report

Robust Democracy

Electoral Processes

Candidacy Procedures Score: 10 Candidates are selected and ranked within the party organizations with essentially no public rules guiding the process. Political representation in Sweden is overwhelmingly collective representation (Karlsson and Gilljam, 2014). Since 1998, voters have had the ability to indicate preferences not just for a particular party but also for specific candidates. Despite this, voters tend to vote for parties rather than for individual candidates. This culture of representation gives parties a central role in candidate selection. Against that backdrop it is perhaps not very surprising that indicating preferences for specific candidates has, with a few exceptions, not had a major impact on outcomes (Oscarsson and Holmberg 2014). Finally, voters increasingly identify with a coalition of parties rather than one individual political party (Einhorn and Logue, 2003).

Citation:

Einhorn, Eric S, and John Logue. 2003. "Modern Welfare States: Scandinavian Politics and Policy in the Global Age." 2nd ed. Westport, CT: Praeger.

Karlsson, David, and Michael Gilljam. 2014. "Svenska Politiker. Om de Folkvalda i Riksdag, Landsting och Kommun." Stockholm: Santérus.

Oscarsson, Henrik, and Sören Holmberg. 2014. "Svenska Väljare." Stockholm: Wolters Kluwer.

Media Access Score: 10 All candidates and all parties have equal opportunities of access to the national media and other means of communication. The equality among political candidates in terms of their access to media is to a large extent safeguarded by the public service rules of the public Swedish Television (SVT) and Sverige Radio (SR), the public radio outlet.

The print media in Sweden is overwhelmingly center-right in its political allegiance and is therefore more likely to cover center-right candidates than candidates from the parties on the political left. However, journalists have a significantly stronger preference for the Green and the Left parties than does the electorate as a whole (Asp, 2012).

SGI 2022 | 34 Sweden Report

In Sweden, as elsewhere in Europe, social media and other new forms of information sharing are increasing. These media are becoming more important for political campaigns. Though the information provided by social and other electronic media is vast and varied, selectivity facilitates a narrower consumption of information than in traditional print media. A recent report found a disconnect in the types of political questions debated in traditional news media vis-à-vis social media. While the economy, the labor market and health were the major issues in the former, migration, equality, law and order, and taxes were more prevalent in the latter (Kantar Sifo 2022).

Citation

Asp, Kent. 2012. "Journalistkårens Partisympatier." in Kent Asp (ed.) "Svenska Journalister 1989-2011." Gothenburg: JMG. 101-107

Kantar Sifo. 2022. "Mediemätaren." https://www.kantarsifo.se/tags/mediemataren

Voting and Registration Rights Score: 10 The Swedish electoral system meets the highest requirements in terms of eligibility, transparency and the basic right to participate. There are no legal obstacles to anyone who wants to run in an election. Political parties conduct candidate selection without any interference from the state, and the media closely monitor the parties during the selection process. Electoral turnout has always been high and increased even further in the 2000s. In the 2018 elections, turnout was 87.2% (Valmyndigheten, 2021).

Citation:

 $Valmyndigheten.\ 2021.\ ``Valresultat."\ https://www.val.se/valresultat.html$

Party Financing Score: 8

Political parties in Sweden receive public as well as private support. Despite extensive debate, political parties still do not make their financial records available to the public and there is no regulation requiring them to do so.

In the spring 2018, the government passed legislation that substantially increased the transparency of party financing in Sweden. Relating to the 2018 election, public demands again surfaced to further sharpen the rules to clearly document the financial sources of electoral campaigns and further increase monetary penalties for violations. The Party Financing Board (Partibidragsnämnden) announced that for the financial year 2020-2021, political parties received a total of just under SEK 168 million. The women's arms of the political parties received a total of SEK 15 million during the same period (Sveriges Riksdag, 2021).

Citation

Sveriges Riksdag. (The Parliament of Sweden). 2021. "Verksamhetsredogörelse för Partibidragsnämnden 2020." https://data.riksdagen.se/fil/A3F2D5FB-BEB6-4C20-B8D2-8D1E9B37D296

SGI 2022 | 35 Sweden Report

Popular Decision-Making Score: 7 Referendums exist as an institution in Sweden, but in practice almost never occur at the national level, and happen quite rarely at the regional/municipal level (for a list of all the referendums in Sweden, see https://www.val.se/val-och-folkomrostningar/folkomrostningar.html).

There are two kinds of referendums at the national level, advisory and constitutional. At the subnational level, all referendums are advisory. All six referendums at the national level have been advisory (Valmyndigheten, 2021). The last referendum took place in 2003, when citizens decided to opt out of the euro area (Sveriges Riksdag, 2021). The outcomes of referendums are never binding in Sweden. However, it is customary that all parties commit themselves to honoring the results.

Citation:

Sveriges Riksdag. (Parliament of Sweden). 2021). "Folkomröstning." https://www.riksdagen.se/sv/Safunkar-riksdagen/Demokrati/Folkomrostning/

Valmyndigheten. 2021. "Folkomröstningar." https://www.val.se/val-ochfolkomrostningar/folkomrostningar.html

Access to Information

Media Freedom Score: 10 Media freedom in Sweden is valued and well-protected. The Swedish constitution's Freedom of the Press Act and the Fundamental Law on Freedom of Expression guarantee freedom of the press. The Swedish Freedom of the Press Act, first enacted in 1766 (and thus the world's oldest) is underpinned by five principles: the freedom to express one's thoughts in print, the freedom to disseminate printed matter accompanied by free access to this material, free access to official information, and the right of anonymity. A document is categorized as official if received or created by a public authority. Such documents are freely available unless they are classified as secret (Larsson and Bäck 2008).

Contact information for public servants working for municipalities or regions is readily available online, enabling citizens to communicate with them to offer questions, suggestions or complaints. Several municipalities have implemented electronic participation procedures such as citizen dialogues, electronic notice boards or citizen chats (Norén Bretzer 2010).

During the last few years, the media have expressed frustration with government departments for not being forthcoming in providing public documents to the media or individual citizens (Andersson et al., 2018). Government departments increasingly use information as a strategic means of communication. Nevertheless, the Swedish government and administration

SGI 2022 | 36 Sweden Report

still meet high standards of transparency and access to information. This is reflected in, for example, the Reporters Without Borders' 2021 World Press Freedom Index, in which Sweden is ranked third, after Norway and Finland.

Citation:

Andersson, Ulrika, Anders Carlander, Elina Lindgren and Maria Oskarson (eds.) 2018. "Sprickor i Fasaden." Gothenburg: The SOM Institute.

Larsson, Torbjörn and Henry Bäck. 2008. "Governing and Governance in Sweden." Malmö: Studentlitteratur.

Norén Bretzer, Ylva. 2010. "Sveriges Politiska System." Malmö: Studentlitteratur.

Reporters Without Borders. 2021. "World Press Freedom Index, 2021." https://rsf.org/en/ranking.

Media Pluralism Score: 9 The media in Sweden operate independently of the government. This is not to say that the government is wholly inactive in the media sector, however. Government institutions offer financial support to newspapers (typically smaller newspapers) and also to magazines. The media market in Sweden has expanded considerably over the past couple of decades. Today, the public SR and SVT radio and television broadcasters face significant competition from privately owned and managed radio and television channels. The public television and radio stations have been tax-funded since 2019, when the license fee funding scheme was phased out.

New social media (Facebook, blogs, Twitter, Instagram, etc.) are developing at an amazing speed in Sweden, as elsewhere, and are playing an increasingly important role in politics. Sweden remains at the top in the overall Inclusive Internet Index, which was commissioned by Facebook and developed by The Economist Intelligence Unit (https://theinclusiveinternet.eiu.com). The index is a construct of availability, affordability, relevance, and readiness of internet services and infrastructures.

Citation

The Economist Intelligence Unit. 2021. "The Inclusive Internet Index." https://theinclusiveinternet.eiu.com

Access to Government Information Score: 9 Sweden has been a forerunner when it comes to all issues related to transparency in government and public access to government information and documents. Both the political elite and the public cherish the fundamental principle that all government documents are public, unless they are classified or relate to individual integrity. If anything, the emergence of e-government has further promoted the objective of accessibility and transparency. Sweden is also pursuing greater transparency within the European Commission.

Governmental information, from reports to minutes from meetings and statutes to budget, is available online. The constitution ensures citizen access to all SGI 2022 | 37 Sweden Report

official documents, except in situations when they are classified as secret (Larsson and Bäck 2008).

There have been instances when governmental departments have been slow to provide documents to the public and the media. Media representatives in particular have criticized the government on this matter. Nevertheless, the Swedish government and administration still meet high requirements regarding transparency and publicity (Andersson et al., 2018).

Citation:

Andersson, Ulrika, Anders Carlander, Elina. Lindgren and Maria Oskarson (eds.) 2018. "Sprickor i Fasaden." Gothenburg: The SOM Institute.

Larsson, Torbjörn and Henry Bäck. 2008. "Governing and governance in Sweden." Malmö: Studentlitteratur

Civil Rights and Political Liberties

Civil Rights Score: 9 Civil rights and legality are core values in Swedish governance. The constitution has a chapter devoted to human rights, and legal certainty is an essential guideline for the public administration. However, there are causes for concern. For example, instances of extortion have increased dramatically since 2017. This is partly due to organized crime, with the construction industry, restaurants and small retail establishments being hit the hardest (Brottsförebyggande rådet, 2021).

The pandemic crisis has highlighted the debate on civil rights, individual freedoms and collective security. One of the factors underpinning the Swedish response to the pandemic was the protection of civil liberties enshrined in the constitution, which disallows curbing the mobility of Swedish citizens and residents inside the country or imposing a state of emergency during peacetime. This thus excluded curfews and lockdowns, and generally required the government to rely on voluntary measures (see Petridou, 2020; Petridou and Zahariadis, 2020; Sparf and Petridou, 2021; Zahariadis et al., 2021). Whereas in most other European countries, presenting proof of vaccination is de rigueur, in Sweden this has been a measure applied only in large gatherings. The logic of the government regarding measures has been one of proportionality, as outlined by a relevant memo issued by the Ministry of Health and Social Affairs (Socialdepartementet) in December, 2021. The same memo specifically states that civil liberties and political rights will always be upheld, including the right to assemble and demonstrate, the rights of religion and mobility, and so on (Regeringskansliet, 2021).

SGI 2022 | 38 Sweden Report

Lastly, it is worth noting that organized crime has taken a hold in some metropolitan regions of Sweden. Without a doubt, infringement of individual freedom caused by private actors such as organized crime is a real and growing problem. The national police have prioritized tackling organized crime and, in 2019, the government, under heavy criticism from the centerright opposition, rolled out a program addressing the issue of organized crime. In December 2021, the minister of justice proposed further measures to combat organized crime, since the problem is proving persistent, and the situation has worsened in Sweden's 61 so-called vulnerable areas.

The issue of organized crime and the attendant questions of civil rights infringement are sure to factor strongly into the elections debate during 2022.

Citation

Brottsförebyggande rådet. 2021. "Hot och Påverkan mot Samhället." https://bra.se/statistik/statistik-utifranbrottstyper/hot-och-paverkan-mot-samhallet.html

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the COVID-19 Crisis." European Policy Analysis, 6(2), 147-158.

Petridou, Evangelia & Nikolaos Zahariadis. 2021. "Staying at Home or Going out? Leadership Response to the COVID-19 Crisis in Greece and Sweden." Journal of Contingencies and Crisis Management, 29(3), 293-302.

Regeringskansliet (Government Offices of Sweden). (021. "Regeringens Åtgärdsplan för Införande av Smittskyddsåtgärder."

https://www.regeringen.se/4ae7b3/contentassets/fefde45c162544819deb7a1c52a24364/regeringens-atgardsplan-for-inforande-av-smittskyddsatgarder-2.pdf

Sparf, Jörgen, and Evangelia Petridou. 2021. "Sweden: Country Report." University of Stavanger, Report no.98.

Zahariadis, Nikolaos, Evangelia Petridou, Theofanis Exadaktylos, & Jörgen Sparf. 2021. "Policy Styles and Political Trust in Europe's National Responses to the COVID-19 Crisis." Policy Studies, 1-22.

Political Liberties Score: 10

Non-discrimination Score: 9 Political liberties and human rights are written into the constitution. Sweden is a highly institutionalized advanced democracy. As such, it upholds all political liberties.

Sweden still ranks as one of the most egalitarian societies in the world. The Discrimination Act of 2008 identifies seven disallowed grounds for discrimination: sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation, and age. Established on 1 January 2009, the Equality Ombudsman is a government agency that works to promote a society free from discrimination.

That said, it is clear that there are still differences between salaries for men and women performing the same work as well as between immigrants and Swedes in the labor market. These are spheres of society where public regulation is only effective when complaints are filed with public authorities.

SGI 2022 | 39 Sweden Report

During the review period, de facto segregation in several suburbs of large metropolitan areas in Sweden further increased. This societal fracturing remains an unsolved political challenge in contemporary Sweden. Given the increased immigration flows since 2015, there is an increased risk that these challenges will be exacerbated. In the period under review there were increased levels of antisemitism in Sweden, as well as in the rest of Europe. The government sees this as a rising concern (Regeringskansliet, 2021).

Citation:

Regeringskansliet (Government Offices of Sweden). 2021. "Measures to Combat Antisemitism and Increase Security." https://www.government.se/government-policy/democracy-and-human-rights/measures-to-combat-antisemitism-and-increase-security/

Rule of Law

Legal Certainty Score: 10 The Swedish legal framework is robust, and the rule of law is a fundamental norm. The country is governed by a Weberian-style public administration and the prevalent values of legal security, due process, transparency and impartiality.

Administrative reforms privileging performance and effectiveness have the potential to threaten legal certainty. For example, Greve, Lægreid and Rykkja (2016) observed that the third generation of administrative reforms in the Nordic countries foreground state-centered solutions in the context of a complicated set of governmental mechanisms and institutional complexity.

Generally, there is a tension between New Public Management as a philosophy of public sector reform, and efforts to reemphasize trust ("tillit") as a normative foundation of the public administration. A recent commission of inquiry (Regeringskansliet, 2018) reported that the interface between administrative personnel and citizens requires a stronger focus on citizen needs, increased attention to a holistic approach, better leadership, increased competence levels, and more openness.

The clients of the administration and the courts also expect and appreciate these values. The legal system is characterized by a high degree of transparency. The ombuds institution (a Swedish invention) remains an important channel for administrative complaints. The Ombudsman of Justice keeps a close watch on the application of the rule of law in Sweden.

Citation:

Greve, Carsten, Per Lægreid, and Lise H. Rykkja. (eds.) 2016. "Nordic Administrative Reforms: Public Sector Organizations, Public Sector Organizations." London: Palgrave Macmillan.

SGI 2022 | 40 Sweden Report

Regeringskansliet (Government Offices of Sweden). 2018. "Tillitsutredningen. Med tillit Växer Handlingsutrymmet – Tillitsbaserad Styrning och Ledning av Välfärdssektorn." SOU, 2018:47. https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2018/06/sou-201847/

Judicial Review Score: 10

Generally, the Swedish judiciary system is more fragmented than systems in the Anglo-Saxon tradition, and there is no constitutional court (Larsson and Bäck 2008). Sweden has a system of judicial preview in which the Council on Legislation ("Lagrådet") is consulted on all legislation that potentially relates to constitutional matters. The institution's review (or preview) goes beyond that assignment, and includes an overall assessment of the quality of the proposed legislation. The council has a purely advisory (nonbinding) role, however, which means that the parliament may ignore its findings.

Notably, until 2011, the judiciary and the government administration were regulated by the same chapter in the Swedish constitution. Judicial review is mainly carried out by the government and public agencies, with the Swedish courts traditionally serving as tools of political executive power rather than as a means of balancing power (Ahlbäck Öberg and Wockelberg 2016). In the Swedish system, agreements are typically reached by political parties and other actors, rendering judicial intervention less important than in the United States, for example, where the courts are quite commonly used as adjudicators.

Citation:

Ahlbäck Öberg, Shirin and Helena Wockelberg. 2016. "The Public Sector and the Courts" In Jon Pierre (ed.) "The Oxford Handbook of Swedish Politics." Oxford University Press. 130-146.

Larsson, Torbjörn and Henry Bäck. 2008. "Governing and Governance in Sweden." Malmö: Studentlitteratur.

Appointment of Justices
Score: 9

The cabinet appoints Supreme Court ("regeringsrätten") justices. The appointments are strictly meritocratic and are not guided by political allegiances. Although the cabinet almost always makes unanimous decisions, there are no special majority requirements in place for these decisions.

There is only modest media coverage of the appointments, mainly because the Swedish Supreme Court is not a politically active body like the Supreme Court in countries such as Germany and the United States.

Corruption Prevention Score: 9 Sweden has one of the lowest levels of corruption in the world. In 2020, the country ranked third in the world with a score of 85/100 (Transparency International, 2021) with regard to the citizens' perceptions of corruption (with high scores indicating less corruption). Thus, levels of public trust in democratic institutions and public administration are comparatively high, though there are signs that political trust may be on the decline even in Sweden (see Zahariadis et al., 2021). Indeed, this is a corollary of

SGI 2022 | 41 Sweden Report

transparency, freedom of information and access to information as part of an open government enshrined in the constitution (see Greve, Lægreid, and Rykkja (2016) for a discussion of the Nordic administrative tradition).

Corruption at the state level remains extremely rare in Sweden. Regulatory systems safeguarding transparency and accountability, coupled with an overall administrative culture that strongly forbids corrupt behavior, prevent corruption. At the local government level, however, there have been reports of corruption and court decisions on related charges (Bergh et al., 2016). Additionally, the public sector has been slow to produce material requested by the Coronavirus Commission assessing the country's response to the pandemic. Though Sweden is at the top of the rankings, the score (85/100) has remained the same rather than improving (Transparency International Sweden, 2021). The issue here is that the world expects more out of Sweden, which has traditionally been a leading country in preventing corruption in the public sector.

Citation:

Bergh, Andreas, Gissur Ó. Erlingsson, Richard Öhrvall, Mats Sjölin. 2016. "A Clean House? Studies of Corruption in Sweden." Lund: Nordic Academic Press.

Greve, Carsten, Per Lægreid, and Lise H. Rykkja. (eds.) 2016. "Nordic Administrative Reforms: Public Sector Organizations, Public Sector Organizations." London: Palgrave Macmillan.

Transparency International. 2021. "Corruption Perceptions Index." https://www.transparency.org/en/cpi/2020

Transparency International Sweden. 2021. "CPI2021: Arbetet mot Korruption Stagnerar när det Behövs som Mest." https://www.transparency.se/nyheter/cpi2021

Zahariadis, Nikolaos, Evangelia Petridou, Theofanis Exadaktylos, and Jörgen Sparf. 2021. "Policy Styles and Political Trust in Europe's National Responses to the Covid-19 Crisis." Policy Studies: 1-22.

SGI 2022 | 42 Sweden Report

Good Governance

I. Executive Capacity

Strategic Capacity

Strategic Planning Score: 8

The strategic capacity of the government has been enhanced over the past few years. Much of that capacity is found in the finance ministry where most of the long-term planning takes place. The main role of the Prime Minister's Office is not so much long-term planning but more coordination within government.

In addition to these planning efforts in the government departments, the agencies are also engaged in planning. They do not operate in close proximity to the departments, however. The exception to this pattern is when a department asks one of its agencies to look into a particular issue and to prepare advice on possible policy initiatives. The center-right government (2006 - 2014) invested considerable energy in increasing coordination among government departments and improving executive agency steering. The Social Democratic-Green minority governments (2014 until summer 2021) have not made any sustained efforts in this respect.

Strategic policy planning in Sweden is performed using commissions of inquiry. Most of these commissions are ad hoc, appointed by the parliament, and their membership tends to reflect the parties with seats in the parliament. Recently, public servants have come to take on a larger role on these commissions. Some commissions are conducted by a single person, a high-ranking nonelected official. The authors of commission reports hold regular meetings and engage in ongoing negotiations with the politicians who ordered the investigation. In practice, any conflicts regarding the contents of the report are teased out during that time. Petersson (2016) notes that commissions of inquiry have increasingly become less independent, especially with the assignment of one special investigator with support staff as opposed to a team of investigators (see also Dahlström, Lundberg and Pronin, 2019; Petridou and Sparf, 2017).

SGI 2022 | 43 Sweden Report

Citation:

Dahlström, Carl, Erik Lundberg and Kira Pronin. 2019. "Det Statliga Kommittéväsendets Förändring 1990-2016." SNS Analys Rapport nr 59. (Stockholm: SNS).

Petersson, Olof. 2016. "Rational Politics: Commissions of Inquiry and the Referral System in Sweden." In Jon Pierre (ed.). "The Oxford Handbook of Swedish Politics." 650-662. Oxford University Press.

Petridou, Evangelia and Jörgen Sparf. 2017. "For Safety's Sake: the Strategies of Institutional Entrepreneurs and Bureaucratic Reforms in Swedish Crisis Management, 2001–2009." Policy and Society, 36(4), 556-574.

Expert Advice Score: 8

Overall, the government department staff solicits advice or other contacts with external actors less frequently than in the past. Communication is today managed in detail and there are disincentives to open up to external actors at sensitive stages of the policy process. Having said that, the recent pandemic crisis has highlighted Sweden's high policy capacity and reliance on expert knowledge for its policy response (Petridou, 2020; Zahariadis et al, 2021). Notably, the Coronavirus Commission consisted overwhelmingly of academics (Coronakommissionen, 2021).

Citation:

Coronakommissionen. 2021. "Delbetänkande 2: Sverige under pandemi." SOU 2021:89 https://coronakommissionen.com

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the COVID-19 Crisis." European Policy Analysis, 6(2), 147-158.

Zahariadis, Nikolaos, Evangelia Petridou, Theofanis Exadaktylos, and Jörgen Sparf. 2021. "Policy Styles and Political Trust in Europe's National Responses to the Covid-19 Crisis." Policy Studies: 1-22.

Interministerial Coordination

GO Expertise Score: 8

Interministerial coordination has been a significant problem in the Swedish system of government for a long time but has now been addressed in a comprehensive strategy. The previous government (2006 – 2014) implemented a major program ("RK Styr") in order to strengthen the coordination among departments. This goal was believed to be a necessary step to increase the capability of the GO to steer the agencies more effectively.

The government in 2019 decided to strengthen interministerial coordination across broad policy sectors rather than from an institutional perspective, by ministry. The collaboration programs take the Agenda 2030 program as a departure point, as well as a set of topics the government considers to be Sweden's strengths, including climate adaptation within the private sector; maintaining a competent workforce and lifelong learning; the digital structural shift of the private sector; and health and the life sciences (Regeringskansliet, 2021).

SGI 2022 | 44 Sweden Report

In formal and legal terms, the government and its departments act as a collectivity. All decisions in the government are made collectively, and there is no individual ministerial accountability. The Prime Minister's Office (PMO) plays a significant role in the coordination process. This is also the case for the Finance Ministry. Furthermore, when the incumbent government is a coalition government, as has been the case since 2006, policies must be coordinated not just among the relevant departments but also among the governing parties (Jacobsson, Pierre, and Sundström, 2015).

The practices of governing and coordination are much more complex. Each department has a fair amount of autonomy in its respective sector. Coordination among departments takes place at different organizational levels depending on whether the issue is a technical and administrative issue, or whether it is a more political matter. In the case of the latter, political actors make the final decisions. When bills involving more than one department are drafted, coordination is achieved through meetings where drafts of the bill are discussed. There are instances where drafts have gone through a very large number of revisions as part of the coordination process. In the pro-growth policies of the mid-2000s, for instance, the bill that eventually was submitted to the parliament (Riksdag) was the 56th version of the bill (Dahlström, Peters, and Pierre, 2011; Niemann, 2013).

The lack of coordination has to some extent been resolved by increasing the centralization within the Government Office (GO). The finance ministry has become a "primus inter-pares" among the departments; a pattern that emerged in the wake of the financial crises in the early 1990s but that has remained ever since (Pierre and Sundström, 2009).

The PMO rarely coordinates policy content, which generally takes place during the process of deliberation or drafting of bills.

Citation:

Dahlström, Carl, B. Guy Peters and Jon Pierre. (eds.) 2011. "Steering from the Center" Toronto: University of Toronto Press.

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

Niemann, Cajsa. 2013. "Villkorat Förtroende. Normer och Rollförväntningar i Relationen Mellan Politiker och Tjänstemän i Regeringskansliet." Stockholm: Department of Political Science, University of Stockholm.

Pierre, Jon and Göran Sundström. (eds.) 2009. "Den Nya Samhällsstyrningen." Malmö: Liber.

Regeringskansliet (Government Offices of Sweden). 2021. "Regeringens Strategiska Samverksansprogram." https://www.regeringens.e/regeringens-politik/regeringens-strategiska-samverkansprogram/

SGI 2022 | 45 Sweden Report

Line Ministries Score: 7 The leadership of the GO and the PMO are primarily involved when policies are initiated, when final decisions are to be made, and if a disagreement emerges among the governing parties or ministers. However, the line nature of the GO – and the chain of command between the political and administrative levels – means that the top leadership, apart from initiating and deciding on policy, does not routinely monitor its development. There are instead regular briefings and informal consultations. This informal coordination procedure nevertheless ensures that the PMO, in line with the Finance Ministry, plays a crucial role in policy developments. Also, there are established but informal rules regulating procedures when there is disagreement among the non-political advisers on how to design policy. Essentially, the political level of the department should only be consulted when its ruling is critical to policy formulation; otherwise, policy design rests with nonpartisan staff members.

When the government is made up of more than one party, as has been the case for most of Sweden's recent history, there are mechanisms in place when disagreement arises. Either the political leadership proactively intervenes in the policy-planning process to resolve disagreements or such disagreements are "lifted" to the political level for a ruling.

It should also be noted that line ministries frequently ask for advice from the executive agencies during the early stages of the policy process (Jacobsson, Pierre, and Sundström, 2015; Niemann, 2012; Page, 2012; Premfors and Sundström, 2007).

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

Niemann, Cajsa. 2013. "Villkorat Förtroende. Normer och Rollförväntningar i Relationen Mellan Politiker och Tjänstemän i Regeringskansliet." Department of Political Science, University of Stockholm.

Page, Edward C. 2012. "Policy Without Politicians: Bureaucratic Influence in Comparative Perspective." Oxford University Press.

Premfors, Rune and Göran Sundström. 2007. "Regeringskansliet." Liber.

Cabinet
Committees
Score: 1

There are no standing cabinet committees in the Swedish system of government. Cabinet proposals are coordinated through iterations of sending drafts of bills to the concerned departments. This usually takes place at the middle level of the departments and thus does not involve the political level of the departments.

The cabinet is both a policy-shaping institution as well as the final institution of appeal on a wide range of issues. There is also a requirement that the cabinet must be the formal decision-maker on many issues. This means that the cabinet annually makes more than 100,000 decisions (mostly in bulk).

SGI 2022 | 46 Sweden Report

Ministerial Bureaucracy Score: 7 Most of the day-to-day coordination on policy matters is handled at the administrative level, and does not involve the political level of the departments. However, as soon as coordination takes place on a political dimension, it is "lifted" to the political level.

Coordination within the GO remains a significant problem, although some measures have been implemented to address that problem. Many departments still find it difficult to coordinate policy across departmental boundaries. Departments that were formed through mergers of departments tend to display "subcultures" of the former departments (Jacobsson, Pierre, and Sundström, 2015; Niemann, 2013). The government has initiated a coordinated approach involving collaboration along policy sectors as a means of preventing the work from slipping into a silo mentality (Regeringskansliet, 2021).

Citation:

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

Niemann, Cajsa. 2013. "Villkorat Förtroende. Normer och Rollförväntningar i Relationen Mellan Politiker och Tjänstemän i Regeringskansliet." Department of Political Science, University of Stockholm.

Regeringskansliet (Government Offices of Sweden). 2021. "Regeringens Strategiska Samverksansprogram." https://www.regeringen.se/regeringens-politik/regeringens-strategiska-samverkansprogram/

Informal Coordination Score: 8 Informal mechanisms of coordination among civil servants and higher-ranking politicians alike are common and important in the Swedish system (Petridou and Sparf, 2017). Having said that, they may not always be effective. And yet, informal contacts between departments and agencies are believed to be integral to the efficiency of the politico-administrative system. Informal coordination procedures effectively filter many, but not all, policy proposals (de Fine Licht and Pierre, 2017).

de Fine Licht, Jenny, and Jon Pierre. 2017. "Myndighetschefernas Syn på Regeringens Styrning." Stockholm: Statskontoret.

Petridou, Evangelia & Jörgen Sparf. 2017. "For Safety's Sake: the Strategies of Institutional Entrepreneurs and Bureaucratic Reforms in Swedish Crisis Management, 2001–2009." Policy and Society, 36(4), 556-574.

Digitalization for Interministerial Coordination Score: 6 The digitalization of the Swedish public sector has come a rather long way. One exceptional example is the budget process (one of the key mechanisms to support coordination among government departments), where documents are digitally shared and simultaneously developed among various departments. The government also uses digital services to coordinate interdepartmental responses to communications from the EU. Overall, however, digitalization is mainly used to support intraorganizational processes such as drafting documents and only to a lesser extent to support interdepartmental coordination.

SGI 2022 | 47 Sweden Report

The Swedish government now communicates all new legislation and regulations (SFS) digitally, with digital versions given legal precedence over printed versions as they are the most current versions of legislation.

Digitalization has been implemented more extensively at the agency level. For instance, there is now a joint service center (SSC) that manages back-office functions for a growing number of agencies. Also, statistical material and maps are shared digitally among agencies.

Evidence-based Instruments

RIA Application Score: 7

The purpose of regulatory impact analysis (RIA) is to assess the degree to which regulation has negative effects and unintended consequences for the targets of regulation. More broadly, RIA is nowadays used to avoid increasing regulatory burdens on private businesses. RIAs are also used to examine which regulatory framework could be simplified or abolished.

The pandemic crisis has highlighted the need for a transformation of the process by which rules are made, especially during a compressed time-frame imposed by urgent conditions. OECD (2021a) stresses the need for international coordination, since the rules one country imposes affects others, as we have seen during the past two years. The OECD further emphasizes the paucity of the use of evidence-based regulations and inconsistency of substantial follow-up.

Ex ante assessments of regulatory impact have been mandatory since 2007. In terms of the OECD's iREG scores, Sweden scores just below the OECD average for primary laws and subordinate regulations (OECD, 2021b).

OECD. 2021a. "OECD Regulatory Policy Outlook." https://www.oecd-ilibrary.org/sites/38b0fdb1-en/index.html?itemId=/content/publication/38b0fdb1-en

OECD. 2021b. "Sweden: Indicators of Regulatory Policy and Governance 2021." https://www.oecd.org/gov/regulatory-policy/sweden-country-profile-regulatory-policy-2021.pdf

Quality of RIA Process Score: 7 Levels of stakeholder engagement are quite high in the policymaking processes in Sweden. In the period under review, Sweden made progress with regard to systemizing the use of the central governmental portal, where information on consultations and the attendant documentation are posted so that relevant stakeholders can post feedback. Having said that, policy feedback in Sweden is given through organized interest groups; the policymaking process would benefit from a more interactive process in which the public (individual citizens) received greater encouragement to provide feedback regardless of whether they belonged to an organized association.

SGI 2022 | 48 Sweden Report

Simplification remains an important factor in Sweden's regulatory policy (OECD, 2021). For example, in 2020, the Committee for Technological Innovation and Ethics created a forum to receive feedback from citizens on regulatory barriers in the development of technology, as well as a self-assessment tool for responsible tech in English (KOMET, 2022).

Citation:

 $KOMET.\ 2022.\ "Self assessment tool for responsible tech."\ https://www.kometinfo.se/kronika/self-assessment-tool-for-responsible-tech/\#.Ye1HLy2HKAk$

OECD. 2021. "Sweden: Indicators of Regulatory Policy and Governance 2021." https://www.oecd.org/gov/regulatory-policy/sweden-country-profile-regulatory-policy-2021.pdf

Sustainability Check Score: 7

Quality of Ex Post Evaluation Score: 8 Environmental sustainability is one of several mainstreamed goals in the policy process. In theory at least, all government bills, procurements and directives to royal commissions are supposed to be assessed to determine their impact on environmental sustainability. As for other types of sustainability criteria, there is little evidence available about the degree to which they are considered in the RIA process.

Ex post evaluations take various forms in the Swedish system. For the past 10 to 15 years, performance measurement and management has been an integral part of public management in Sweden, as in most other countries. Also, audits conducted by the Swedish supreme audit institution (Riksrevisionen) are important evaluation instruments. There is, however, a tendency to focus more on institutions and cost efficiency (the audit approach) than on programs and impact (the evaluation approach) – a trend that is increasingly noticeable across many Western countries. That said, both approaches are useful as feedback on public policy (Pierre, Peters and de Fine Licht, 2018; Peters and Pierre, 2019).

Sweden's pandemic policies are evaluated by an independent commission composed mainly of academics. The first partial reports of this evaluation are already available (https://coronakommissionen.com/).

Citation:

Pierre, Jon. B. Guy Peters and Jenny de Fine Licht. 2018. "Is Auditing the New Evaluation? Can it be? Should it be?," International Journal of Public Sector Management 31:726-39.

Peters, B. Guy and Jon Pierre. 2019. "From Evaluation to Auditing and from Programs to Institutions?: Causes and Consequences of the Decline of the Program Approach." Governance: An International Journal of Policy, Administration, and Institutions. 33(3), 585-597.

SGI 2022 | 49 Sweden Report

Societal Consultation

Public Consultation Score: 9 Consultation with societal actors has historically been a defining feature of Swedish corporatism. To a large extent, public consultation is still firmly in place in the Swedish policymaking process. In this corporatist arrangement, the government consults with key societal partners on a wide range of issues. Stakeholders are thus given an opportunity to influence public policy from the early stages of the policy process until implementation.

The preparatory work ahead of a policy's promulgation is often performed in a parliamentary committee. Recently, the number of politicians participating in these committees has decreased, while the number of civil servants has increased (Dahlström, Lundberg & Pronin, 2019). In many cases, a commission of inquiry independently investigates a societal problem with a view to finding a policy solution. The commissions are appointed by the parliament, always include experts, and generally have a membership that reflects the party-political composition of parliament – although in two-thirds of them, a civil servant drawn from the relevant ministry additionally serves on the commission as an expert or secretary. After a report is completed, a referral process ensues that allows relevant ministries, agencies and civil society organizations to submit comments. The process concludes when the government drafts a bill and submits it to the parliament (Larsson & Bäck, 2008). The more specific nature of the relationship between the state and societal actors is changing, however. Previously, these contacts were institutionalized with all major players invited to provide input on almost all major policy issues. Today, these consultations are more ad hoc and strategic. Overall, most observers today agree that corporatism as a model of governance has been significantly weakened in Sweden, while others posit that current research on commissions of inquiry is outdated, and the question of the model's efficacy must be studied empirically (Lundberg, 2015).

There have also been some tendencies toward increasing societal consultation. The increasing significance of so-called new modes of governance – networks, markets, partnerships and so on – has opened up new arenas for exchanges and communication between government institutions and organized interests. Also, studies show that societal actors now target specific institutions rather than engaging the state as a whole. Unions, for example, still target public institutions that draft policy, whereas business organizations are more active vis-à-vis executive agencies.

Citation:

Dahlström, Carl, Erik Lundberg and Kira Pronin. 2019. "Det Statliga Kommittéväsendets Förändring 1990-2016." SNS Analys Rapport nr 59. Stockholm: SNS.

SGI 2022 | 50 Sweden Report

Lundberg, Erik. 2015. "Injured But not Yet Dead: A Bottom-up Perspective on the Swedish Governmental Commissions." International Journal of Public Administration 38: 346-54.

Policy Communication

Coherent Communication Score: 9 Improved communications dovetails with increasing coordination among the government departments. Recently, the government has developed and implemented a more coherent communications strategy. The flow of communication from government departments and the PMO is now carefully controlled such that only a very limited number of officials are authorized to engage the media or other actors outside the core of government.

This strategy is very similar to the communications strategies today used in countries such as Canada and the United Kingdom. It implies that cabinet ministers carefully assess invitations from radio and television and, perhaps surprisingly, frequently decline those invitations if they cannot control the format or if they are to debate with representatives from the opposition.

This strategy has been rather successful; indeed, in some ways it may even have been too successful. The media have cited increasing problems in accessing ministers and other representatives of the governing parties. This has the potential to harm the production of knowledge and undermine scrutiny of the public sector. There is also increasing frustration with the GO's tendency to be slow in providing the media with public documents. Even among several agencies there is now frustration about the decreasing access to government departments and government information (Dahlström, Pierre, and Peters, 2011; Erlandsson, 2008; Jacobsson, Pierre, and Sundström, 2015).

In terms of multilevel governance, municipalities often express their frustration with public agencies regarding a one-way communication flow, in which they are expected to provide information upward, but relatively little information trickles downward, and not in a timely fashion. In the context of the pandemic response, municipalities pointed out that they were often not given sufficient advanced warning regarding upcoming contagion mitigation measures (Sparf et al., 2021).

Citation

Dahlström, Carl, Jon Pierre and B. Guy Peters. (eds.) 2011. "Steering from the Center." Toronto: University of Toronto Press.

Erlandsson, Magnus. 2008. "Regeringskansliet och Medierna. Den Politiska Exekutivens Resurser och Strategier för att Hantera och Styra Massmedier." Statsvetenskaplig tidskrift. 110: 335-49.

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

SGI 2022 | 51 Sweden Report

Sparf, Jörgen, Evangelia Petridou, Mikael Granberg, and Beatrice Onn. 2021. "Kommunal Organisering av Pandemirespons: En Realstudie av Lokal Resiliens." MSB: 1792. https://rib.msb.se/filer/pdf/29736.pdf

Implementation

Government Effectiveness Score: 9 The Swedish government has a robust implementation capacity (Zahariadis et al, 2021). The roughly 340 executive agencies are the key actors in the implementation of policy. Over the past few years, the departments have increased the steering of their agencies. Also, performance measurement and management have become increasingly important in monitoring the agencies and the implementation process.

Yet like the challenge of efficient policy coordination, policy implementation is also a challenge under the restrictions of new governance forms. The relationship between the government and the agencies no longer follows a strict command and control pattern; rather, it is a more interactive form of governance where departments utilize the expertise in the agencies during the early stages of the policy process. This pattern is largely due to the fact that policy expertise is located not just in the departments but also in the agencies (Jacobsson, Pierre, and Sundström, 2015).

The departments as a whole have about 5,000 staff members, including 4,400 civil servants and 200 elected officials (Regeringskansliet, 2021), whereas the number of staffers at the agency level is around 273,000 (OFR, 2021). To a large extent, and with considerable variation among policy sectors and even specific issues, agencies provide informal advice to the government on policy design. In some cases, there is a weekly dialogue between departments and agencies, not just on what departments want agencies to do, but also on matters of policy design. This means effectively that agencies are involved in shaping the policies they will later implement. This arrangement obviously increases the agencies' commitment to a policy, but at the same time it complicates the implementation process.

The main challenge in implementing government policies is not institutional but rather political. Neither the current nor previous red-green coalition government has held a majority of seats in the parliament. As a consequence, policy proposals have had to be negotiated with opposition parties. If all opposition parties unite against the government, the government's proposals will be defeated. The complexity of this parliamentary situation has significantly complicated the policy process, especially as the situation was further exacerbated by the inconclusive 2018 election results. After lengthy negotiations, the red-green government struck a deal with the Center Party and the Liberals in January 2019, the so-called January Accord. Under the deal, the

SGI 2022 | 52 Sweden Report

government has agreed to implement several distinctly liberal or neoliberal reforms. Thus, while the capacity of the government to implement its policies remains strong, those policies now represent a rather broad spectrum of the party system. Notably, the breakdown of the January Accord in 2021 resulted in a political crisis that included the first vote of no confidence against a prime minister in Sweden.

Citation:

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

OFR. (Offentliganställdas Förhandlingsråd [Public Employees' Negotiation Council]). 2021. "Branschfakta – Statlig sektor." https://www.ofr.se/document/branschfakta-staten/

Regeringskansliet (Government Offices of Sweden). 2021. "Regeringskansliets anställda." https://www.regeringen.se/regeringskansliet/regeringskansliets-anstallda/

Zahariadis, Nikolaos, Evangelia Petridou, Theofanis Exadaktylos, and Jörgen Sparf. 2021. "Policy Styles and Political Trust in Europe's National Responses to the Covid-19 Crisis." Policy Studies: 1-22.

Ministerial Compliance Score: 10 In Sweden, ministers and departments do not implement policy. The task is handled by the executive agencies. Additionally, there is no ministerial oversight in Sweden, which means that the agencies are fairly autonomous when it comes to implementing policies (Petridou, 2020).

A major concern in Sweden is the degree to which ministers can, and should, steer the agencies. Swedish agencies are highly autonomous, but departments can formally steer them by appointing the Director General of the agency, deciding on the regulatory and institutional framework of the agency, and allocating financial resources to specific tasks and programs (Premfors and Sundström, 2007).

In Sweden, as in many other countries, the relationship between departments and agencies, and the willingness of the latter to implement policies defined by the former, can hinder or enable implementation. In Sweden, the relationship between departments and agencies is an institutional relation, not a personal relation between a minister and the director of an agency. Thus, to the extent that it is meaningful to talk about incentives, they must be organizational incentives. Furthermore, implementing policy is a core role for the agencies, so incentives are hardly necessary.

Citation:

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the COVID-19 Crisis." European Policy Analysis, 6(2), 147-158.

Premfors, Rune and Göran Sundström. 2007. "Regeringskansliet." Malmö: Liber.

SGI 2022 | 53 Sweden Report

Monitoring Ministries Score: 9

Monitoring Agencies, Bureaucracies Score: 9 Formally, ministries are not very involved in the implementation of policies. It is rather the task of agencies to implement policies. Nevertheless, Swedish ministries still control the implementation process of the agencies. The relationship between ministries and agencies implies monitoring by communication and mutual adaptation, rather than through a hierarchical chain of command.

Government departments in the GO monitor the activities of public agencies quite closely. Since the introduction of performance management some 15 to 20 years ago, agencies report to their parent department on their performance targets. In fact, many criticize this reporting, which requires agencies to devote substantial time and effort reporting on their performance to their respective department, because it is so extensive that it has become burdensome. Recently, there has been a tendency to reduce the number of objectives and performance indicators on which the agencies are to report. This tendency is likely to continue over the next several years (Jacobsson, Pierre, and Sundström, 2015; Pierre and de Fine Licht, 2017).

Citation:

Jacobsson, Bengt, Jon Pierre and Göran Sundström. 2015. "Governing the Embedded State." Oxford University Press.

Pierre, Jon and Jenny de Fine Licht. 2017. "Myndighetschefernas Syn på Regeringens Styrning." Stockholm: Statskontoret.

Task Funding Score: 5

Unfunded or insufficiently funded mandates have been a long-standing issue in Sweden; indeed, recent studies show an almost complete unanimity among local governments regarding their frustration with insufficiently funded mandates.

Subnational governments enjoy extensive autonomy in relation to the central government in Sweden. Local governments and their national association, the Swedish Association of Local Authorities and Regions (SALAR), have insisted that all tasks placed upon them by central government must be fully funded.

SALAR has made this claim an overarching principle, which it emphasizes whenever the central government delegates tasks to local authorities. Instead of fully funded mandates, though, the central government frequently negotiates the funding aspect of delegated tasks with the local governments and SALAR. From the local authorities' perspective, this problem has become more significant as the central government has increased its control over local authorities during the past couple of years, as the Swedish Agency for Public Management recently showed (Statskontoret, 2018). A recently formed commission of inquiry (Regeringskansliet, 2020) is likely to result in municipal reforms in the years to come.

SGI 2022 | 54 Sweden Report

Citation:

Regeringskansliet. (Government Offices of Sweden). 2020. "Starkare kommuner – med Kapacitet att Klara Välfärdsuppdraget." https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2020/02/sou-20208/.

Statskontoret. 2020. "Utveckling av Styrningen av Kommuner och Landsting 2019." Stockholm: Statskontoret.

Constitutional Discretion Score: 9

Although unfunded mandates have been much debated, the central government overwhelmingly respects local autonomy. Local government enjoys extensive autonomy, which is guaranteed by the constitution. Indeed, the strength of local autonomy adds to the fragmented nature of the Swedish political system and sometimes creates problems in governance and coordination. In terms of crisis, extraordinary challenges or when there are major national interests at stake, however, the state can increase its pressure on local government, despite the latter's formal autonomy. In these cases, the usual procedure is first to negotiate with the Swedish Association of Local Authorities and the Regions (SALAR) and, if that proves unsuccessful, introduce stronger regulatory measures. For instance, in 2015, the appropriate extent to which the central government ought to be able to force local governments to receive asylumseekers was thoroughly debated. However, the national government did not interfere with the implementation of the contagion mitigation measures at the municipality level, though other Scandinavian countries did so (Petridou, 2020).

State control over autonomous local governments has increased gradually over the past several years. Such control does not reach across the board, but is generally targeted at specific issues and programs such as education. The redgreen minority government from 2014 until 2018 and its key advisory agencies established a commission of inquiry and the Public Management Agency review intergovernmental relations in preparation for a reform proposal. A 2020 commission of inquiry (Regeringskansliet, 2020) has also proposed a series of measures (including mergers) that would help municipalities pay for the welfare services they are tasked with providing. Given the sensitivity of this issue, municipal autonomy is sure to be a question in the upcoming 2022 elections.

Petridou, Evangelia. 2020. "Politics and Administration in Times of Crisis: Explaining the Swedish Response to the Covid-19 Crisis." European Policy Analysis 6: 147-58.

Regeringskansliet. (Government Offices of Sweden). 2020. "Starkare Kommuner – med Kapacitet att Klara Välfärdsuppdraget." https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2020/02/sou-20208/.

National Standards Score: 7 Public services have been extensively decentralized over the past decades. Once services are transferred from central to local government, safeguarding national standards and even defining and sustaining those standards becomes SGI 2022 | 55 Sweden Report

problematic. The same problem applies to increasingly privatized services, where the oversight over national standards becomes even more challenging.

Decentralization and local autonomy are essentially institutional choices and, as all choices, these arrangements have their downsides. One of the problems with a decentralized system is that it becomes very difficult to enforce national standards. This became obvious to the government after the extensive decentralization reform during the 1980s and early 1990s. In primary and secondary education, the past two decades have witnessed the central government trying to regain some control in order to ensure some degree of national standards. The main strategy toward this objective has been to extensively evaluate the performance of schools and publicize evaluation reports (i.e., to "name, blame and shame" underperforming schools). Thus, the government exercises a strategy of steering by auditing. In addition, the central government has tried to increase equality among local authorities by revising the general regulatory framework of primary and secondary education, and by targeting financial resources to improve the quality of teaching.

There is a tendency toward centralization and standardization in the field of crisis management as well. A recent commission of inquiry (Regeringskansliet, 2018) resulted in legislative changes mandating that municipalities form joint constellations to fight large forest fires and even the standardization of equipment.

Citation:

Regeringskansliet. (Government Offices of Sweden). 2018. "En Effektivare Kommunal Räddningstjänst." https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2018/06/sou-201854/

Effective Regulatory Enforcement Score: 9 Much of modern regulation is responsive regulation: it is designed and implemented through a dialogue with the targets of the regulation rather than forcefully imposed. Often, regulatory agencies prefer to use incentives rather than formal rules to elicit the desired behavioral changes among the targets of the regulation. Given that changing behavior is the overarching objective, regulators may use a combination of rules, bargaining and incentives toward that objective. There is no evidence of a systematic bias in this respect among Swedish regulatory agencies (OECD, 2021).

Citation:

OECD. 2021. "OECD Regulatory Policy Outlook 2021." https://www.oecd.org/gov/regulatory-policy/oecd-regulatory-policy-outlook-2021-38b0fdb1-en.htm

SGI 2022 | 56 Sweden Report

Adaptablility

Domestic Adaptability Score: 10 Following Sweden's EU membership, which came into effect in the mid-1990s, there has been a sustained effort to adapt government, policy and regulation to EU standards. The bulk of this adaptation relates to changes in domestic regulatory frameworks and policies, a development that does not impact the structure of government (Jacobsson and Sundström, 2006).

Estimates suggest that some 75% of the regulations that pertain to Sweden are today EU rules, not domestic rules. This pattern is probably typical for all EU member states. However, Sweden is today among the forerunners in the EU with respect to its adoption of EU directives and decisions. Most of the adaptation has taken place not at the policy level, but on the administrative level (e.g., by integrating domestic regulatory agencies with EU agencies). At the same time, Eriksson (2021) reports that Sweden has had a considerable influence on EU policymaking in many policy sectors.

Citation:

Eriksson, Jonas. (ed.) 2021. "Sverige 25 år i EU. Sammanfattningar av åtta forskningsrapporter." SIEPS: Rapport 2op. https://sieps.se/globalassets/publikationer/2021/sieps-2021_2op-webb.pdf?

Jacobsson Bengt and Göran Sundström. 2006. "Från Hemvävd till Invävd: Europeiseringen av Svensk Förvaltning och Politik." Malmö: Liber.

International Coordination Score: 9 Sweden has maintained a rather high international profile on a number of issues requiring international collective action. These issues have traditionally included disarmament, human rights, international solidarity and more recently, climate change and a feminist approach to international relations and peacekeeping (Aggestam and Towns, 2018; Ingebritsen 2006). The country has traditionally been (and still is) a generous contributor to international development work and humanitarian aid (Regeringskansliet, 2021).

Sweden tends to look at itself as an international broker and coordinator, though it may exaggerate its capacity in this regard. Certainly, Sweden, together with several other smaller nations, exerts some degree of international influence through "soft power" (Petridou et al., 2020; Pierre, 2016). However, in seeking to address the pandemic crisis, Sweden largely did not engage in international coordination.

Citation:

Aggestam, Karin, and Ann Towns. 2018. "The Gender Turn in Diplomacy: a New Research Agenda." International Feminist Journal of Politics, 21(1), 9-28.

Ingebritsen, Christine. 2006. "Scandinavia in World Politics." Lanham: Rowman & Littlefield.

Pierre, Jon (ed.) 2016. "Oxford Handbook of Swedish Politics." Oxford University Press.

SGI 2022 | 57 Sweden Report

Petridou, Evangelia, Jörgen Sparf, and Kari Pihl. (2020). Resilience Work in Swedish Local Governance: Evidence From the Areas of Climate Change Adaptation, Migration, and Violent Extremism." In Pedro Pinto Santos, Ksenia Chmutina, Jason von Meding, Emmanuel Raju (eds.) "Understanding Disaster Risk: A Multidimensional Approach." Amsterdam: Elsevier, 225-238.

Regeringskansliet (Government Offices of Sweden). 2021. Internationellt Unvecklingssamarbete." https://www.regeringen.se/regeringens-politik/internationellt-utvecklingssamarbete/

Organizational Reform

Self-monitoring Score: 9

Institutional arrangements of governing obviously cover a wide array of arrangements. As indicated earlier, it is astounding in many ways to think that Sweden has transformed politically from a pre-democratic system to a democratic state, embedded in an international union such as the EU, with only a minimum amount of institutional and constitutional reform. Such a transformation testifies to the capacity of institutions to accommodate change. Given their institutional capacity to adapt to external change, institutional arrangements as such are rarely assessed.

The cabinet and government departments were reformed (i.e., merged and/or abolished) during the 1980s and 1990s, but today most observers seem to agree that this type of reform rarely solves any problems. Instead, the main institutional monitoring and reform takes place at the agency level. The number of agencies has been reduced dramatically over the past two decades, from just over 1,300 in 2000 to 343 as of January 2022. Two more agencies will be established in 2022: the Agency for Psychological Defense and the Agency for Human Rights (Statskontoret, 2021).

While some agencies have been abolished, the bulk of the reduction has come from mergers. This reduction in the number of agencies says very little about the extent of regulation; in some ways it is a numbers game aiming to communicate the message to voters that the government is trimming the central bureaucracy. However, there is more or less continuous assessment of the agency system and of the performance of agencies with regard to service delivery and policy implementation.

Agencies are monitored fairly closely, so much so that a couple of recent commissions have recommended that agencies should not have to provide data on their performance with the same frequency as they do today and that the system should allow for more variation among agencies in this respect. The red-green government that came into power in 2014 has launched a process of reducing the number of performance indicators that agencies are requested to provide data on. These efforts are part of a larger project to replace New

SGI 2022 | 58 Sweden Report

Public Management models of public sector management with a more trust-based model of management, as advised by the results of commissions of inquiry in 2018 and 2019, which are sure to result in reforms in the future (Regeringskansliet, 2018; 2019).

Citation:

Statskontoret (The Swedish Agency for Public Management). 2021. "Myndigheterna Under Regeringen." https://www.statskontoret.se/fokusomraden/fakta-om-statsforvaltningen/fakta-om-statsforvaltningen/

Regeringskansliet. (Government Offices of Sweden). 2019. "Med Tillit Följer Bättre Resultat – Tillitsbaserad Styrning och Ledning i Staten." SOU 2019:43 https://www.regeringen.se/rattsligadokument/statens-offentliga-utredningar/2019/10/sou-201943/

Regeringskansliet. (Government Offices of Sweden). 2018. "Med Tillit Växer Handlingsutrymmet – Tillitsbaserad Styrning och Ledning av Välfärdssektorn." SOU 2018: 47. https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2018/06/sou-201847/

Institutional Reform Score: 9 While the structural design of the Swedish system looks almost identical to how it did a century ago, there have been substantive changes in the modus operandi of institutions at all levels of government, particularly concerning the relationship between institutions. Perhaps most importantly, coordination among government departments has increased. Furthermore, the agency system is continuously reviewed, and the structure of the system is reformed (e.g., through mergers of agencies). Finally, department steering of the agency has increased, formally and informally.

It is fair to say that the design and functionality of the system is continuously assessed. Over the past decade, issues related to steering and central control have dominated reform ambitions. Again, governments have not hesitated to alter the configuration of departments or agencies when deemed necessary to reflect the changing agenda of the government.

II. Executive Accountability

Citizens' Participatory Competence

Political Knowledge Score: 9 The Swedish population is generally politically engaged. Election turnout is still very high by most international comparisons. The turnout in the 2014 general elections was 85.8%, which was an increase of 1.2 percentage points from the previous election. In 2018, the turnout increased even further to 87.2%, which is remarkably high compared to other European countries (Valmyndigheten, 2021). Swedish voters tend to decide very late for which party to vote, which may be interpreted as the voters' desire to gather as much

SGI 2022 | 59 Sweden Report

information on political parties as possible before they make their final decision.

The definition of high or low levels of political knowledge is obviously a relative measure. Official data on the knowledge level of Swedish voters is not available. It can, however, be assumed that voters here are not significantly more – or less – knowledgeable than their colleagues in comparable countries.

Recent studies suggest that if voters had been more knowledgeable on political issues this would have changed their party allegiance. Increasing levels of knowledge should reduce the support for the two major parties – the Moderates and the Social Democrats – while most of the other, smaller parties would have benefited. This is a purely hypothetical study, as the perfectly informed voter does not exist (Andersson et al., 2018: Oscarsson, 2007; Oscarsson, and Holmberg, 2014).

Citation:

Andersson, Ulrika, Anders Carlander, Elina Lindgren, Maria Oskarson. (eds.) 2018. "Sprickor i Fasaden." Gothenburg: The SOM Institute.

Oscarsson, Henrik. 2007. "A Matter of Fact? Knowledge Effects on the Vote in Swedish General Elections, 1985-2002." Scandinavian Political Studies, 30:301-322.

Oscarsson, Henrik and Sören Holmberg. 2014. "Svenska väljare." Stockholm: Wolters Kluwer.

 $Valmyndigheten.\ 2021.\ ``Valresultat."\ https://www.val.se/valresultat.html$

Open
Government
Score: 9

Strictly speaking, given the extensive rules about public availability of government documents, the government does not have to actively publish material but rather simply ensure that it is available. Thus, withholding information that would be relevant to an assessment of the government's performance would be difficult. Governmental web sites are updated regularly, and reports are available to the public at no charge. All material (reports, meeting minutes, contact information of public servants, future plans, press releases, transcripts) is available online. This openness on the part of the government was most evident during the pandemic, when a great deal of data and information about various aspects of pandemic policy was made available to the public.

Legislative Actors' Resources

Parliamentary Resources Score: 9 Members of the parliament can collectively monitor all aspects of government activities. They can find some support for these and other activities from the parliament's (Riksdag) administrative support (Riksdagens Utredningstjänst, RUT). RUT conducts inquiries requested by groups of members of parliament. Individual members of parliament in Sweden receive rather little

SGI 2022 | 60 Sweden Report

administrative support; instead, support is given to the political party organizations within parliament. The RUT's reports are not public record, unless the member of parliament who ordered them refers to them on a public occasion, for example when talking to the media (Sveriges Riksdag, 2022).

Citation:

Sveriges Riksdag. (The Parliament of Sweden). 2022. "Riksdagens Utredningstjänst." https://www.riksdagen.se/sv/sa-funkar-

riks dagen/riks dags for valtning en/verk samhet/#8 db16 bfd 46 d08 fb5 c137 e8 fcc ade 98 f2

Obtaining
Documents
Score: 10

Parliamentary committees (or indeed any persons) have the right to review all public documents in Sweden unless they are classified or part of an ongoing decision-making process.

In this respect, the Swedish system leaves very little to be desired. The problem, instead, has been the execution of these rights. In the annual reviews conducted by the Parliamentary Committee on Constitutional Affairs (KU) during the past several years, the committee has severely criticized the government's central office (Regeringskansliet) for not providing documents, or for being exceedingly slow in doing so. The media, academics, and more recently, members of the Coronavirus Commission have been critical of the government in this respect.

Summoning Ministers Score: 9 Parliamentary committees summon ministers who appear and respond to questions. This is most frequently the case with the annual review conducted by the Parliamentary Committee on Constitutional Matters, but has been used by other committees, too. Except for very few cases, summoned ministers will appear in parliamentary committees. A few years ago, there was extensive media attention on a couple of instances when former cabinet ministers declined to appear before a parliamentary committee.

The hearings occur regularly and are often broadcasted by public service television. The results of the hearings are published and accessible to everyone.

Parliamentary committees may certainly summon experts. They do not usually do so as part of the regular deliberation of the committees, but rather in the form of a public hearing on some specific issue.

Task Area Congruence Score: 9

Summoning

Experts

Score: 10

There is a high degree of congruence between government departments and parliamentary committees, but no perfect overlap. This is of course no coincidence. The configuration of government departments is more flexible than that of parliamentary committees, which has undergone very few changes over the last several decades. Ensuring that the committee system matches the GO's organization in departments is essential to the efficiency of both institutions. Furthermore, the GO and the parliament (Riksdag) staff have

SGI 2022 | 61 Sweden Report

regular meetings to ensure that the parliament and individual committees are not overloaded with government bills, but that there is a steady flow of bills across the year.

Media

Media Reporting Score: 9

Sweden has dropped somewhat over the past couple of years in terms of newspaper circulation. Most newspapers are experiencing a gradual shift in subscriptions from conventional print to digital formats. The overall quality of the political coverage provided by Swedish media is good, if not extremely good.

Public service radio and television in Sweden is still central to the media system. There have been discussions and Commissions concerning the future of public service but thus far no major changes have been put on the agenda. The only reform worth noting is that public service radio and television is now funded through the tax system and not, as was previously the case, by annual fees.

According to a recent report, the state of media reporting in Sweden may be described as stable and positive. Ownership consolidation has increased in the past few years, income from advertising has dropped, and newspapers compete for the business of readers who are willing to pay a subscription fee, the number of which has increased. The focus on local news has increased. Finally, and perhaps unsurprisingly, young people tend to consume their news from social media than from traditional news sources (Carlsson, 2021).

```
Citation:
```

Carlsson, Kajsa. 2021. "Tillståndet för Nyhetsjournalistiken 2021 – en Översikt." https://mediestudier.se/wp-content/uploads/2021/12/arsbok2021-01-carlsson.pdf

Parties and Interest Associations

Intra-party
Decision-Making
Score: 8

Politics in Sweden is party politics. The political parties shape public discourse on political issues and control public decision-making at all levels of the political system. All the major parties have developed extensive party organizations, in part supported by state subsidies. Party membership has historically been high but has declined over the last couple of decades. Elected delegates from all constituencies make decisions on party policy and programs at national conferences. These meetings are increasingly public events, used not only as forums to make decisions, but also to market the party politically. Beyond that, however, rank and file members are very rarely consulted or invited to voice their opinions on daily policy issues.

SGI 2022 | 62 Sweden Report

Candidate selection, too, is an internal party matter. Voters do have the opportunity to indicate support for specific candidates, however.

Over the past years, the internet has played a role in making the decision-making process within the major parties more open. In the period under review, political parties maintained an active online presence through their web sites and social media for the purpose of communicating their platform and addressing voters. This is sure to intensify during the next year ahead of the general elections.

Association Competence (Employers & Unions) Score: 9 Sweden has a long corporatist tradition. Although corporatism as a mode of governance has declined, economic interest associations are still important players in the policy process (Pierre, 2016).

The major business interest organizations and unions are certainly very capable of analyzing the economic situation and presenting policy proposals. As organized interests, they obviously pursue their respective agendas, but overall, the expertise and policy capacity of the major interest organizations is impressive. During the global economic crisis, for example, the interest associations showed a high degree of responsibility by not counteracting the crisis management of the government.

Pierre, Jon. (ed.) 2016. "Oxford Handbook of Swedish Politics." Oxford University Press. Section 10.

Association Competence (Others) Score: 9 For noneconomic interest associations, their capacity to conduct analysis and produce relevant policy proposals varies significantly depending on their size.

For instance, in the environmental policy field, the major interest organizations have large staff that conduct high-quality studies and present highly relevant policy proposals. In other policy fields, small interest associations do not have the staff to produce high-quality policy proposals. Yet, if we assess the quality of noneconomic interest associations over the very broad range of all Swedish interest associations, most of them produce high-quality policy proposals (Pierre, 2016).

Pierre, Jon. (ed.) 2016. "Oxford Handbook of Swedish Politics." Oxford University Press.

Independent Supervisory Bodies

Audit Office Score: 10 In order to conform to international standards, such as the International Organization of Supreme Audit Institutions (INTOSAI), the Swedish National Accountability Office (NAO; Riksrevisionen) was established in 2003 after the adoption of an enabling constitutional amendment (Riksrevisionen 2021).

SGI 2022 | 63 Sweden Report

For all intents and purposes, the audit office now reports to the parliament. The mandate and mission of the audit office is such that this represents the only chain of accountability. In this respect, the constitutional role and mandate of the audit office is now in harmony with INTOSAI standard.

The NAO assesses whether public agencies follow relevant directives, rules and statutes, and whether goals are reached in an effective way. If this proves not to be the case, it provides recommendations for the improvement of agency operations. From this perspective, the NAO has the ability to assess whether the budgetary measures adopted by the parliament have followed the existing regulatory framework. The NAO also audits the government, corporations and foundations.

Riksrevisionen. (The Swedish NAO). 2021. "Om Riksrevisionen." https://www.riksrevisionen.se/omriksrevisionen.html

Ombuds Office Score: 10 It is fair to say that Sweden invented the ombudsman institution. Sweden currently has six ombuds offices that focus on the following issues: national agencies, legal matters, consumer matters, discrimination, children, and matters related to school pupils.

The ombuds office for legal matters (JO), which has been around the longest, is appointed by the parliament, while the government appoints the other ombudspeople, which head their own agencies (Regeringen 2022).

Assessing the effectiveness of the ombuds offices is a difficult task. Their mission is not only to follow up on complaints, but also to influence public opinion in their area of jurisdiction. Their position in the political system and in society appears to be quite strong.

Regeringen. 2022: "Ombudsmän" https://www.regeringen.se/lattlast-information-om-regeringen-och-regeringskansliet/den-svenska-samhallsmodellen/ombudsman/

Data Protection Authority Score: 9 The public agency charged with protecting individual privacy in Sweden was previously the Swedish Data Protection Authority (Datainspektionen; DPA). In January 2021, this agency changed its name to the Swedish Authority for Privacy Protection (Integritetsskyddsmyndigheten; IMY). The data protection regulatory reform in 2018 increased this agency's remit, which is today to protect citizens' personal information, including health and financial data. It works closely with similar agencies in other EU member states and with EU institutions, especially with regard to the dynamic issues produced by increasing digitalization (Integritetsskyddsmyndigheten 2021).

Address | Contact

Bertelsmann Stiftung

Carl-Bertelsmann-Straße 256 33311 Gütersloh Germany Phone +49 5241 81-0

Dr. Christof Schiller

Phone +49 30 275788-138 christof.schiller@bertelsmann-stiftung.de

Dr. Thorsten Hellmann

Phone +49 5241 81-81236 thorsten.hellmann@bertelsmann-stiftung.de

Pia Paulini

Phone +49 5241 81-81468 pia.paulini@bertelsmann-stiftung.de

Petridou E., Sparf J., Jochem S. & D. Jahn (2022). Sweden Report. Sustainable Governance Indicators. Bertelsmann Stiftung: Gütersloh. https://doi.org/10.11586/2022119

As a living document, this report is updated and revised on an annual basis. The authors cited here are the most recent authors to have contributed to this report.

Previous report versions can be accessed here: SGI 2022 | Publications (sgi-network.org)

www.bertelsmann-stiftung.de www.sgi-network.org

