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“ Labor rules in Sweden do not encourage start-up firms.”

—IT executive, Sweden

“ The pragmatic collaboration between private companies and the government (and state-run companies) has been a decisive factor in their development into global high-tech companies.”

—IT leader, Sweden

Sweden, one of the world's most vibrant economies, ranks fourth overall in the Networked Readiness Index. Sweden's sophisticated information infrastructure, spectrum of outreach programs offered by the government (Ranking in ICT as Government Priority: 3), and highly skilled population all contribute to the nation's success in the Networked World.

Since 1994, the Swedish government has had four independent *IT Kommissionen* (IT Commissions) that have helped to shape national strategies and action plans. An ICT bill sent to parliament, Information Society for All, enumerated in 2000 the state's commitment to a big push in universal access to various ICT services, broad ICT competence in the Swedish population, and promotion of public confidence in ICTs.¹ The government has also acknowledged the desirability of extending broadband to all of Sweden, including hard-to-reach populations and geographic areas (Ranking in Availability of Broadband: 6).

Swedish telecommunications infrastructure is very highly developed (Ranking in Information Infrastructure micro-index: 2), with high levels of Internet penetration and mobile telephony use (Ranking in Network Use component index: 5). Sweden was one of the first European countries to deregulate its telecommunications market, which is open to foreign and domestic competition. Telia, the majority state-owned telecommunications company, dominates the fixed-line market, though as a signal of changed times, it lost its December 2000 bid for a UMTS third-generation cellular license.

With a history of technology and engineering achievements, Swedish society is very inclined to use ICTs. For example, Short Messaging Service (SMS) use has increased by 254 percent since 1999.² Concurrently, small and medium enterprises have been quick to have an online presence (Ranking in Business Websites:

2). PC penetration has been aided by a government tax reduction for companies that supply all personnel, regardless of position, with a personal computer. This “personal computer reform” has primarily helped to extend PC ownership to the lower middle classes and blue-collar workers, with a version of it also extended by the Swedish Trade Union Confederation.³ This initiative has served both to educate a large percentage of the population in ICT skills and to provide widespread PC access.

Sweden has long been committed to education; this is apparent in its ICT and education initiatives, which take into account training, infrastructure, connectivity, and hardware ratios. Two initiatives of note are the ItiS, which targets 40 percent of Sweden's teaching body and focuses on broad pedagogical skill training, and Schoolnet, the National Education Agency's schools network.⁴ (Ranking in Quality of ICT Education: 3).

Swedish B2B and B2C e-commerce have grown steadily more successful since the late 1990s, with overall profitability of online retail growing between 2000 and 2001.⁵ (Ranking in e-Commerce micro-index: 4). The Swedish ICT sector also benefits from ICT clusters such as Kista, just north of Stockholm, which has been dubbed Wireless Valley.⁶ In addition, Swedish multinationals are showing leadership in incorporating high-technology solutions. For example, Volvo has developed an automobile that automatically calls emergency services if it is involved in a crash.⁷

Sweden has shown itself to be a global leader in e-government. Planned or existing e-government initiatives include twenty-four-hour online access to government services, online voting, enhanced websites for different branches and services of the government, and online opportunities for meetings and community interface (Ranking in e-Government micro-index: 4).

Key Facts

Population	8,880,532
Rural population (% of total population) 1999	16.74 %
GDP per capita (PPP)	US\$23,884
Global Competitiveness Index Ranking, 2001–2002	9
UNDP Human Development Index Ranking, 2001 (adjusted to GTR sample)	2
Main telephone lines per 100 inhabitants	68.20
Telephone faults per 100 main telephone lines	8.40
Internet hosts per 10,000 inhabitants	670.79
Personal computers per 100 inhabitants	50.67
Piracy rate	35.00 %
Percent of PCs connected to Internet	13.24 %
Internet users per host	8.39
Internet users per 100 inhabitants	56.30
Cell phone subscribers per 100 inhabitants	71.36
Average monthly cost for 20 hours of Internet access	US\$2.59

RANK

Networked Readiness Index **4**

Network Use component index **5**

Enabling Factors component index **3**

■ Network Access **2**

Information Infrastructure **2**

Hardware, Software, and Support **2**

■ Network Policy **7**

Business and Economic Environment **12**

ICT Policy **2**

■ Networked Society **10**

Networked Learning **2**

ICT Opportunities **17**

Social Capital **11**

■ Networked Economy **5**

e-Commerce **4**

e-Government **4**

General Infrastructure **8**