


EU-27 WATCH



No. 9
July 2010

ISSN 1610-6458

www.EU-27Watch.org

EU-27 Watch

Contributing partners are

Austrian Institute of International Affairs, Vienna
Bulgarian European Community Studies Association, Sofia
Center for European Studies / Middle East Technical University, Ankara
Centre d'études européennes de Sciences Po, Paris
Centre d'étude de la vie politique, Université libre de Bruxelles
Centre d'études et de recherches européennes Robert Schuman, Luxembourg
Centre of International Relations, Ljubljana
Cyprus Institute for Mediterranean, European and International Studies, Nicosia
Danish Institute for International Studies, Copenhagen
Elcano Royal Institute and UNED University, Madrid
European Institute of Romania, Bucharest
Federal Trust for Education and Research, London
Finnish Institute of International Affairs, Helsinki
Foundation for European Studies - European Institute, Łódź
Greek Centre of European Studies and Research, Athens

Institute of International Affairs and Centre for Small State Studies at the University of Iceland, Reykjavik
Institute for International Relations, Zagreb
Institute for World Economics of the Hungarian Academy of Sciences, Budapest
Institute for Strategic and International Studies, Lisbon
Institute of International and European Affairs, Dublin
Institute of International Relations, Prague
Institute of International Relations and Political Science, Vilnius University
Istituto Affari Internazionali, Rome
Latvian Institute of International Affairs, Riga
Mediterranean Academy of Diplomatic Studies, University of Malta
Netherlands Institute of International Relations 'Clingendael', The Hague
Ohrid Institute for Economic Strategies and International Affairs, Skopje
Slovak Foreign Policy Association, Bratislava
Stockholm International Peace Research Institute (SIPRI)
University of Tartu

On the project

Due to the new treaty provisions of the Lisbon Treaty and the economic crises the enlarged EU of 27 member states is on the search for a new modus operandi while also continuing membership talks with candidate countries. The EU-27 Watch project is mapping out discourses on these and more issues in European policies all over Europe. Research institutes from all 27 member states and the four candidate countries give overviews on the discourses in their respective countries.

The reports focus on a **reporting period from December 2009 until May 2010**. This survey was conducted on the basis of a questionnaire that has been elaborated in March and April 2010. Most of the 31 reports were delivered in May 2010. This issue and all previous issues are available on the EU-27 Watch website: www.EU-27Watch.org.

The EU-27 Watch No. 9 receives significant funding from the **Otto Wolff-Foundation, Cologne**, in the framework of the *"Dialog Europa der Otto Wolff-Stiftung"*, and financial support from the **European Commission**. The European Commission is not responsible for any use that may be made of the information contained therein.

Dialog Europa Otto Wolff - Stiftung

cfce Centre internationale
de formation européenne



Disclaimer

Institutes/authors are responsible for the content of their country reports. The publisher and editorial team cannot be held responsible for any errors, consequences arising from the use of information contained in the EU-27 Watch or its predecessors, or the content of external links on www.EU-27watch.org or in the EU-27 Watch. The content of the EU-27 Watch is protected under German copyright law. The articles of the EU-27 Watch can be printed, copied, and stored for personal, scientific, and educational use for free. Articles of the EU-27 Watch may not be used for commercial purposes. Any other reprint in other contexts is not allowed without prior permission from the publisher. For permission or any other question concerning the use of the EU-27 Watch please contact: info@EU-27watch.org.

Editorial Team

Publisher: Prof. Dr. Mathias Jopp
Executive Editor: Dr. Katrin Böttger
Managing Editor: Julian Plottka
Editorial Staff: Daniela Caterina, Gregory Kohler, Christoph Kornes
Layout: Matthias Jäger

Contact: info@EU-27watch.org
www.EU-27watch.org

iep Institut für
Europäische Politik
Bundesallee 23
D-10717 Berlin
Tel.: +49/30/88.91.34-0
Fax: +49/30/88.91.34-99
E-mail: info@iep-berlin.de
Internet: www.iep-berlin.de

Sweden**Implementation of the Lisbon Treaty and the Swedish Presidency's contribution**

Gunilla Herolf*

Herman Van Rompuy was initially described as a person about whom little was known outside Belgium. Prime Minister Fredrik Reinfeldt, when asked in March 2010 about his opinion concerning Van Rompuy, indicated that he did not know him too well as of yet.¹ Among the newspapers, judgments about Van Rompuy have gone from wait-and-see to describing him more and more often, in the words of one newspaper, as “an accomplished player in the power game, determined to take a lead position in Brussels.”² Within a very short time, he has, among other things, built up a cabinet of experienced Belgian diplomats, called EU heads of state and government to an extra meeting and suggested far-reaching proposals on EU policy.³

Fredrik Reinfeldt, when asked about the changes taking place after the Lisbon Treaty, brought up the fact that he saw only heads of state and government around the table as compared to the previous situation in which foreign ministers were present. A positive consequence of having fewer persons present, as he saw it, was that the discussion became freer. Another positive consequence expected to take place with a President of the European Council, appointed for two years, is to have greater continuity. This effect is, of course, not yet possible to see. A not so positive consequence of the present set-up, according to Reinfeldt, was the discussion on who should be present at which meetings in which the presence of Van Rompuy and José Manuel Barroso were set up against each other. At this early stage, most of the changes have, however, not yet come into place and not much more can be said at this point.⁴

Generally, the Swedish comments about Catherine Ashton have centred on describing her tasks as very difficult and the situation surrounding her position as a tough fight for power in which different actors do their utmost to increase their own influence over the new European External Action Service (EEAS). Foreign Minister Carl Bildt was, however, highly critical after her appointment of Barroso's aide, João Vale de Almeida, as EU Ambassador to the United States. He referred to the fact that member states had not been consulted and to the break of an “understanding” reached in 2004 that the Washington position should go to “a person with experience from a high political post.” Bildt repeated his criticism at the following foreign ministers' meeting in Brussels, at which Ashton defended the appointment, claiming that she had followed exactly the right procedure.⁵ Together with then British Foreign Minister David Miliband, Bildt wrote another letter to her, just before the foreign ministers' meeting in Cordoba in early March 2010. In this letter, the two gave her advice on which competences they believed that the EEAS should have. “We want to strengthen Ashton vis-à-vis the Commission. This is how the letter should be seen”, said Bildt. Indirectly, however, the letter contained criticism towards her.⁶ Clearly, the Swedish Foreign Minister prefers to have Ashton's position close to the Council rather than to the Commission.

Sweden, having the Presidency of the EU during the autumn of 2009, was also the author of the report outlining the EEAS. Two important factors included in this report, which was accepted by the European Council in late October 2009, were the need for budget restriction and the manning of the EEAS. According to the EEAS report, one third of the personnel were to be member state representatives. As described by State Secretary Frank Belfrage to the parliamentary committee on EU affairs, these two principles are an absolute demand from member states, including Sweden. As he saw it, it would both be costly and lead to a loss of expertise if, by not sticking to the level of one-third being manned by present diplomats, experienced diplomats would be left outside the EEAS. Member states, again including Sweden, do not agree with the European Parliament's idea that Ashton should also have three political aides in order to give the EEAS the possibility to devote more time to the Parliament. Belfrage expressed the hope that this could be settled early and that rivalry among institutions would not delay this question longer.⁷

On the proposal for a European Citizens' Initiative (ECI), the Swedish standpoint in the debate in the Council of the European Union has been that it has to be user-friendly. Sweden is therefore arguing for a simpler model than the one proposed by the Commission. The risk with the present proposal, Sweden argues, is that the initiative becomes so complicated that it might lose its power as a new

* Stockholm International Peace Research Institute.

democratic tool. In particular, the so called “control stations” are seen as overly bureaucratic. This view also found support among the parties in the parliamentary committee on European affairs. As stated by members, the issues included in such European Citizens’ Initiatives would be restricted to those that are within the competence area of the Union (or actually of the Commission), but it was seen as important that the mechanism for deciding this would not be of the kind in which considerations of political nature might play a part.⁸

¹ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, p. 3.

² Ingrid Hedström: Rompuy tar rodret [Rompuy takes the helm], Dagens Nyheter, 27 March 2010.

³ Henrik Brors: Smutsig maktkamp om EU:s utrikespolitik [Dirty power fight about the foreign policy of the EU], Dagens Nyheter, 5 March 2010.

⁴ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, p. 3.

⁵ Toby Vogel: Swedish Minister criticises Washington appointment, European Voice.com, 22 February 2010, available at: www.europeanvoice.com/article/2010/02/swedish-minister-criticises-washington-appointment/67223.aspx (last access: 8 July 2010).

⁶ Henrik Brors: Pressad Ashton fick stöd efter hård kritik [Ashton under pressure got support after hard criticism], Dagens Nyheter, 6 March 2010; David Charter: David Miliband tells EU’s foreign chief how to do the job he rejected, TimesOnline, 5 March 2010.

⁷ Frank Belfrage before the Parliamentary Committee on EU Affairs, 23 April, p. 7.

⁸ Ibid., p. 8.

Sweden**Sweden in favour of enlargements and co-initiator of the Eastern Partnership**

Gunilla Herolf*

The Swedish government is strongly in favour of the continued enlargement of the EU and sought to bring the process of enlargement forward as much as possible during its Presidency in the latter half of 2009. The Western Balkan countries are seen to be the closest to accession, albeit some are further ahead than others. Icelandic talks are hoped to be initiated soon as well.

For the first country in line, Croatia, Sweden acted to facilitate the agreement to take the border dispute between Slovenia and Croatia to a court of arbitration. Nine out of 35 Croatian negotiation chapters were closed during autumn 2009. Furthermore, Iceland submitted its application for EU membership in July 2009 and Serbia did the same in December 2009. An important step in the process of integration leading to membership is visa-free travelling. In July 2009, citizens of Macedonia, Montenegro and Serbia, effective from 19 December 2009, were allowed to travel freely in most of Europe.¹

Bosnia and Herzegovina has fallen behind the other countries in the Western Balkans. Carl Bildt, in an interview, described how he had warned Bosnia and Herzegovina that if they did not get their act together speeding up reforms, other countries would move ahead of them in visa liberalisation and then again in the membership application process. Still, Bosnia did not do so and the country was consequently not included among those to receive visa liberalisation. As the foreign minister sees it, Bosnia and Herzegovina risks falling a number of years behind. One factor that makes it even more risky is the upcoming parliamentary election scheduled for October 2010. Elections are by nature divisive in every country, but, in Bosnia and Herzegovina, they are divisive along ethnic lines, which makes the situation worse. This is, however, a problem that the Bosnians must be able to solve themselves: "The EU is a union of sovereign democracies, not protectorates. Bosnian leaders need to demonstrate that they are a country and they can only do so by working among themselves. All in all, the EU has gotten the Balkans moving forward and Bosnia should be able to move forward as well."²

Carl Bildt sees the South Caucasus region as having a European perspective; however, in his mind, it is at this stage too early to say whether this will ever lead to membership. Georgia is considerably ahead of the other two South Caucasian countries, but it is not at EU standard. It has also been handling economic issues relatively well, but, in the words of the Foreign Minister, one should not underestimate the economic difficulties ahead in the economy. The Abkhazia and South Ossetia problems will take time to resolve, Bildt believes. The EU will stay firmly committed to Georgia's territorial integrity, but we will have to wait "for the constellation of stars to change in some sort of way" for a full solution to be achieved. In the meantime, Georgia should concentrate on democratic and economic reforms towards Europeanisation. This would also, he thinks, provide the best possible grounds for the solution of the Abkhazia and South Ossetia problems.³

Azerbaijan and Armenia will also need to be involved, as the EU has no wish to create divisions in the area. Association Agreements with all three countries are therefore now on the agenda, according to Bildt. The hope is that these agreements would create incentives for the countries to move forward with the necessary economic and political reforms. In addition, it could also, hopefully, create an incentive for the resolution of regional disputes. All three countries would clearly have much to gain from working together, also in economic terms.⁴

Sweden is also in favour of Turkish membership. During the Swedish Presidency, negotiations with the EU were opened on 21 December 2009 on the chapter of environment. According to newspapers, it took place only after strong pressure by Carl Bildt.⁵

Sweden, however, sees Turkish membership as an issue for the future, after considerable reforms have been made in Turkey towards fulfilling the Copenhagen Criteria. Carl Bildt expressed the Swedish view in the following way in the annual foreign policy declaration:

* Stockholm International Peace Research Institute.

"We welcome the continued democratic transition in Turkey. We view arrests of democratically elected politicians with concern and see the country's reforms – with their increased human rights protection – as a development of very great significance for the future. Although much remains to be achieved, not least a new and modern constitution with greater protection for political rights, we are convinced that the European Union will be both more dynamic economically and stronger politically with Turkey as a member. This would show even more clearly that our European cooperation can bridge the antagonisms that in times past characterised our continent's history, and continue to characterise parts of our world."⁶

Sweden has given Turkey some praise but also serious criticism for policies undertaken during recent times, the criticism directed at certain acts by the political leadership, the Turkish Constitutional Court and the Turkish Army. Carl Bildt saw it, for example, as disturbing that the vote to outlaw the Kurdish Social Democratic Party was taken by unanimity within the constitutional court. The Kurdish issue is seen as the most critical one in the modernisation and Europeanisation of Turkey. Cyprus is another issue, which, although not formally connected to the Turkish accession process, is seen as very critical for it. Reaching an agreement is in both Turkey's and Greece's interests and the essential requirement is now seen to be leadership in Turkey and Greece.⁷

The Eastern Partnership (EaP), being originally a Swedish-Polish proposal launched in 2008 and accepted by the EU in May 2009, continues to be a strong Swedish interest. The EaP is considered important for the continued good cooperation with and integration of the six countries of Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The original proposal was, however, watered down in order to be accepted by the EU: two of the most important elements – visa free travelling and free trade areas – were no longer included. The former met opposition based on the fear of illegal workers and criminal elements taking advantage of it. The Swedish efforts during its Presidency were therefore limited to making visa processes simpler and less bureaucratic. The latter was seen by some countries as leading to too much competition for their own agricultural products, and its introduction was therefore postponed to a future stage of the EaP. Another difference was in the perception of the EaP and related to timing: after the Georgia conflict of August 2008, many countries came to interpret the EaP as a kind of bulwark against Russia, which increased support for it, but was far from the original idea of the Polish-Swedish proposal.

In the annual foreign policy declaration, the Minister for Foreign Affairs declared that, apart from the important steps taken during the Swedish Presidency for the implementation of the EaP, the government will also contribute to its further development during 2010 in order to promote reforms and EU integration among these countries. According to Carl Bildt, "funding of necessary reforms in our partner countries, simpler opportunities for travel and work to and within the EU, trade liberalisation and a strengthened role for civil society are all priority areas."⁸

Foreign Minister Carl Bildt has brought up the visa issue as regards Ukraine in the EU. This was done in connection with the Spanish proposal for visa-free regulation as concerns Russia. Bildt did not object to this, but argued that there has to be a regional approach to the whole set of problems regarding visa-free regulations. For example, we should have approximately the same approach towards the east as we have towards the Balkans. As concerns the Balkans, we have put up criteria for visa-free travelling, saying to them that if they comply with these criteria they will get visa free travelling. Sweden argues that this should also concern countries like Russia, Ukraine, Moldova, Georgia and, theoretically, also Belarus. This will probably ultimately be the European policy too but not yet. Right now, Bildt argues that this is a politicised issue. Russia has a better arrangement than Ukraine, in spite of the fact that EU citizens are not required to have visas when visiting Ukraine, whereas the difficulties for EU citizens visiting Russia have increased during the last few years. The Swedish claim is that this situation should be harmonised.⁹

In May 2010, Carl Bildt acted together with the Polish Foreign Minister to gather a number of EU foreign ministers and the Ukrainian Foreign Minister to a meeting to learn more about how the Ukrainian government sees its relationship with the EU.¹⁰

The Union for the Mediterranean as it looks today is considered an important part of the EU's broad Neighbourhood Policy. The version first launched by France was criticised in Sweden as in several other countries, but, in the present version anchored within the EU, it is seen as having a positive impact. In the words of Carl Bildt: "Cooperation with partner countries around the Mediterranean is multifaceted and of strategic importance for the European Union. It also means better opportunities for

strong European commitment within areas that are important to Sweden, such as human rights, democracy, gender equality, trade, investment and the environment.”¹¹

¹ European Union @ United Nations: Croatia and Slovenia agreed on border issue – EU closer to enlargement, 4 November 2009, available at: http://www.eu-un.europa.eu/articles/en/article_9199_en.htm (last access: 16 June 2010); EurActiv: Balkan visa deal hailed as ‘giant step’ for Macedonia, 16 July 2009, available at: www.euractiv.com/en/enlargement/balkan-eu-visa-deal-hailed-giant-step-macedonia/article-184185 (last access: 8 July 2019).

² Carl Bildt: Intervju med Carl Bildt in Turkish Policy Quarterly [Interview with Carl Bildt in Turkish Policy Quarterly], 14 December 2009.

³ Ibid.

⁴ Ibid.

⁵ Dagens Nyheter, 12 December 2009.

⁶ Carl Bildt, Minister for Foreign Affairs: Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, Government Offices of Sweden, 17 February 2010, p. 5.

⁷ Carl Bildt: Intervju med Carl Bildt in Turkish Policy Quarterly [Interview with Carl Bildt in Turkish Policy Quarterly], 14 December 2009.

⁸ Carl Bildt, Minister for Foreign Affairs: Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, Government Offices of Sweden, 17 February 2010, p. 5.

⁹ Parliamentary Committee on EU Affairs, 7 May 2010, p. 8.

¹⁰ Ibid., p. 11.

¹¹ Carl Bildt, Minister for Foreign Affairs: Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, Government Offices of Sweden, 17 February 2010, p. 6.

Sweden**A Eurozone outsider ready to give financial support**

Gunilla Herolf*

The financial package regarding Greece, which was agreed on by the Euro countries at the European Council meeting on 25/26 March 2010, and their preparedness to support Greece if asked to do so was assessed positively. Prime Minister Fredrik Reinfeldt, when commenting on this agreement, also saw IMF participation in such a rescue operation as very positive, since the International Monetary Fund (IMF) has the expertise needed and is a long-term partner that can assist a country in need of vast and difficult reforms. He had problems, he said, in understanding why some countries were against this, not least since Iceland and Latvia, as well as other countries, are already using IMF programmes. Sweden, being outside the Euro area, had minimal influence on the package; nonetheless, the Prime Minister was quite content with the substance of this agreement.¹

On 10 May 2010, Sweden declared itself ready to give financial support to countries now in a crisis situation. This was in addition to the joint EU support to which Sweden had contributed a few days earlier. If seeking loans from Sweden, countries in need would, however, be required to take action of a kind that would protect Swedish taxpayers' money. Previously, large loans had been given to Iceland and to Latvia. Finance Minister Anders Borg explained this offer with the Swedish dependence on export, which is higher than that of many other countries. Without functioning credit markets in Europe, no Scania trucks could be sold, he declared. The present agreements were, however, not sufficient: "We have gained some time, but if we do not solve the underlying problems we will be back in the same situation within a year or two", the Finance Minister claimed.²

Lessons to be drawn for reform of the Stability and Growth Pact?

Much has been written in Swedish newspapers about the Greek problems, including corruption, its early retirement age, etc., but also about the way in which Euro countries have disregarded the stipulations of the Stability and Growth Pact already from its inception. As the newspapers have described it, the disregard for the rules was the main problem behind the fact that Greece was allowed to sink to this level before any action was taken. Germany and France were among the first countries to break the rules of the Stability and Growth Pact. The Greek problems had been well known for years without any action taken. Today, all 16 Eurozone countries have a budget deficit above three percent of Gross Domestic product (GDP) and 12 of 16 have a national debt that is higher than 60 percent of GDP.³ (Sweden has a budget deficit of 0.8 percent of GDP and a national debt that amounts to 42.8 percent of GDP.⁴) Criticism has also been directed towards the rating agencies (Spain still has an AAA rating with one of them) and against the European Central Bank (ECB), whose main task is said to be to check on the effects that the different developments in different Euro countries would have on credit.⁵

On a more positive note, it is also foreseen that, while the crisis in Greece has made clear the weaknesses of the Euro with more rules, more control and deeper financial cooperation, the Monetary Union can actually be strengthened. In addition, one should also consider that the present crisis is not only due to laxity of the EU's control mechanism but also to structural problems that may look different in different countries and therefore need different remedies.⁶

Coordination of economic policies

The Prime Minister referred to voices arguing for stronger economic coordination, but saw this as primarily relevant for the Euro countries. The Swedish view, he said, was that we should use the means that the treaty and the regulations give us. Within this framework, Sweden positively regards good coordination. Furthermore, he saw it as unlikely that any person who had been involved in the last few years' events would come forward with an initiative to start a process of treaty changes. The present framework could be used better, but this is about coordination rather than supranational governance.

* Stockholm International Peace Research Institute.

On 12 May 2010, José Manuel Barroso and Olli Rehn put forward the proposal that all EU member states should submit their budget proposals to the Commission for scrutiny of its soundness. The Swedish government and opposition dismissed this proposal immediately.⁷

The finance ministers' meeting on 18 May 2010, which resulted in a number of decisions, was characterised by Anders Borg as "too little and too late." At the meeting, the finance ministers did not give a final judgment on the austerity measures presented by Spain and Portugal. Borg's view was that the goals should be more ambitious than the one decided on in December 2009, according to which the maximum budget deficit would be three percent of GDP by 2013. This is not enough, he said. Countries have to make savings on a higher level in order to reduce their levels of debt. He also welcomed the proposal for stricter rules for hedge funds. Borg again expressed his negative view on the idea that the Commission would scrutinise budget proposals. Only broad guidelines for Swedish economic policy within the budget would be submitted, according to Borg.⁸

The German prohibition against naked short selling received negative reviews in Sweden. Representatives of Swedish banks were unanimous in seeing it as unfortunate, since rather than calming down markets it had led to the opposite effect. They also deplored the fact that Germany did this unilaterally, without consulting with other countries, seeing instead a need for European countries to act jointly to find solutions to this common problem.⁹

A number of Swedish concerns and ideas as regards the Europe 2020 Strategy were included in the Sustainability Development Strategy Report, which was accepted during the Swedish Presidency. These are fairly well covered in the headline targets brought up in the Europe 2020 Strategy. Among the opposition parties, some would have preferred to include more targets; however, the Prime Minister found that limiting oneself to five would give a better focus on activities.

Among the five headline targets brought up in the Europe 2020 Strategy, Sweden contributed to changes of several formulations. As for the first headline target, the final formulation "aiming to raise the employment rate for women and men aged 20-64, etc. to 75 percent" was accepted after Sweden had intervened against the previous formulation in which women and men were not mentioned together, but instead the low level of female employment was seen as one among other particular issues to address. The reason for Reinfeldt's demand for change was his view that women should not be treated as a subgroup, but as participants in the work force on the same level as men. Reinfeldt was content with the discussion that had taken place on this point and his hope was that some changes would take place in countries in which laws (such as joint taxation of husband and wife) and deficiencies (such as lack of good day care for children, etc.) constitute hurdles for women who wish to work outside home. The participation of women is furthermore, as he expressed to the parliamentary committee on EU affairs, not only a question of gender equality but also strongly related to economic progress. He pointed to studies showing that increased participation may lead to increases in EU GDP by 15-20 percent. The issue of female participation in the work force should also be seen in connection with the age of retirement. Here, Reinfeldt pointed to the differences among European countries, declaring that if people are allowed to retire between 50 and 55 years of age, while at the same time receiving tax financed welfare, problems in public finances should come as no surprise.¹⁰

In the discussions on this issue in the parliamentary committee on European affairs, a Social Democratic (SAP) member of the committee voiced her fear that some countries might see the 75 percent goal as an average figure, meaning that they would find it appropriate that 90 percent of men and 70 percent of women were employed. State Secretary Frank Belfrage of the Ministry for Foreign Affairs agreed with her that such an interpretation was possible, but promised that the government would watch out for this.¹¹ State Secretary Amelie von Zweigbergk agreed as well and pointed to the laws and hurdles which make it unprofitable or difficult for women in some countries to work. She assured the opposition that, while this is not an issue in Sweden, Sweden pursues solutions for these problems in a European context and that in this it has the support of many Nordic neighbours.¹² The opposition parties, the Social Democrats, the Left Party (V) and the Green Party, were, however, not satisfied with this. A clearer formulation, they argued, should have been suggested by the Prime Minister, in which it was obvious that the goal should be that 75 percent of men and 75 percent of women between 20 and 64 should be active in work outside home.¹³

For the fifth headline target, Sweden had also acted to bring about changes in the formulations: The Swedish argument was that issues concerning social exclusion and social cohesion should be the overriding goals for this target. The specific problem today is that one of three unemployed in the EU

has been without work for more than one year. This is serious and tends to increase both economic and social exclusion. This was also the outcome in the final formulation of the fifth headline target, which reads as follows: "promoting social inclusion, in particular through the reduction of poverty." Like in the case of female participation in the work force, the concern for social inclusion is deemed to contribute to a more stable and integrated society.¹⁴

The third headline target, concerning reduction of greenhouse gas emissions, is again a strong Swedish interest and Sweden was active in its formulation, including not only the previously agreed target of a 20 percent reduction compared to 1990 levels but also the goal of a 30 percent reduction. State Secretary Frank Belfrage described this as a conflictual issue since all member countries do not feel as strongly as Sweden about including the 30 percent reduction perspective. The goal of including them (with the provision that other developed countries commit themselves to comparable emission reductions and the developing countries contribute adequately according to their responsibilities and respective capabilities) was achieved, however. This means that this goal is now anchored and part of EU politics. As expressed by State Secretary Amelie von Zweigbergk, Sweden sees the national process of achieving the agreed goals as very important since this is the way in which the EU 2020 Strategy will be realised. In Sweden, she said, the goals will be well anchored within the national political decision-making process.¹⁵ All the political parties are in agreement on this policy.

A further concern for Sweden related to the Europe 2020 Strategy is that of protectionism. At the March European Council, Fredrik Reinfeldt brought up protectionism as detrimental within the EU, seeing this as a shortsighted policy that will not help in creating work but rather operates in the opposite direction due to the reduced trade that it creates.¹⁶

Lena Ek, Swedish Centre Party Member of European Parliament (MEP) and head negotiator for the European Parliament on the Europe 2020 Strategy, has argued that concrete institutional reforms are now needed in order for the Strategy not to fail, as the Lisbon Strategy had. She has four main ideas: (1) Responsibility for control and follow-up of the Strategy should rest mainly with the Commission, not with the Council, since member states have simply not been capable to put pressure on each other. (2) When a member state cheats with goals and lies with statistics, this must have some consequences and she suggests reduction in the financial support given to it. (3) The internal market must be completed, also in areas such as services and energy. This is in order to prevent the protectionism of which one can see tendencies among EU governments today. (4) It is necessary that the Council of Ministers openly discuss whether and to which extent states heed the goals. Reports produced by the Commission should be discussed openly before Council meetings, giving the possibility for national parliaments and the European Parliament to debate these issues. In this way, further pressure could be put on the individual governments.¹⁷

¹ Parliamentary Committee on EU Affairs, 30 March 2010, pp.1 and 8.

² Jacob Bursell: Sverige redo ge akutstöd [Sweden prepared to give emergency support], Svenska Dagbladet, Näringsliv [Trade and Industry], 11 May 2010, p. 8.

³ Mats Hallgren: Samarbetet blir aldrig vad det varit [Cooperation will never again return to what it was], Svenska Dagbladet, Näringsliv, 7 May 2010, pp. 6-7; Peter Wolodarski: Stormen före stålbadet [The storm before the steel bath], Dagens Nyheter, 2 May 2010, p. 4.

⁴ Council of the European Union: Council Opinion on the updated Convergence Programme of Sweden 2009-2012, Doc. 9104/10, pp. 3 and 7.

⁵ Per Lindvall: ECB bär skulden [ECB is to blame], Svenska Dagbladet, Näringsliv, 10 May 2010, p. 6.

⁶ Dagens Nyheter: Efter stormen [After the storm], 7 May 2010, p. 2.

⁷ Swedish Television: news programme Rapport, 12 May 2010.

⁸ Marianne Björklund: Borg vill höja budgetkraven [Borg wants to increase budget requirements], Dagens Nyheter, Ekonomi [Economy], 19 May 2010, p. 6.

⁹ Sara L. Brånström: Onödig kamp mot finansmarknaden [Unnecessary fight against the financial market], Svenska Dagbladet, 20 May 2010.

¹⁰ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, pp.1-7.

¹¹ Christina Axelsson and Frank Belfrage before the Parliamentary Committee on EU Affairs, 23 April 2010, p. 4.

¹² Amelie von Zweigbergk before the Parliamentary Committee on EU Affairs, 7 May 2010, p. 3.

¹³ Parliamentary Committee on EU Affairs, 7 May 2010, p. 3.

¹⁴ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, pp. 1-2.

¹⁵ Frank Belfrage before the Parliamentary Committee on EU Affairs, 23 April 2010, p. 2; Amelie von Zweigbergk before the Parliamentary Committee on EU Affairs, 7 May 2010, p. 2.

¹⁶ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, p. 3.

¹⁷ Lena Ek, MEP and head negotiator for Europa 2020 in the European Parliament: Så vill parlamentet sätta tänder på EU:s papperstiger [This is the way in which the parliament wants to put teeth in the EU's paper tiger], DN Debate, Dagens Nyheter, 24 March 2010, p. 5.

Sweden**Need for a new strategy**

Gunilla Herolf*

Sweden largely regards the climate conference as a failure in terms of the outcome. On the positive side, the EU had a united position, which was achieved with some difficulty, since the EU members did not find it easy to agree on the high level of reductions of greenhouse gas emissions. Another positive aspect was the total EU pledge of 7.2 billion Euros to help the least developed and most vulnerable countries, an amount that was above expectations. The negative side was dominant, however. The EU's hope was also to convince the United States and a number of other countries, particularly China, the two combined responsible for half of the greenhouse gas emissions, to increase their commitment. The USA was asked for a legally binding economy-wide commitment to reduce emissions whereas China was asked for binding actions. Both countries gave offers below expectations, however. Most commentators in Sweden have put the blame on the USA and China not being willing to make substantial and binding reductions and on some other countries obstructing the meeting with endless procedural questions. It was obvious that the EU negotiating strategy of seeking to convince the major emitters by making substantial European promises was not enough. The interests against reductions were simply too strong. In the USA, Congress was against substantial concessions and in China, the need for quick economic development was dominant.

Prime Minister Fredrik Reinfeldt sees the need for a new dynamic and believes that dynamism can be increased through a stepwise approach based on the Copenhagen Accord. A plan of action should be agreed on at the coming meeting in Bonn; thereafter, concrete measures should be taken in Mexico in order to anchor the Copenhagen Accord in the United Nations (UN) negotiation process. Another important step in this process is to start work on the financial *fast start* contributions. In order to accomplish this, member states have promised to report at the UN meeting in May or April 2010. We are to give coordinated reports on its implementation at the Mexico meeting by the end of the year and annually thereafter.¹

Prime Minister Reinfeldt, however, feels that the present approach with veto rights and the UN framework creates problems for progress. In addition to the global approach, the big countries posing problems in Copenhagen need to be approached bilaterally in order to break the present stalemate.²

Andreas Carlgren, Minister for the Environment, has similar thoughts. We should, he argues, continue to work globally, but also try alternative and complementary ways at the same time. Not least, we should intensify the pressure on the United States and China. Carlgren also thinks that it would be an illusion to believe, the way the environmental movement does, that increased European reductions would, by themselves, have an effect on others. A ten percent reduction in Europe could be nullified by China in two years if Chinese emissions continue to grow.³

Sweden has two ambitions. The first is that all countries should live up to their pledges made in Copenhagen for *fast start* support to these countries. The other is to find the money and the mechanisms for the long-term support that was also discussed at the Copenhagen meeting.

¹ Fredrik Reinfeldt before the Parliamentary Committee on EU Affairs, 30 March 2010, p. 2.

² Ibid., p. 5.

³ Andreas Carlgren: Så ska vi fortsätta arbetet med att rädda klimatet [This is how we should continue our work to save the climate], Dagens Nyheter, 3 January 2010.

Sweden**The upcoming general elections**

Gunilla Herolf*

The Swedish political discussion was already, during the spring, dominated by the general elections to be held in September 2010. Both the opposition (the Social Democratic Party – s, the Green Party – mp, and the Left Party – v) and the governing Alliance for Sweden (the Moderates – m, the Liberal Party – fp, the Centre Party – c, and the Christian Democrats – kd) have put forward their main ideas for the future government. Prominent areas of the ongoing discussion have, as usual, been jobs, welfare and taxes.¹ This year, proposals dealing with the environment have been more prominent than before, most probably due to the more important role of the Green Party in the opposition, following sharp increases for this party in opinion polls.

Reactions to the economic crisis in Europe have not become a divisive issue thus far. In the first big debate, both Fredrik Reinfeldt and Mona Sahlin (social democrat and opposition leader) agreed that, while the Euro countries had the primary responsibility, Sweden should do what it can to help.² Even though Sweden is outside the Euro, its small, open and global economy makes it vulnerable to crises in other countries and it is therefore in Sweden's interest to do so. Since the Swedish economy is in very good shape, there is no discussion on austerity measures.

The election campaign will probably be intense since the two blocks are now very even in the opinion polls. This situation came very suddenly after a long period in which the opposition had maintained a strong lead position.

¹ Mats J. Larsson/Hans Olsson: Nu laddar de för en stenhård valrörelse [Now they are gearing up for a very tough election campaign], Dagens Nyheter, 20 May 2010, p. 24.

² Ewa Stenberg: Krisen tar plats i valrörelsen [The crisis enters the election campaign], Dagens Nyheter, 10 May 2010, p. 8.

Questionnaire for EU-27 Watch, No. 9

Reporting period December 2009 until May 2010 – Deadline for country reports 21 May

All questions refer to the position/assessment of your country's government, opposition, political parties, civil society organisations, pressure groups, press/media, and public opinion. Please name sources wherever possible!

1. Implementation of the Lisbon Treaty

On the 1 December 2009 the EU-reform ended with the entering into force of the Lisbon Treaty. However, the new treaty provisions still have to be implemented. Some procedures and conditions have to be determined. In other cases, procedures, power relations, and decision-making mechanisms will change due to the new provisions.

- How is the work of the new President of the European Council, Herman Van Rompuy, assessed in your country? Which changes to the role of the rotating council presidency are expected?
- How is the work of the new High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, assessed in your country? Please take into particular consideration both her role within the European Commission and her relationship to the Council of the European Union.
- On 25 March 2010 a "Proposal for a Council Decision establishing the organisation and functioning of the European External Action Service" was presented. How is this concept perceived in your country? Which alternatives are discussed?
- On 31 March 2010 the European Commission presented a proposal defining the rules and procedures for the European Citizens' Initiative (ECI). What are the expectations for the ECI in your country? What are the various positions concerning the rules and procedures?

2. Enlargement and European Neighbourhood Policy

The European Commission has given its opinion on Iceland's application for EU-membership and a decision from the Council is expected before the end of June. Croatia seems to have settled its border dispute with Slovenia. Against this background:

- Which countries does your country expect to become members of the European Union in the next enlargement round? What are the opinions in your country on the membership of these countries?
- How are the membership perspectives of those countries discussed, which are not expected to become a member in the next enlargement round?

The Eastern Partnership and the Union for the Mediterranean were the last major projects dealing with the European neighbourhood:

- How are these projects assessed in your country?

3. European economic policy and the financial and economic crisis

The European Council agreed on 25/26 March on the key elements of the Europe 2020 strategy, the successor of the Lisbon strategy. While not being on the formal agenda the economic and financial situation in Greece was discussed. The European Council agreed on a finance package combining bilateral loans from the eurozone and financing through the International Monetary Fund.

- How is the finance package for Greece assessed in your country? Are there any opinions on the process, how the agreement on the package was reached?
- Which lessons should be drawn from the Greek case for a reform of the Stability and Growth Pact?
- How is the idea of "a strong coordination of economic policies in Europe" perceived in your country? What concepts of an European economic governance are discussed in your country and which role do they assign to the Euro group?
- How is the Europe 2020 strategy discussed in your country? What are the priorities for the Europe 2020 strategy from your country's perspective?

4. Climate and energy policy

The climate conference in Copenhagen took note of the Copenhagen Accord but did not reach a binding agreement. The next conference of the parties (COP 16 & CMP 6) will take place at the end of November 2010.

- How is the Copenhagen conference assessed in your country? Please take into consideration the negotiation strategy of European Union and the results of the conference.
- Does the European Union need to change its own energy and climate policy in order to give a new impulse to the international negotiations?
- Is a global agreement within the UNFCCC the best strategy to fight climate change? If not, which alternative strategy should the European Union follow?
- What is your country's position on financing mitigation and adaptation efforts in developing countries?

5. Current issues and discourses in your country

Which other topics and discourses are highly salient in your country but not covered by this questionnaire?