

### **European Policy Analysis**

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# The Swedish 2009 Presidency - Possible Policy Priorities

#### Abstract

This European Policy Analysis sets out to discuss the possible policy priorities of the Swedish Presidency held during the second half of 2009. The paper starts with a brief overview of the national context including the experience of the first Swedish Presidency in 2001, the European context and organisational aspects of the presidency. The analysis subsequently provides a detailed discussion of different prioritised policy areas based on the government's policy positions ahead of the Trio programme negotiations and various primary sources such as speeches and interviews with civil servants. The analysis concludes with singling out four areas where we deem the Swedish Presidency will spend most of it energy and what achievements would be required for the presidency to be considered successful. The areas in question are climate change, migration and asylum, the Baltic Sea Strategy and the Eastern Partnership and finally further enlargement of the EU.

### 1. Introduction

The one advice always given to students of political science when writing their theses is; Do not write about the future. While it is a very sensible advice, in particular in terms of empirical research, we will defy it and try to look to the stars to see if we can make some predictions about the policy priorities of the Swedish EU Presidency to be held during autumn 2009. Fortunately we are not left to deduce these priorities from tarot cards alone since at the time of writing, nine months ahead of the inauguration, we do have quite solid empirical material in terms of the Trio programme and the negotiations behind it, speeches made by various ministers and interviews with a number of senior officials. Still, when it comes to the final decision regarding the priorities of the Swedish government we can only make an informed guess and this analysis should be treated accordingly.

The Swedish Presidency between 1 July and 31 December 2009 will take place during a challenging period. It takes place during the autumn making it effectively shorter than

those during springs; there will be a newly elected European Parliament ready to flex its muscles; and a new Commission must be instituted. On top of all this, the constitutional impasse will add to the uncertainties, in particular if there is another referendum in Ireland during autumn 2009. In effect, the Swedish government is preparing to hold the presidency under the Nice Treaty rules but is also prepared for holding it under the Lisbon Treaty.<sup>2</sup> As predictions about the future fate of the Lisbon Treaty change by the day we have decided not to delve too deep into the possible effects of treaty change on the presidency in this analysis but rather focus on the policy priorities somewhat more endogenous to the Presidency. Factors exogenous to the Swedish political system and its capacity are likely to affect institutional planning and also affect the possibilities of prioritising and delivering results. To put it differently, any presidency is likely to face unexpected challenges that will mess up the most carefully planned agenda be it a crisis in the Caucasus or a severe financial crisis, and the current Trio is no exception.

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<sup>&</sup>lt;sup>2</sup> Cecilia Malmstöm, Minister for European Affairs, Newsletter, 24 September 2008.

#### 2. The national context

The general attitude of the mainstream Swedish political parties towards the EU has been rather cautious, carefully developing their ideas and preferences not to upset any internal disputes or losses in the electoral arena.3 The main principle has been that the EU should essentially deal with policy areas that truly have cross-border implications. The prime example of this kind of issue is the environment. There is a cross-party consensus strongly in favour of the successive enlargements of the EU. While public opinion towards the EU itself is relatively critical compared to other Member States, enlargement is something that is polled as very positive among the Swedes. While it is seldom officially advanced, the flipside of the support for enlargement is a reluctance to developments leading to a more federal Europe: widening has been implicitly preferred over deepening.

Before moving on to the 2009 Presidency we will briefly look back at the priorities of the one previous presidency held by Sweden in 2001. It should be noted that both the European and the national context was different then and in particular it is worth highlighting that the Swedish government at the time was a one party minority government headed by the Social Democrats while the next presidency will take place under a centre-right majority coalition government. Even though policies towards the EU traditionally have been rather consensual, excluding the Left and the Green Party, there are signs that the European dimension is increasingly becoming politicised. However, as we shall see, the similarities are very likely to still outweigh the differences.

#### 2.1 The 2001 Presidency

The 2001 Programme was packaged under the label of three E:s, namely Employment, Enlargement and Environment. These were all issues where:

- there are relatively high levels of congruence between the party leadership, party members and party voters;
- public opinion is more positive about EU involvement; and
- Swedish national interests are not challenged by European integration.

The government was firmly behind the Open Method of Coordination (OMC) in the area of employment. The method was appealing to the government since it is governed through mechanisms of soft law rather than regulation. One fear the Swedish government held was that European

integration would lead to a downward spiral in the field of social security provisions and labour market regulations. It was believed that the OMC with benchmarks and comparisons would push Member States with lower levels of social security ambitions upwards and thereby avoiding competition between the Member States without communitarising the policy area. Swedish contributions to this area during the presidency were mainly related to higher ambitions and less with concrete proposals.<sup>5</sup>

Enlargement was the central priority during the Presidency. The writings from the summit in Gothenburg were – at least by the Swedish government itself – portrayed as the main achievement of the Swedish Presidency. After rather complicated negotiations where some (bigger) Member States were critical about the commitments as well as the time plan, the Swedish Prime Minister Göran Persson managed to gather a consensus around the conclusions.<sup>6</sup>

In the area of environment the Kyoto protocol and the resistance from the US administration to sign upto it was a central issue. Sweden also introduced a strategy for sustainable development which was criticised for being too vague. It came as no surprise that Sweden would prioritise environment. Not only is there a national consensus about the concern, public opinion is also supportive of supranational competences in the area and, at the time, the Swedish Commissioner Margot Wallström was responsible for environment within the Commission. The results were however perhaps not as concrete as would have been expected.

Apart from the three prioritised areas the Swedish Presidency 2001 devoted much time to issues of openness and transparency, gender equality and the Common Foreign and Security Policy. The overall assessment of the presidency was positive. The administrative side had worked effectively, the political agenda and the priorities were carefully considered and no major political set-backs appeared. However, it has been argued that the presidency did not have any major consequences for Swedish European policies. "The Swedish government continued to emphasise the value of modified intergovernmental forms of cooperation, to push traditional Swedish issues of concern, and to be silent about the future of the EU. In the longer run this persistence in the European policies may be modified by the tendencies of an increased Europeanisation of the central administration that the presidency brought about".8 The upcoming presidency will be an excellent test of the proposition set out above since the European context

<sup>&</sup>lt;sup>3</sup> Aylott, Nicholas (2002), Let's discuss this later: Party responses to euro-division in Scandinavia, *Party Politics*, vol. 8, no. 4, pp. 441–61. Johansson, Karl Magnus and Tapio Raunio (2001), Partisan responses to Europe: Comparing Finnish and Swedish political parties, *European Journal of Political Research*, vol. 39, no. 2, pp. 225–49.

<sup>&</sup>lt;sup>4</sup> Jacobsson, Kerstin (2001), Sysselsättningspolitiken: att förvalta ett arv, in Tallberg, Jonas (ed.), När Europa kom till Sverige: Ordförandeskapet i EU 2001, Stockholm: SNS Förlag.

<sup>&</sup>lt;sup>5</sup> Ibid., p. 104.

<sup>&</sup>lt;sup>6</sup> Bengtsson, Rikard (2001), Utvidgningen: höga förväntningar infriade, in Tallberg, Jonas (ed.), När Europa kom till Sverige: Ordförandeskapet i EU 2001, Stockholm: SNS Förlag, p. 82.

<sup>7</sup> Kronsell, Annica (2001), Miljöpolitiken: föregångslandets dilemma, in Tallberg, Jonas (ed.), När Europa kom till Sverige: Ordförandeskapet i EU 2001, Stockholm: SNS Förlag, p. 118.

Tallberg, Jonas and Ole Elgström (2001), Avslutning: ordförandeskapet och den svenska Europapolitiken, in Tallberg, Jonas (ed.), När Europa kom till Sverige: Ordförandeskapet i EU 2001, Stockholm: SNS Förlag, p. 226.

may actually force Sweden to speak up and take the lead in a discussion about the future of Europe.

### 3. The European context

The European Parliament elections and the investiture of the new Commission is likely to slow down the decisionmaking machinery of the Union during the early months of autumn 2009. Low voter turnout in the elections may spark new discussions on the legitimacy of the Union and the resulting distribution of seats may lead to unclear majorities. These are just some of the possible outcomes of the political renewal taking place every five year which may affect the Swedish Presidency. Additionally, the uncertainties regarding the constitutional framework will have some bearing on the Swedish Presidency. If a new Irish referendum is held during autumn 2009, as some observers believe, this will create additional tensions and the EU will, figuratively speaking, hold its breath up until the election. In the case of yet another Irish No the constitutional issues and issues of EU legitimacy will once again overshadow other priorities.

Sweden is likely to hold the traditional role of the presidency under the rules of the Nice Treaty and this is perhaps a preferred scenario of the Swedish government. The roles and the tasks would be more predictable and somehow 'safer', though actually being in a position to implement the Lisbon Treaty would have offered unique chances for shaping institutional outcomes. Business as usual will on the other hand mean that achievements in substantive areas can be more easily made and the political leadership can focus on policy priorities set by the EU, the Trio and the Swedish government.

## 4. Organisational aspects of the presidency

While we treat the organisational aspects of the presidency elsewhere a brief outline will be given below.<sup>9</sup>

The Prime Minister, Fredrik Reinfeldt, is the minister in charge for the Swedish Presidency but in practice his State Secretary, Gustav Lind, will have substantial responsibility for the process and organisation of the presidency. In organisational terms this means that like in 2001 the Prime Minister's Office will be the lead "ministry" for the presidency which is logical since the general coordination of European affairs is administered from here.

Given that the government consists of four parties each heading different ministries, the intragovernmental coordination will be of particular significance in order to ensure a coherent and effective presidency. Partly for this reason the preparations thus far has been highly centralised and managed more by politically appointed actors rather than civil servants compared to the 2001 presidency.<sup>10</sup>

While the Prime Minister is in charge of the presidency, the Minister for European Affairs is responsible for coordinating the preparatory work and in particular for the negotiation of the Trio programme. This gives the Prime Minister's Office, where the Minister for European Affairs also is based, a central role in planning and coordinating the presidency. Where there is need for political coordination between the 12 different ministries and the 22 ministers the issues will be lifted to the PM's office.

### 5. The Trio programme

How are we to understand the document labelled the 18month programme of the Council?11 The phenomenon itself is a recent invention and the French-Czech-Swedish programme is only the second to be set down. The idea of moving from the previous troika model to the Trio rests on the assumption that it will allow for enhanced coherence and streamlining the programming activities of the Council.<sup>12</sup> According to Article 2.4 of the new Rules of Procedure of the Council "the three Presidencies due to hold office shall prepare, in close cooperation with the Commission, and after appropriate consultations, a draft programme of Council activities for that period..." which is to be approved by the General Affairs and External Relations Council. Appropriate consultations in this context should be understood to entail the subsequent Trio presumably to ensure inter-Trio continuity.

The document is divided into two parts, one outlining the strategic framework and one consisting of the operational programme but it should not be taken as a reliable guide to what each presidency will prioritise. French and Swedish positions on for example free trade, reform of the Common Agricultural Policy (CAP), reform of the budget and enlargement are in principle and practice at odds. For example, there is hardly anything on the issue of agriculture in the Trio programme, while simultaneously it has turned out to be one of France's early top priorities. In the words of one Swedish MP "...I am impressed that Sweden and France has managed to agree on a single sentence that deals with agriculture". Furthermore, there seems to have been variation between the three countries exactly how serious one should treat the negotiations and the resulting programme.

The negotiations on the Trio programme does of course take place against the background of the timing of European policy-processes and legislative proposals already under way which are in some sense exogenous to the priorities of the Trio. The Copenhagen conference on climate change, the expiry of the Hague programme and not least the EU budget review are all examples of such issues.

<sup>&</sup>lt;sup>9</sup> See von Sydow, Göran & Fredrik Langdal (2008), Sveriges EU-ordförandeskap 2009 – Några preliminära observationer, *Internationella Studier*, no. 4, (forthcoming).

<sup>&</sup>lt;sup>10</sup> Interview with senior civil servant, Stockholm, 16 July 2008.

<sup>&</sup>lt;sup>11</sup> Council of the European Union, Draft 18-month programme of the Council, 10093/08, 9 June 2008.

<sup>&</sup>lt;sup>12</sup> Council Decision, 2006/683/EC, Euratom, 15 September 2006.

<sup>&</sup>lt;sup>13</sup> Sofia Arkelsten, European Affairs Committee, Anf. 49, 13 June 2008.

#### 5.1. The Swedish perspective

We are, as a matter of fact, reasonably pleased with the programme. It is well in line with the priorities advocated by Sweden. Bearing in mind that we are three different countries with different baselines on many issues, we think that it has turned out to be a good programme.<sup>14</sup>

The Swedish priorities going into the negotiations regarding the 18-month programme were presented at a press conference on 23 October 2007, mentioned in passing on the Floor of Parliament on 25 October and to the parliamentary committee in charge on 27 November. <sup>15</sup> The slightly nebulous priorities were:

- Climate, the environment and energy;
- Employment, growth and competitiveness;
- A more secure and open Europe;
- The Baltic Sea and relations to the neighbouring area; and
- The EU as a global actor and continued enlargement.

All of these themes are mentioned in the introductory section to the strategic framework together with a number of other themes and issues. The alert reader will note that the three "E's" from the Swedish 2001 presidency were all recycled even though this time around embedded in a broader in context. In fact there is a reluctance to talk about priorities as such both in relation to the Trio programme as well as in relation to the Swedish Presidency, rather a terminology of 'themes' and 'deliverables' have been preferred.

### 5.2. The political opposition and the Trio programme

The Trio programme was subject to parliamentary scrutiny in the European Affairs Committee (EAC) on 13 June 2008 and some dissenting views were raised during the session. These points may be of interest since they can be seen as initial indications to future domestic confrontation ahead and during the Presidency though it is likely that at least part of the political conflict will be primarily structured around a sovereignty-supranational dimension. The Left Party focused its criticisms of the Trio programme around the vague wording on labour market relations and the defensive phrasing regarding equality and non-discrimination, while the Green Party missed a Swedish perspective in general.<sup>16</sup>

The Social Democrats have launched their own programme for the presidency.<sup>17</sup> They are critical about the way in which the government has handled to consequences of the European Court of Justice's verdicts in

the Laval and Riffert cases and believe that this, in turn, might lead to a decreased support for European integration. The Social Democrats also criticised the government for the lack of priorities. As a parallel to the three E:s of the 2001 Presidency, they have advanced three S:s for the 2009 Presidency: Sustainability, Security and Solidarity. They propose, among many other things, that the Swedish Presidency should work for a new ambitious agreement to replace the Kyoto protocol, a new common climate directive, work with renewable resources of energy, the rights of trade unions, a strategy for knowledge, control of cross-border crime, continued enlargement to Croatia and Turkey and a common asylum system.

It will come as no surprise to the government if the eurosceptic parties – within the Riksdag and outside – will be critical of the government's European policies. In contrast, the constructive support of the largest opposition party, the Social Democrats, would under normal circumstances be expected. In fact, particularly the two main opponents in Swedish politics – the Moderates and the Social Democrats – have a rather similar view on European integration. This view is built on a basically intergovernmental understanding of the EU with a strong support for enlargement and a preference for an institutional *status quo*. <sup>18</sup>

### 6. The prioritised themes

We will in the following sections address each of the prioritised themes of the Swedish government for the Trio programme through looking at the Swedish government's position on the issues in question and at how they are dealt with in the strategic framework. By using the Swedish positions with regards to the Trio programme and other sources that are available at present we try to extrapolate what could possibly be included in a Swedish six-month programme for the presidency.

#### 6.1. Climate, the environment and energy

All Swedish political parties are comparatively progressive when it comes to environmental policy and climate change, though there still are significant differences between and within parties in particular in relation to the use of nuclear power. It is quite illustrative to consider the negotiation of the burdens within the so called 20-20-20 deal during spring 2008, where the government was accused of setting the Swedish commitment for renewable energy (including hydrogen power) too low at 49 percent.

The top priority of the Swedish Presidency is very likely to be negotiating a deal at the Climate conference in Copenhagen starting at the end of November 2009, i.e., a Copenhagen Protocol to substitute for the present Kyoto protocol. In terms of energy and environment the emphasis is likely to be on the transformation of energy systems towards

<sup>&</sup>lt;sup>15</sup> Malmström, Cecilia, Protocol 2007/08:16, Anf. 49. See also Speech by Fredrik Reinfeldt, European Parliament 19 February, 2008, www.regeringen.se/sb/d/10294/a/98493.

<sup>&</sup>lt;sup>16</sup> Hans Linde, European Affairs Committee, Anf. 38, 13 June 2008 and Ulf Holm, Anf. 45 ibid.

<sup>&</sup>lt;sup>17</sup> Socialdemokraternas prioriteringar inför EU-ordförandeskapet 2009: ett hållbart, tryggt och solidariskt Europa, http://www.socialdemokraterna.se/upload/Central/dokument/pdf/PM\_krav\_14majRapport.pdf.

<sup>18</sup> von Sydow, Göran (2002), Partierna, EU och demokratin, in Amnå, Erik and Lars Ilshammar (eds.), Den gränslösa medborgaren, Stockholm: Agora.

more sustainable generation of energy rather than on energy security in the field of fossil fuels. The transformation of energy systems are seen as an opportunity to promote growth (a.k.a. 'smart growth'), competitiveness and employment and that it should stimulate research and innovation. Moreover, it is likely that ample attention will be on the demand side of the energy equation in particular increased energy efficiency. High oil prices are thus seen as something that is beneficial in the long term since it helps speeding up substitution away from fossil fuels, an approach in sharp contrast with the Trio colleague France.

Given these characteristics it can be expected that Sweden will try to act as a proper leader in the negotiating process leading up till the Copenhagen summit but one should bear in mind that Sweden may be considered something of an outlier in the climate change debate and may end up simply brokering a deal between the Member States at the lowest common denominator. Moreover, as the financial crisis is unfolding there is an increased reluctance by Member States to commit resources to climate change policies and taking measures which (in the short run) will harm the competitiveness of domestic industries.

### 6.2. Employment, growth and competitiveness

In line with the Lisbon Strategy, the aims of increased employment, growth and competitiveness are highlighted in the strategic framework where a "strong reform agenda" is advocated. This is also in line with a general Swedish political direction, but then again which polity would not proclaim allegiance to priorities such as employment and growth? Competitiveness is however more ambiguous a concept and there are moreover competing policy alternatives to liberal or economic competitiveness in a globalised world order. In this context the Lisbon Strategy will be central. In the words of the Minister for European Affairs;

It will certainly be an important task for the Swedish presidency in autumn of 2009 to bring forward the discussion on the growth strategy for the next decade and pave the way for at renew [sic] and revitalized strategy in the run up of the spring council in 2010.<sup>20</sup>

In the same speech it was stressed that the Lisbon Strategy is to remain a key instrument in the European response to globalisation.

In this field the Swedish government can in general be expected to advocate liberalisation, supply-side policies and less regulatory burdens for SME's. The likely tensions within the Trio are probable to be between the French on the one side and Sweden and the Czech Republic on

the other. The spat between the French President and the Trade Commissioner regarding free trade highlights just how different the perspectives are where the Swedish government and the main opposition party essentially support the free trade agenda.<sup>21</sup>

#### 6.3. A more secure and open Europe

The choice of pairing the concepts of "secure" and "open" is in all likelihood a deliberate attempt to expel fears about "Fortress Europe". The policy areas included are basically to be understood as those under the area for freedom, security and justice. The main challenge in this context will be to decide upon a new Hague programme since the current one expires during the Swedish Presidency. Moreover it includes developing a new Action Plan on the fight against drugs, where the Swedish position can be described as strict or even repressive in a European context.

Regarding migration, the Swedish government is a firm supporter of the common asylum system and is a proponent of some sort of burden-sharing arrangement. This may be due to reasons of principle but possibly more important is the fact that Sweden during the last few years has seen a sharp increase in asylum seekers, particularly from Iraq, and would like other Member States to carry some of responsibility for this flow of refugees. Looking at the operational programme there seems to be quite unequivocal language on these issues including the string of proposals introduced by the Commission on, inter alia, the Blue Card scheme and the fight against illegal migration. It is also in this area where one of the few explicit statements regarding Swedish priorities for its presidency has been made so far and this concerns the system of resettlement within the framework of the UNHCR's quota system where the Swedish government would like to see more substantive commitments from the Member States.<sup>22</sup> Concerning the French lead pact on migration, the parliamentary opposition does not seem to be as committed as the government and this may be of interest concerning future political dynamics during the Presidency.<sup>23</sup> Moreover, it should be noted that the Swedish government has introduced a bill regarding labour migration from third countries which is liberal in the European context and has been portrayed as the biggest reform of Swedish immigration policy for decades.<sup>24</sup>

### 6.4. The Baltic Sea and relations to the neighbouring area

Geography is still of importance for EU Member States as is illustrated by both the Swedish concerns for the Baltic Sea and the French initiative of a Mediterranean Union. As

<sup>&</sup>lt;sup>19</sup> Cecilia Malmström, Speech at tripartite social summit for growth and employment, Brussels, 15 October 2008,

http://www.regeringen.se/sb/d/10173/a/113962 accessed on 22 October 2008.

<sup>20</sup> Cecilia Malmström, Speech at SIEPS' annual conference, Stockholm, 3 September 2008, http://www.regeringen.se/sb/d/10173/a/110247 accessed on 2 October 2008.

<sup>&</sup>lt;sup>21</sup> See *Financial Times*, Sarkozy hits at Mandelson over No vote, 21 June 2008.

<sup>&</sup>lt;sup>22</sup> Tobias Billström, Även andra länder måste ta flyktingansvar, *Dagens Nyheter*, 24 July 2008, p. 6.

<sup>&</sup>lt;sup>23</sup> See press release of European Affairs Committee, 16 July 2008.

<sup>&</sup>lt;sup>24</sup> Tobias Billström & Mikaela Valtersson, Vi lättar på reglerna för arbetskraftsinvandring, *Dagens Nyheter*, 27 March 2008, p. 6.

it has turned out the challenges are to be addressed within the EU framework. It is a trivial, but nonetheless true, remark that every country prefers a stable neighbourhood or being surrounded by "a ring of friends", rather than the opposite, as a bulwark against an unstable world.

The primary Swedish concern under this theme is the development of regional Baltic Sea relations which will be based on a Baltic Sea Strategy to be adopted during the Swedish Presidency. The European Council has requested the Commission to prepare the strategy<sup>25</sup> with the aim to "coordinate the efforts of various actors in the region (Member States, regions, financing institutions, the EU, pan-Baltic organisations, non-governmental bodies etc.)".26 The strategy will be the first intra EU-strategy relating to a specific macro-region. According to a stakeholder invitation signed by inter alia the Commissioner Danuta Hübner "[T]he strategy would be complementary to existing cooperation, and its purpose would be to coordinate already existing policies and instruments, to align funding in a more efficient way, to identify common priorities, and to promote new initiatives". 27 The content of the strategy will be known once the proposal is on the table but according to the same invitation the strategy will be focused around four objectives; environment, prosperity, increased power of attraction and making the region safe and secure. DG Regional Policy will lead the drafting of the strategy and a first draft is expected to be published in December 2008.

The strategy was also the subject of a speech by the Minster for European Affairs at the European Parliament in December 2007 where she stated "that the strategy is one of my government's top priorities in the discussions with France and the Czech Republic for our common presidency work programme".28 According to the minister, three areas were to be integral to the strategy; environmental issues at the core, a deepening of the internal market and competitiveness and the fight against cross-boarder crime which accentuates the general Swedish themes outlined for the programme. In contrast with the original plan for the Mediterranean Union, the Swedes advocated integrating the strategy into the EU framework, partly because eight out of nine states with shores on the Baltic Sea are EU members making it akin to a northern version of Mare Nostrum, and partly because of an alleged added value of pooling regional and European resources to achieve "maximum effect - for the Baltic region, but ... also for the rest of the union".29

An indication of what the other component of this theme, i.e., relations to neighbours, may entail came with the unveiling of the joint Swedish-Polish proposal for strengthening the Eastern dimension through an Eastern Partnership.<sup>30</sup> The partnership is to cover Ukraine, Moldova, Azerbaijan, Armenia, Georgia and Belarus, where cooperation with Belarus being "downgraded" to technical and expert level awaiting positive political developments. The draft paper sets out the ideas in rather sketchy terms but in essence the partnership is to rest on deepening bilateral cooperation and finding a "permanent formula for multilateral co-operation" and to focus on five broad policy areas;

- political and security;
- · borders and trans-border movement;
- economic and financial;
- environment; and
- social.

The initiative is not explicitly mentioned in the operational programme but in the same section as the one dealing with the "Barcelona Process: Union of the Mediterranean" a strengthened bilateral and multilateral policy towards Eastern neighbours is mentioned. It is probably in this light the initiative should primarily be seen, i.e., as a counterproposal to ensure that there is some balance in attention awarded the southern and eastern neighbours as well as preparing the ground for the Polish Presidency in 2011. However, as events were unfolding in the Caucasus during August 2008 the Eastern Partnership may prove to be something more. These initiatives illustrate that more differentiated and geographically concentrated approaches seem to be preferred over a single, encompassing EUwide strategy towards the neighbourhood.

### 6.5. The EU as a global actor and continued enlargement

The Swedish position on the EU as a global actor is mainstream and positive with a particular emphasis on global development, development aid and increased coherence between different policy fields. Moreover, international crisis management, human rights, the transatlantic relationship has also been highlighted in this field.<sup>31</sup> While Sweden's policy of non-alignment was the main obstacle for a further rapprochement to European integration for many decades, issues of defence and security policy seems less problematic today. Political actors as well as public opinion are nowadays much in favour of European cooperation in these fields.<sup>32</sup> By some recent accounts the EU as a global actor will not be part of the top priorities of the Swedish Presidency, much to the dismay of the Ministry for Foreign Affairs.

Regarding enlargement, and in particular regarding a Turkish membership, Sweden is taking a very active and consistent pro-enlargement position. As it may be, the

<sup>&</sup>lt;sup>25</sup> European Council Conclusions of 14 December 2007, point 59.

<sup>&</sup>lt;sup>26</sup> European Commission, http://ec.europa.eu/regional\_policy/cooperation/baltic/index\_en.htm.

<sup>&</sup>lt;sup>27</sup> Invitation to stakeholder conference on September 30th 2008, EU Strategy for the Baltic Sea Region, see www.balticseastrategy.se.

<sup>&</sup>lt;sup>28</sup> Speech by Cecilia Malmström at discussion with Baltic Intergroup, European Parliament, Strasbourg 12 December 2007.

<sup>&</sup>lt;sup>29</sup> Ibid. See also speech by Cecilia Malmström at Almedalen 7 July 2008.

<sup>30</sup> See Polish-Swedish Proposal. Eastern Partnership, 23 May, 2008 accessed via www.euractiv.com.

<sup>&</sup>lt;sup>31</sup> Cecilia Malmström, Minister for European Affairs, European Affairs Committee, Anf. 37, 13 June 2008.

<sup>32</sup> Holmberg, Sören (2008), Ökat opinionsstöd för EU, Sieps: EPA 2008:5.

negotiations with Croatia could be finalised during the autumn 2009 and if this was to happen it would be seen as a welcome bonus for the Swedish Presidency. The government does also advocate closer ties with *inter alia* Western Balkans and the Ukraine and is generally positive to enlargement as long as the acceding states are fulfilling the criteria for membership.<sup>33</sup> This is a consensual position shared by all seven parties represented in parliament which naturally gives the government the some extra clout as a proponent of further enlargement. One should in this context not underestimate the stamina of the Swedish Foreign Minister Carl Bildt who is likely to push issues of enlargement, stabilisation as well as global political strategies with some gusto during the Presidency.

### 6.6. An additional possible priority or 'deliverable'

The Minister for European Affairs has on different occasions advanced the budget review as an additional general priority. The budget review seems to be a priority of the Czech Presidency and if the Czechs fail to finalise a deal – which is not unlikely – the task will fall on the Swedes. If, and that is a very big if, the government can successfully advance the review of the budget to better reflect the Swedish priorities of a major restructuring of the expenditure side while implicitly aiming at maintaining or even reducing the total budget, that would of course be seen as a huge success. However, given the decision-making rules and the Swedish position in a comparative perspective such an outcome would also come as a surprise.

The Minister for European Affairs has laid down the Swedish position which starts from the premises that the EU budget must respect the principles of European added value, proportionality and coherence. The more controversial position is that future spending on the Common Agricultural Policy should be substantially lower and funds for Cohesion Policy should be reduced and redirected. The money should be redirected towards research, environmental and climate policies, the area for freedom, security and justice and foreign policy in the broad sense including development aid and peace-keeping missions.<sup>34</sup>

### 7. Conclusions

The Swedish Presidency 2009 takes place in an uncertain period of European integration. The outcome of the Irish referendum has undoubtedly made it more difficult to assess the Swedish Presidency. Even before the result of the Irish referendum and the unknown future of the Lisbon Treaty, there were reasons for the Swedish government to prepare for a number of challenging scenarios.

It is verging on speculation to make predictions about the up-coming Swedish Presidency at this stage. This has not only to do with what will happen to the Lisbon Treaty but also the mere fact that the Swedish Presidency has no official programme or fixed priorities at this stage. Presently the priorities are negotiated between the party leaders of the government parties. Many of the conditions will be formed along the way by the other two countries on the Trio - France and the Czech Republic. We have illustrated the Swedish priorities in the Trio negotiations and judging from the initial French burst of activities one should perhaps not attach too much importance to the strategic elements of the programme. It is likely that the Swedish government will try to sell its priorities under a triptych formula possibly centred on climate change, and flanked by the Baltic Sea and the successor to the Hague programme. The Swedish Presidency is moreover likely to be distinct in style from the French – the difference in leadership style of President Sarkozy and Prime Minister Reinfeldt could hardly be starker and the policy priorities of these two Member States differ on many issues both in principle and substance.

A number of European level factors will adversely affect the possibilities of delivering results; autumn presidencies are short and a new parliament and a new commission will slow down decision-making. Moreover, there will be national elections in for example Germany which may impact on the climate change negotiations as may the global financial crisis. Thus many factors affecting outcomes are external to the presidency and will not be affected by institutional power or the skills of the government. Nevertheless, from a Swedish point of view a positive policy *outcome* of the Presidency would optimistically and tentatively include the following in a rough order of importance:

1. An ambitious common European position regarding climate change including an agreement on the successor of the Kyoto protocol. First, in order to claim success one would have to uphold a European position which equals what has already been agreed to in the climate change package. Second, one would have to succeed in the negotiations and arrive at a new protocol which is more comprehensive than its predecessor and one which would guarantee a de facto reduction of greenhouse gases in the near future. Third, a deal would have to include some form of transfer mechanism that would demonstrate solidarity between developed and developing countries through for example a financial infrastructure for adaptation of energy systems.35 Fourth and finally, bringing the USA into the global framework for combating climate change is of outmost importance but something that is more depending on the policies of the incoming administration than on the bargaining skills of the EU and the presidency. It would also be vital to bring the emerging economies on board. The complexity of this task is of course daunting especially in the light of the more difficult positions most countries find themselves in after the

<sup>33</sup> See Langdal, Fredrik (2006), The Swedish Debate on Turkey's Prospects for Membership, in Turkey, Sweden and the European Union. Experiences and Expectations, SIEPS, April, p. 19.

<sup>&</sup>lt;sup>34</sup> Cecilia Malmström, EU måste förändra budgeten, Svenska Dagbladet, 9 August 2008.

<sup>35</sup> Our thanks to Louise van Schaik for bringing this to our attention.

- start of the financial crisis.
- 2. Successful negotiations about the successor to the Hague programme aptly labelled the Stockholm programme. From a Swedish perspective the new programme would comprise, inter alia, a system for burden sharing and mechanisms for coordination of national decisions and procedures established in case law by the ECJ on who has the right to asylum. Furthermore, the Swedish government would like to see more opportunities for legal (labour) migration and possibly creating a procedure for lodging extraterritorial applications for asylum.
- 3. A substantial Baltic Sea Strategy and progress on the EU's Eastern Partnership. Apart from actually agreeing on a substantive Baltic Sea Strategy it will be difficult to judge its success until a few years have passed as these kinds of initiatives are dependent on a sustained political momentum. The launch itself is in fact far easier than delivering the desired policy outcomes and as in the case of the Eastern Partnership, other countries such as Poland will have to work hard to maintain these regional initiatives on the agenda. However, given recent events in the Caucasus there is no denying that the proposal was timely and may prove important.
- 4. A continued European commitment to enlargement, first and foremost with Croatia but also concrete steps towards a Turkish membership and a strategy for the Western Balkans. One concrete success would of course be to finalise the

- accession negotiations with Croatia during the autumn 2009. The Swedish Presidency would also like to ensure that the membership perspective for the Ukraine is to be kept alive and that the development of new European Neighbourhood Policy Action Plans proceeds as planned, which also is an integral part of the proposed Eastern Partnership.
- 5. A successful budget review including a substantial redefinition of the expenditure side. The Czech Presidency has the full support of the Swedes to settle this issue during spring 2009. However, if the issue ends up on the Swedish agenda, then it would certainly be something which the government would like to turn into a "deliverable". The Swedish government would like to reform the budget so as to better reflect what it labels new challenges such as competitiveness in a globalised world, climate change and the effectiveness of the instruments of foreign and security policy. By implication and principle, money would be shifted away from the CAP and regional and cohesion funds as the overall size of the budget is not to be increased.

To conclude, even though the current government has claimed that it is much more ambitious and positive about European integration than the previous one, holding the presidency certainly presents an occasion for the government to show that action speaks louder than words.