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Priorities for President Obama's Visit to Sweden

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President Barack Obama will visit Sweden on September 4 en route to the G20 summit in St. Petersburg, Russia. The timing of this visit is important. The decision to visit Sweden was announced after the White House cancelled the U.S.–Russia summit, scheduled for September, due to a lack of progress in the U.S.–Russia bilateral relationship. Also, like his meeting at the White House with the leaders of Estonia, Latvia, and Lithuania in August, the President's visit is an opportunity to demonstrate America's commitment to transatlantic relations.

The U.S. and the Nordic and Baltic countries share many of the same values and challenges. President Obama should use this opportunity to build closer American ties with Sweden. Three issues should dominate the visit: regional security, negotiations on the Transatlantic Trade and Investment Partnership (TTIP), and Arctic policy.

The Current Situation. Although previous U.S. Vice Presidents have visited Sweden, no sitting U.S. President has made a bilateral visit. In 2001, George W. Bush became the first and only serving U.S. President to visit Sweden, but his visit was for the U.S.–European Union (EU) summit. Consequently, President Obama's upcoming trip will be the

first-ever bilateral visit to Sweden by a sitting U.S. President.

The political situation in Sweden remains fragile for the ruling party. The center-right Alliance for Sweden coalition, headed by the Moderate Party, lost its absolute majority in September 2010. Prime Minister Fredrik Reinfeldt leads a minority government. He and President Obama face many of the same domestic challenges, including high unemployment and sluggish economies. Recent riots in Sweden's immigrant communities have also brought the immigration debate to the political forefront.

Regional Security: Sweden, the U.S., and NATO. In terms of security, Sweden still sees itself primarily as a “soft power.” Even so, it has contributed to NATO-led military operations in Afghanistan and recently over Libya, albeit on a minor level in both cases. In Afghanistan, Sweden has approximately 260 troops deployed around Mazar-i-Sharif in the north—a relatively peaceful part of Afghanistan. During the recent air operation in Libya, Sweden was one of seven countries that flew air missions, although Swedish aircraft did not drop any bombs or strike any targets.

Sweden has maintained a neutral status since the 19th century, but there is increasing debate inside the country on whether to join NATO. Recent belligerent Russian behavior and Sweden's declining military capability have prompted some to see the possible benefits of NATO membership.

For example, in March 2013, two Russian bombers and four fighter jets took off from St. Petersburg and carried out a mock strike on targets in the Stockholm region. The Swedish air force did not react, as it was on low alert during the Easter break.

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Instead, NATO scrambled two Danish jets from a base in Lithuania to intercept the Russian planes.¹

Like the rest of Europe, Sweden's defense spending has decreased, leading to a decline in military capability and readiness. According to General Sverker Göranson, supreme commander of the Swedish armed forces, the Swedish armed forces could defend a small part of Swedish territory for approximately one week against a limited attack.² For these and other reasons, NATO membership is becoming more appealing to Swedes.

Transatlantic Trade and Investment Partnership. According to the White House, TTIP will be discussed during the visit. The 28 EU member states have surrendered their ability to negotiate trade deals to the supranational EU Commission. Therefore, Obama and Reinfeldt will not agree to or announce anything substantial in the area.

In February 2013, President Obama called for a free trade agreement between the U.S. and the EU during his annual State of the Union address. With a number of foreign policy decisions by the Obama Administration leaving Europeans questioning America's commitment to transatlantic relations, politicians and commentators on both sides of the Atlantic have seized on this announcement as the answer to the transatlantic relationship's woes. Failure of the trade deal to deliver the expected political and economic results could further damage transatlantic relations.

Tariffs between the U.S. and the EU are already low, so TTIP will be more about regulatory processes and harmonizing of standards. However, the U.S. should be wary of adopting European standards, rules, and regulations.

Time to Get Serious About the Arctic. Sweden considers itself a regional leader in the Arctic. With Sweden having just finished its two-year presidency of the Arctic Council, the Arctic will likely feature during the visit. Swedish officials have arranged a dinner for President Obama and the leaders of the Nordic countries (Sweden, Norway, Denmark, Finland, and Iceland) in Stockholm. Since all of the Nordic countries and the U.S. are members of the

Arctic Council, this will be a good opportunity to discuss issues of mutual interest in the Arctic.

The U.S. should take the Arctic region more seriously. Some estimates claim that up to 13 percent of the world's undiscovered oil reserves and almost one-third of the world's undiscovered natural gas reserves are located in the Arctic. As ice continues to dissipate during the summer months, new shipping lanes have opened, offering additional trade opportunities. The economic potential of the Arctic is enormous.

National sovereignty, economic freedom, and sensible environmental policies are key to the region's stability, prosperity, and resilience. Respecting the national sovereignty of others in the Arctic while maintaining the ability to enforce one's own sovereignty will ensure that the chances of armed conflict in the region remain low. The U.S. should be promoting policies to this end.

More actors than ever before are operating in the region, presenting both challenges and opportunities for the U.S. and its Nordic partners. The region needs more than communiqués passed every two years at the Arctic Council's summit. The region needs action and leadership. It is time for the U.S. to take a leadership role in the Arctic, work more closely with like-minded allies, and promote actionable policies in the region.

Advance Cooperation. President Obama's visit to Sweden offers a good opportunity to improve Swedish-American relations. Specifically, the President should take this opportunity to promote:

- **Regional security cooperation.** The collective defense of NATO's area of responsibility in northern Europe cannot be accomplished without access to Sweden's airspace. The U.S. needs to find areas of U.S.-Swedish and NATO-Swedish cooperation.
- **Transatlantic free trade.** President Obama needs to promote economic freedom in Europe and support genuine free trade. An agreement that reduces trade barriers and empowers individuals over government bureaucrats would be

1. Andrew Rettman, "Sweden: Who Needs Nato [sic], When You Have the Lisbon Treaty?" *EU Observer*, April 22, 2013, <http://euobserver.com/defence/119894> (accessed August 16, 2013).

2. Karlis Neretnieks, "Sweden and Stability in the Baltic Sea Region," *Stratfor Global Intelligence*, June 25, 2013, <http://www.stratfor.com/other-voices/sweden-and-stability-baltic-sea-region-0> (accessed August 16, 2013).

beneficial. Talks that make the United States more like another member of the EU would not.

- **Cooperation in the Arctic.** The Arctic is an area ripe for cooperation between the U.S. and its Nordic partners. The President should use this visit to promote cooperation in the Arctic that is focused on national sovereignty, economic freedom, and sensible environmental policies.

A Close Partnership. Washington should reinvigorate partnerships with America's key friends

and allies in Europe, such as Sweden. Combined with President Obama's meeting with the three Baltic leaders at the White House in August, his visit to Sweden offers an opportunity to demonstrate America's commitment to transatlantic relations.

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