

Chapter 25 : “Sweden Inc.”

CG's trips abroad are public relations, state visits and industrial delegations. During Princess Christina's time as “acting Princess” 1965-1975, there were advocates to let her head Swedish cultural delegations, but this was never done. The terminology is fluid, but by definition CG must participate in order for it to qualify as a state visit. Otherwise it is an official visit.

CG does not lead any sales delegations (as Prince Bertil did) but industrial delegations that try to raise an interest in Swedish business and society. CG's involvement is important because the contacts usually follow the diplomatic protocol. They are established at the level of the participating delegates. This is particularly true in status-conscious societies such as monarchies and dictatorships. CG's first state visit was to neighbouring countries: 1974 to Norway and Finland, 1975 to Denmark, Iceland and England. Finland and Norway made return visits in 1975. The total number of foreign state visits in the 1970s was 11, 1980s 16, 1990s 18 & 2000s 24. There are lots of opinions on these delegations but few are heeded. One year 2000 proposals resulted in two visits. The priorities are set according to “det statliga uppdraget (DSU)” which is a market venture agreement between state and business.

How, then, do the Swedish companies receive royal backing for their sales tours?

“The Court receives a series of invitations to state visits every year. These will be handed over to the Ministry of Foreign Affairs, which will decide on the most appropriate ones,” says Catherine von Heidenstam, Head of Protocol at the Ministry of Foreign Affairs.

The laborious work process begins with the Foreign Ministry probing with its geographical units if there is interest and motivation for a state visit. At each geographical unit, a so-called promoter works with close relations with the Swedish economy in each region. The Ministry of Foreign Affairs also takes in proposals and hold discussions with Exportrådet, Invest in Sweden Agency, Svensk Handel and Svenska Institutet.

Once these discussions have been held, the proposals will go to the Council of State and the Minister of Foreign Affairs. The Foreign Affairs Minister, in turn, presents a list of proposals to the King and Queen, who are given the opportunity to comment and make suggestions. The formal decision is made by the government however. The involvement of the King and Queen in the decision-making process is rather limited. But during the visits they have extensive representational duties: wave, toast, shake hands and cut ribbons. [And as commented on: The king has Sweden's highest diplomatic rank. Not being present is a diplomatic marker.]

The aim is not only to bring statesmen and political representatives together and deepen their contacts, but also to enable companies to find customers and partners.¹

Then the 1st Marshal of the Court, together with someone from the court's press unit and a security police, visit the country about two months in advance. The Marshal and the local in charge plan the ceremonials. These may be simple or complicated. On a state visit to Italy in

¹ Jonas Malmberg. Så beställer topparna statsbesök. Veckans affärer, 2006-06-19.

2009, one of the defence's Hercules planes flew down with the castle's porcelain, silver and linen for a stylish royal dinner. In 1960, SAS had a special form with 200 questions for royal travels. Maybe it's still there.

The publicity that CG generates during the visits is important because the objective is to “put Sweden on the map”. Everyone seems interested in meeting a live king even if they do not know anything about his homeland. Swedish companies are therefore interested in having CG as a “mascot” even if it can be very resource-intensive for them. Prior to a state visit, so-called pre-visits are organized to inform about Sweden. Journalists from e.g. Portugal 1986 visited Sweden a month before CG went there which generated good publicity for the visit. Sweden has a good reputation. As Swedish Head of State also CG.

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CG started his state visits at a time of upheaval when Sweden's benefits from escaping World War II were gone. After a state visit to Saudi Arabia in 1981, CG was quite tired of the accompanying company directors and their unrealistic views and afterwards announced:

- Unfortunately, the expression “Made in Sweden” still exists. It is a relic from the 50s when Swedish goods practically sold themselves. This is no longer the case, but many Swedish export companies believe that this is still the case. This creates problems when exporting to other countries.

- Swedish export companies need to be more responsive to what different markets demand. We cannot come to Saudi Arabia or Japan, for example, and tell them what to wear.

The importance of preparing for a foreign visit applies as much to Swedish companies as to the King and Queen, according to the King.²

The attack created some indignant denials. No hard feelings however. Industrial Sweden wants more of his time.^{3,4} The only conflict of note seems to be with former Volvo boss Pehr Gyllenhammar. According to one version, Gyllenhammar, during an official visit to France in June 1990, when he led Export rådets industrial delegation, was annoyed with CG because he because of his poor French gave his speech in English and that Gyllenhammar, despite his own excellent French, then had to do the same.⁵ According to another version, Gyllenhammar had views on CG's proximity to the Wallenberg sphere.⁶ Nobody really knows. Maybe CG and Gyllenhammar resembled each other too much:

Gyllenhammar says he dislikes power games but is nevertheless the only leader in the business community who is prepared to mobilize trade unions, politicians and public opinion against his opponents.

His power is a chimera though - it is not based on inheritance or wealth but on his ability to convince others that he is right. His popularity rests like that of an actor on constantly showing himself, of being in the limelight, making a good performance

² P O Eriksson. Kungen om exportindustrin. Svenska företag, ta er i kragen. Expressen, 1981-03-06.

³ Joakim Båge. Dagens Industri Weekend, 2003-09-05.

⁴ Jonas Malmberg. Dörröppnare - inte kompis. Veckans affärer, 2011-06-08.

⁵ Frank Bergå. En kung i Paris. Tidningen Z, 1990:12.

⁶ Lena Rainer. Publicistklubbens debatt 1996-05-13.

and getting good reviews. Should Gyllenhammar make a really serious mistake and Volvo start to go bad, then the trapdoor will open for him as well. His brilliant public performance arouses envy, but the critics have a difficult position as long as he delivers the goods.⁷

The Foreign Ministry reportedly also were annoyed at CG and Silvia during the 1992 World's Fair in Seville, Spain, when they insisted on playing golf rather than attending. This too has not been verifiable. Of course, there are many times when CG cannot be present due to lack of time, but it has not been possible to find an example when he has simply cancelled a planned event out of disinterest or to indicate his dissatisfaction. However, he has shortened various elements when the audience becomes too intrusive, for example during a state visit to Iceland in 2004 when he was forced out into a deadly area with clay geysers. It seems to have been journalists who wanted to interview him about Brunei.

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The traditional view is that the significance of the Royal House for the country cannot be measured in money. However, that has not stopped people, even the royal house itself, from trying:

Dagens Industri hired brand expert Mats Fogelberg on Audumbla Pilots. The latter estimated the value of the royal house's PR (state visits, contacts with various foreign companies and the like) at half a per mille of the exports for companies with over 200 employees; for 2002 half a per mille of SEK 582 billion = SEK 291 million gross; the cost of the court state = SEK 45 million gives the value SEK 291-45 = SEK 246 million net. "Provided that the Royal House continues indefinitely and the yield is 5 percent, its value through the annuity method can be calculated to $SEK\ 246/0.05 = SEK\ 4,920$ million." Maybe so. Silvia's value was assessed slightly higher than CGs. The reason was alleged to be CG's diffuse mission. "The King should have a clearer agenda of his own. Perhaps, for example, he should target the business world. But it's not just his own fault that he doesn't. He should make higher demands on the Parliament and the government to give him clearer guidelines on what they want him to do, what he should deliver."⁸

Fogelberg also claimed that the royal house's market value was declining because it competed with sports stars such as Carolina Klüft, artists such as the members of Cardigans and well-known companies such as Ikea. The King and Queen were also not encouraged to do their best. There were no carrots or bonuses. Here one must say that Fogelberg is in the wrong. As can be seen from the ICA-Kuriren's Sifo surveys 1984-2007 (Appendix 1: Table 1), there are differences within the Royal Family. CG has mainly competed with industry leaders and politicians. Silvia with Astrid Lindgren and politicians. Only in 2005 and 2006 have sports stars won the day. As regards carrots and bonuses, they do not seem to be necessary. Asserting the Kingdom of Sweden seems to be CG's main goal in life.

The court's trademark expert, researcher Mats Urde, used alternative cost reasoning. "If the royal house was to pay for everything that was published and take into account that editorial space is ten times more valuable than advertising, you come to the conclusion that the royal house has a value of SEK 600 million."^{9,10} Later he has adjusted the estimate to SEK 900 million based on the appanage multiplied by a factor 20.

⁷ Henric Borgström & Martin Haag. Gyllenhammar. Bonniers, 1988, s 315.

⁸ Mats Fogelberg [Audumbla Pilots]. Värde fem miljarder. Dagens industri Weekend, 2003-09-05.

Other studies also agree on the value of the royal house for exports without specifying a number. The main argument seems to be that, since a brand takes a long time to establish itself, kings have certain advantages, they remain in office longer than Presidents.^{11,12} The counter-argument has been that the royal house does not make enough state visits for it to matter: In 1974-2011 CG made 70 state visits to about 50 countries (depends on how you define a country), i.e. at an average 1.84 state visits per year to 1.35 different countries. Most state visits were made to Finland (1974, 1983, 1996, 2003) and Iceland (1975, 1987, 2004). This is because a new state visit should be made every time a country switches head of state, but for practical reasons this is only done for the the Nordic countries.

Private consumption in the year of CG & Silvia's wedding increased 4.2 per cent even though GDP that year only increased 1.1 per cent.¹³ This was deemed promising for the future. Unclear in what way, though.

In connection with the wedding between Crown Princess Victoria and Daniel Westling, the media analysis company MediaPilot was commissioned by Nämnden för Sverigefrämjande i Utlandet (NSU) to analyse the value of the international publicity surrounding the wedding.¹⁴ The NSU includes the Ministry of Foreign Affairs, the Ministry of Enterprise, the Swedish Travel and Tourism Council (VisitSweden), Invest Sweden, Exportrådet and Svenska Institutet. The value was set to what it would have cost to buy the corresponding amount of advertisements. The wedding was attended by more than 700 accredited journalists and 45 foreign television companies were present. The value of the articles in printed media and on the internet amounted to SEK 2.7 billion (of which 1.2 billion in Germany alone). The number of internet articles was about 12 thousand. The value of radio and television was not analysed but was high. The state allocated 10 million extra funds to the wedding (of which 1.8 million to aid journalistic surveillance). The return calculated in this way was therefore 270:1.

The analysis gave rise to reflections on the value of the Swedish publicity: "How big is the value of all this [Swedish] free advertising? According to experts at the company Infopaq, Aftonbladet's six Royal annexes represent an ad value of SEK 22 million. Then in addition 194 000 SEK per full page of the magazine. Day after day, year after year. Public service television provides the major support for brand building. SVT's 40 hour wedding special and "its biggest live broadcast ever" was worth SEK 740 million. Not even the engagement bulletins are included in this. The wedding reporting as a whole thus corresponds to a value of billions - if the court should have had to pay for it."¹⁵ The counter argument is that the royal house is barely mentioned in Svenska Institutet's own account of the Swedish image abroad. CG may work for Sweden's export industry but he himself is not exported. The state visits are not well known in Sweden. The number of Swedish press people who cover the state visits

⁹ Greyser, Stephen A, Balmer, John M T & Urde, Mats. The monarchy as a corporate brand. Some corporate communications dimension. *European Journal of Marketing*, vol 40, 2006:7/8, s 902-908.

¹⁰ Olle Berner. Hur lönsam är du, våran kung? *Newsmill*, 2010-05-24.

¹¹ Maja Sommelius & Caroline Troedsson. För Sverige i tiden? En studie om nationellt varumärkesbyggande och kungahusets betydelse för en slagkraftig Sverigebild. Lunds universitet, Institutionen för Service management, D-uppsats, vt 2007.

¹² Intervju med Helene Riise, informationschef, Exportrådet. Odaterad. (Omkring 2010.)

¹³ Olle Zachrisson. Kungligt bröllop ger miljardrullning. *Svenska Dagbladet*, 2009-02-24.

¹⁴ Svenska Institutet. Det internationella mediagenomslaget av det kungliga bröllopet beräknas till 2.7 miljarder. 2010-06-23.

¹⁵ Rasmus Malm. Hovet tjänar på god publicitet. *Göteborgs-Posten*, 2010-06-09.

has decreased over the years from at most 20 to at least five (two from SVT; one each from Scanpix, TT & the press).

In addition to the flat-rate estimates, there are a number of personal statements about the value of CG to the export industry by those who have participated, e.g. LM Director Michael Treschow:

- How valuable is the King for Swedish export companies?
- It's not like he's in negotiations and picking orders home. But he makes it easier for us to meet people at the right level and there will be more focus on a visit if the King and Queen participate.

- So you think the king makes good for his appanage?
- I think so. He creates a nice frame. The Royal House is something we should be proud of.¹⁶
- ...
- The fact that there is great competition between companies to be present at the king's travels is the ultimate proof that his work is needed.¹⁷

And Svenska Institutet's CEO Olle Wästberg (fp):

Does the king do any good?

The King has been praised in newspapers and by politicians in connection with the opening of the World Exhibition in Shanghai [2010]. Since I have been involved both with the image of Sweden and been on state visits and official visits, I was asked on Swedish television if this is true. My answer is that the king is diligent; He'll be mad if there's a gap in the program when he's abroad. And in many places it matters that it is a king who leads a Swedish delegation. The rule of thumb is that the scarier the regime, the greater the role of the royal presence.

In the United States, which is a functioning market economy (and where you are also proud to be a republic), the royal house does not open many doors. However, the royals attract attention, for example in charity events, in a way that a president would not do. In centrally governed state-trading countries it is very important to reach the right decision-makers - and then it is not infrequently easier to have a king. Perhaps it makes sense: Dictatorships do not find it strange that the head of state is not elected.¹⁸

And from CG itself:

My title means that contacts with, for example, King Kahlid in Saudi Arabia [1981] probably were handled on a different level than if Sweden had been a republic. The fact that both countries are monarchies makes me feel that we were on the same wavelength. It is easier for the leaders of Saudi Arabia to feel a sense of connection

¹⁶ Annelie Östlund. "Jag kallar honom kungen". Affärsvärlden, 2005-12-11.

¹⁷ Michael Treschow. Kungens dubbla verkligheter. I: Mats Ögren (red). För Sverige – Nuförtiden. En antologi om Carl XIV Gustaf. Bokförlaget DN, 2006.

¹⁸ Olle Wästberg. Gör kungen någon nytta? Nyhetsbrev, 2010-05-28.

to a kingdom than to a republic. This is despite the fact that the king has a completely different position in Saudi Arabia than in Sweden.¹⁹

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A domestic state visit lasts four days and begins with a welcome ceremony and a dinner at City Hall. On the second evening, a so-called “meal in response” is held, hosted by the head of state of the visiting country. One or two days are devoted to culture and society and takes place in Stockholm. Another day is reserved for a visit to another city, often Uppsala, Gothenburg or Linköping. The program is otherwise governed by the personal wishes of the visiting Heads of State. The number of domestic state visits in the 1970s was 5, 1980s 15, 1990s 21, 2000s 14. Most of the publicity has been about CG's visit to communist regimes and “Oriental kingdoms”. The former include the Soviet Union, Yugoslavia, Romania, China and Vietnam. Among the latter are Saudi Arabia and Brunei. There has also been criticism that the activities are so gender segregated. CG and the gentlemen visit industries. Silvia and the wives visit nurseries.

Normally CG does not have political views on what countries to visit. Folke Bernadotte's murder is an exception. The Israeli police did an outstandingly lame job and the question of responsibility was never properly investigated. The assassination was carried out by the Stern League, a terrorist group in which the Israeli Prime Ministers Menachem Begin and Yitzhak Shamir held leadership positions. In 1970, one of Baruch Nadel's directors published his memoirs. Since the crime was not statute-barred at the time, it had been possible to demand that he be extradited to Sweden, but this did not happen. In 1975, Israel renewed an earlier invitation when his letter of credit was handed over. In the 1980s, former bodyguard Yehoshua Cohen claimed that he was the one holding the gun. It caused a certain amount of controversy because he and the first Israeli Prime Minister, David Ben-Gurion, were close friends. Gustaf VI did not participate in Tage Erlander's visit in 1962 and Olov Palme's visit in 1982 was cancelled after he announced that he in such case would put the murder on the agenda.²⁰ At Olof Palme's funeral in 1986, President Shimon Peres attended. CG reportedly at the time said “Let us not forget that Olof Palme is the second Swedish mediator in the Middle East who has fallen victim to a murderer's bullet”.²¹ On a state visit by President Chaim Herzog in Sweden in 1990, CG allegedly wanted to raise the issue again - Shamir had by then been promoted to prime minister - but was forbidden by the Foreign Ministry to do so. Princess Christina attended a memorial service in Israel on May 14, 1995, when Shimon Peres, now Minister for Foreign Affairs, made an official apology. Another official apology was made in 1998 but the next visit in 1999 was not a state visit by CG but an official visit by Göran Persson. CG has not visited Israel since. On the other hand, he has visited its neighbours Jordan, Egypt and Saudi Arabia on various occasions. His attitude was still discussed in 2012 when Crown Princess Victoria had her daughter named Estelle after Bernadotte's wife Estelle Manville. It was supposed to be a further political marker but probably has more to do with Victoria identifying her with Folke Bernadotte's role as a relief worker and mediator.

In 1992, CG visited Ireland despite the murder of his relative, Lord Louis Mountbatten. He was killed 1979 by the IRA on board his yacht using a remote controlled bomb.

¹⁹ Herbert Rock & Johan Hjertqvist. Intervju med kung Carl Gustaf. Näringslivets presstjänst, 1981-03-13.

²⁰ Anders Ferm. Publicera en vitbok om mordet på Bernadotte. Svenska Dagbladet, 2008-05-19.

²¹ Martin Aagård. En hjälte vi inte behöver. Aftonbladet, 2012-04-17.

CG distributes Orders to deserving foreigners, primarily Orders of the North Star. On states visit he also distributes the Seraphim Order on proposals from the Foreign Ministry. This appears to be a gesture of courtesy and has completely devalued them. For example, it was only the Liberal Youth League that afterwards, despite the heated debate, reacted to the fact that the Sultan of Brunei actually received Sweden's foremost honour. Every year, CG and Silvia send Christmas and New Year's greetings via the Foreign Ministry to other Heads of state and condolences if any royal has died. These are standard texts that CG approves. The Foreign Office also sends "national day telegrams" signed CG.