



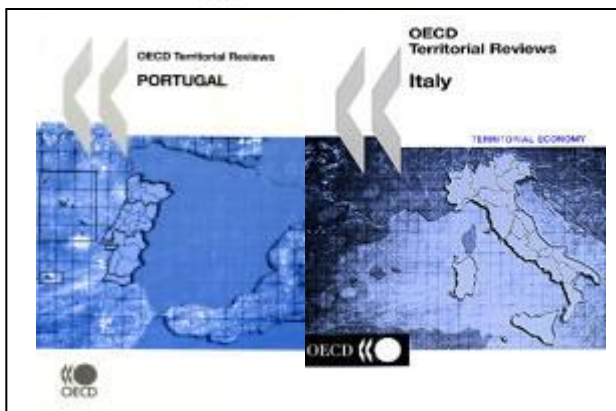
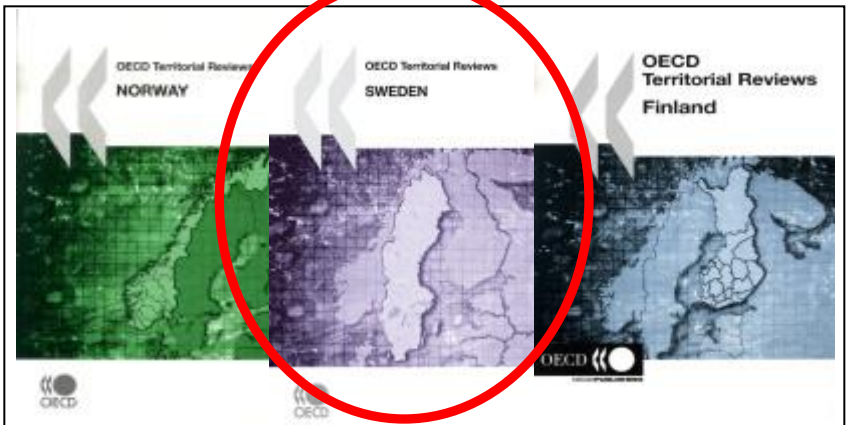
# Regional development & health care in Sweden

Insights from the *OECD Territorial Review of Sweden*

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OECD Regional Development Policy Division  
Stockholm, 7 December 2010

# What characterises Sweden among OECD countries?



# Sweden is one of the most territorially concentrated countries in the OECD...

The 3 largest metropolitan regions account for 51% of population and 57% of GDP

Sweden has the highest level of geographic concentration of R&D in the OECD

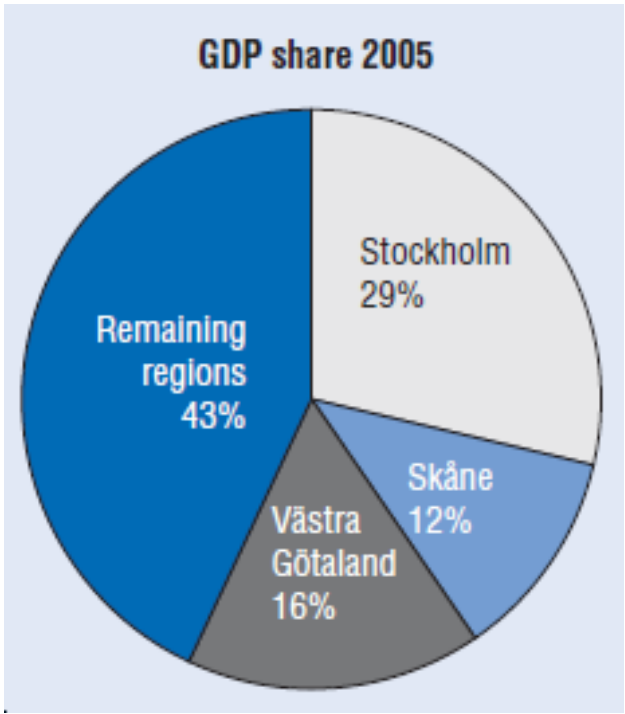
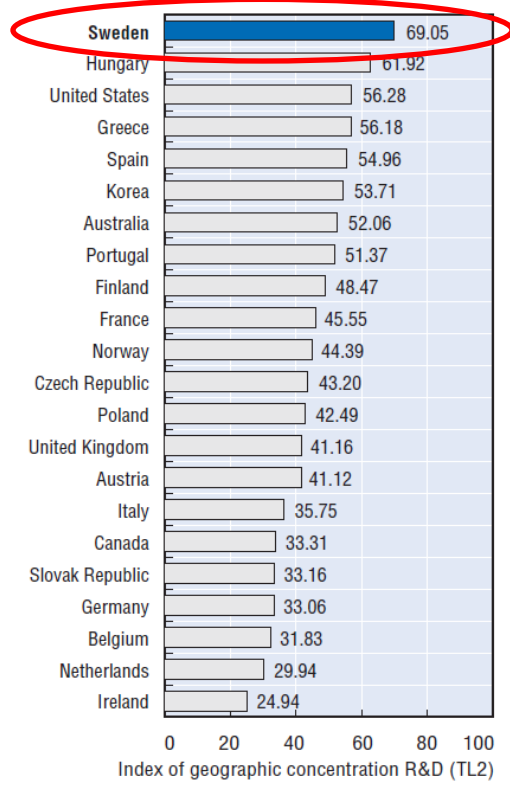


Figure 1.35. Geographic concentration index for research and development (TL2), 2005

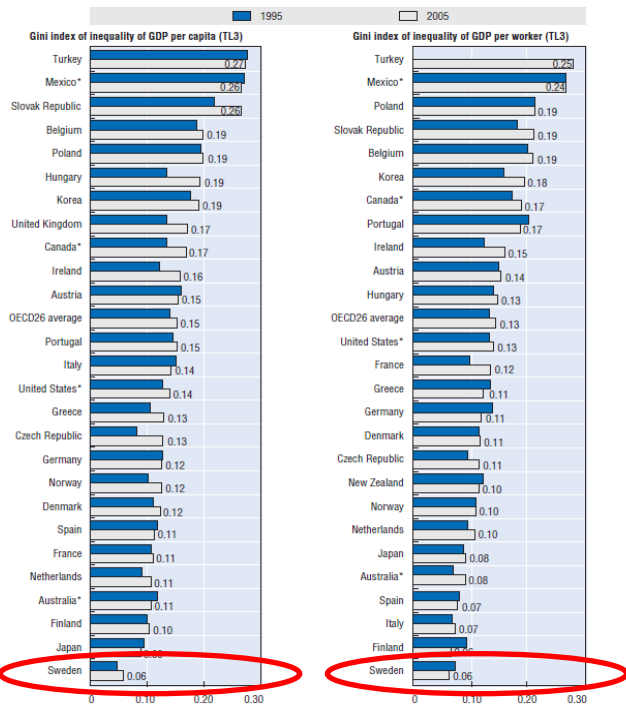


... but also one of the **most equitable** countries,

Sweden has the lowest level of territorial inequality in GDP per capita & in GDP per worker in the OECD

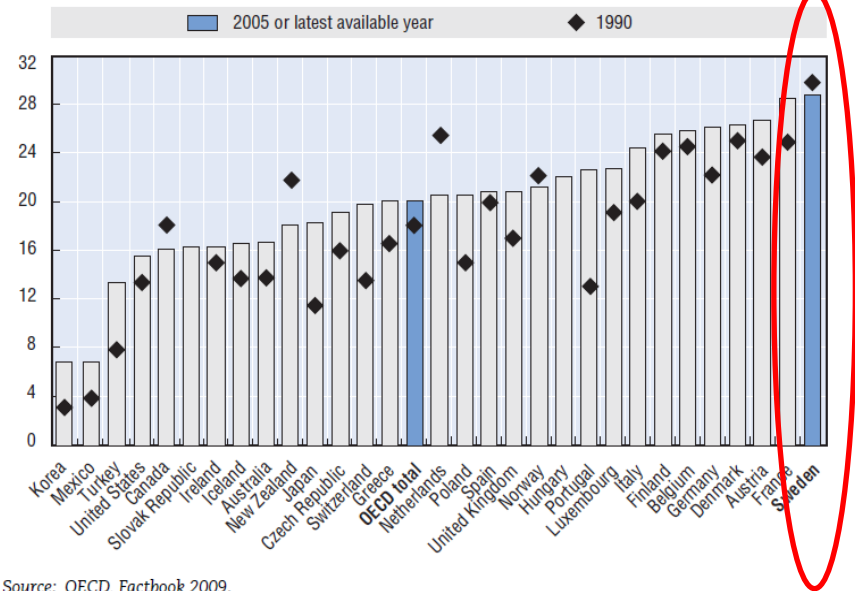
Sweden has the highest level of public social expenditure in the OECD

Figure 1.19. Gini index of inequality of GDP per capita and GDP per worker in OECD regions, 1995-2005



\* Data at TL3 are missing in Australia, Canada, Mexico and the United States, therefore we use GDP per capita for TL2 regions from these four countries.  
Source: Authors' calculations based on OECD Regions at a Glance (2007)

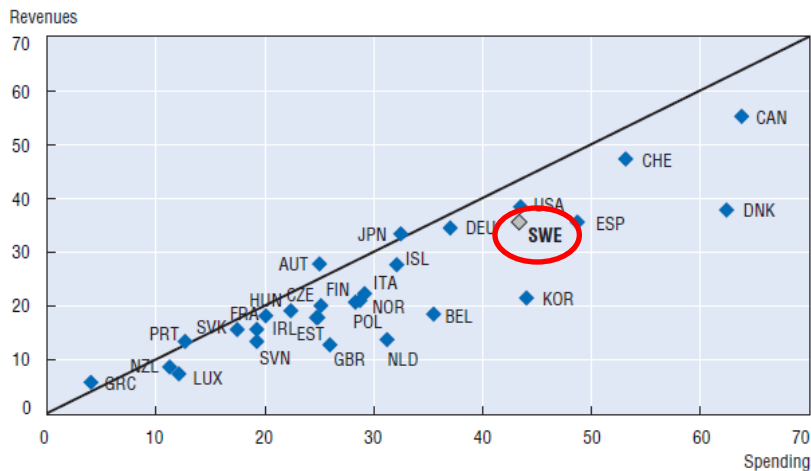
Figure 3.1. Public social expenditures in Sweden (2005) As a percentage of GDP



Source: OECD, Factbook 2009.

Sweden has one of the highest levels of sub-national government expenditures in the OECD

Figure 3.2. Share of sub-national government in general government revenues and expenditure 2006

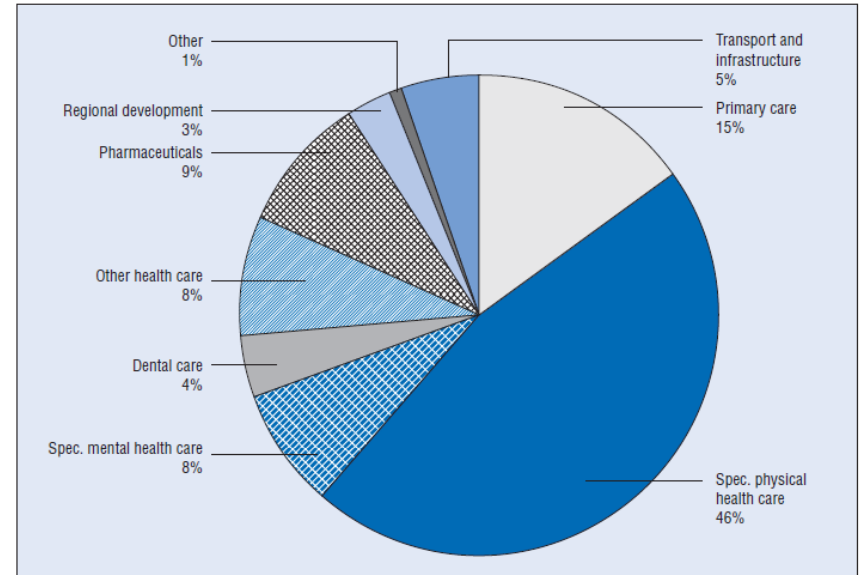


Note: Or latest available year: 2005 for Korea, New Zealand and Poland. The share of sub-national revenues is expressed as a percentage of total government mainland revenues.

Source: OECD, National Accounts Database (2008).

County councils spend over 81% of their budget on health care

Figure 3.7. Breakdown of county councils' costs for activities in 2007, ca. SEK 219 billion

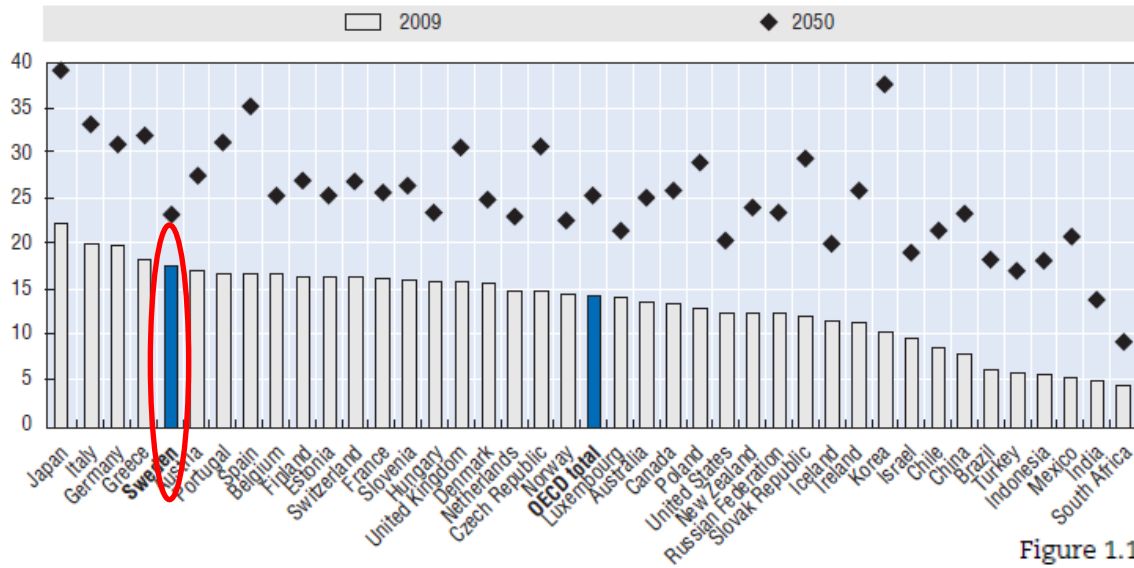


Source: SALAR, The Economy Report, May 2009 (p. 19).

Performance monitoring  
e.g. Open Comparison reports by SALAR

# But challenges in the long term include: **ageing**...

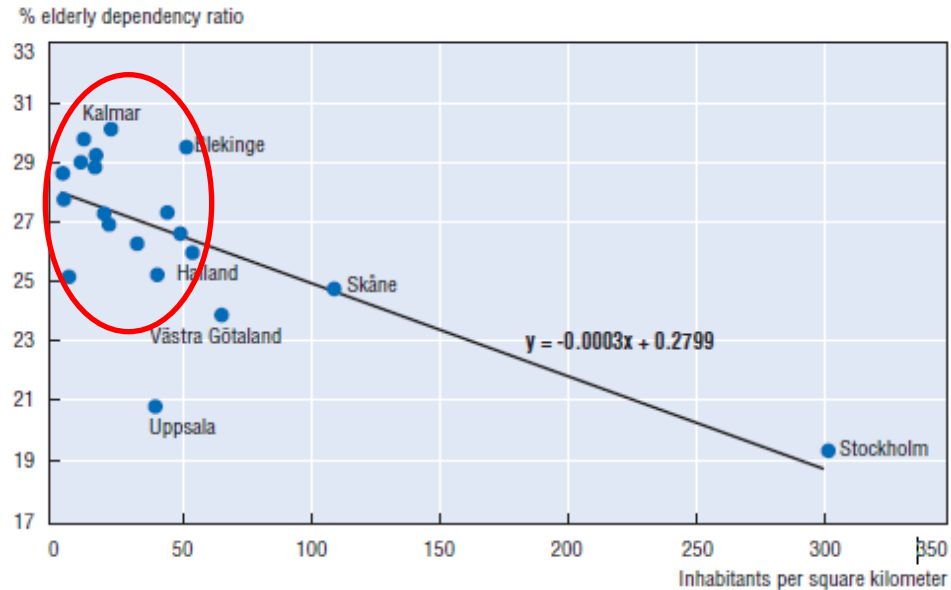
Figure 1.5. Ratio of population aged 65 and over to total population, 2009



Sweden has one of the highest ratios of population aged 65+

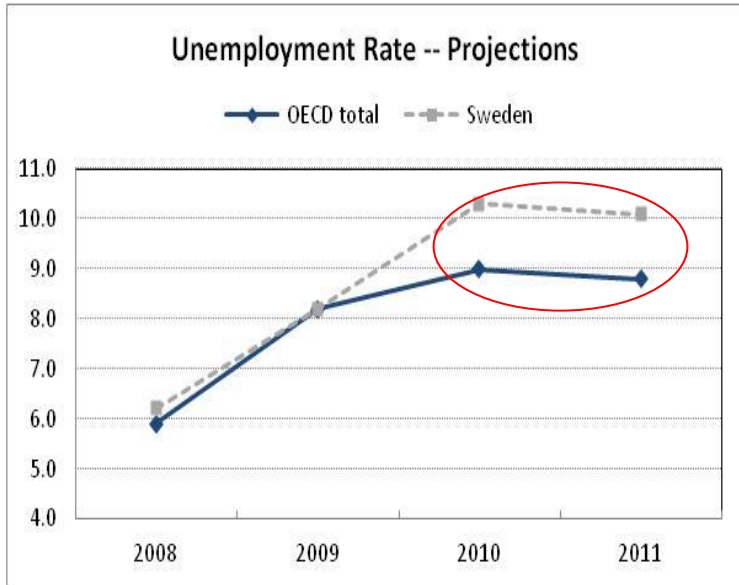
Source: OECD (2009), Factbook, OECD Publishing.

Figure 1.15. Elderly and youth dependency ratio and population density in Sweden (TL3), 2007



... especially in rural regions

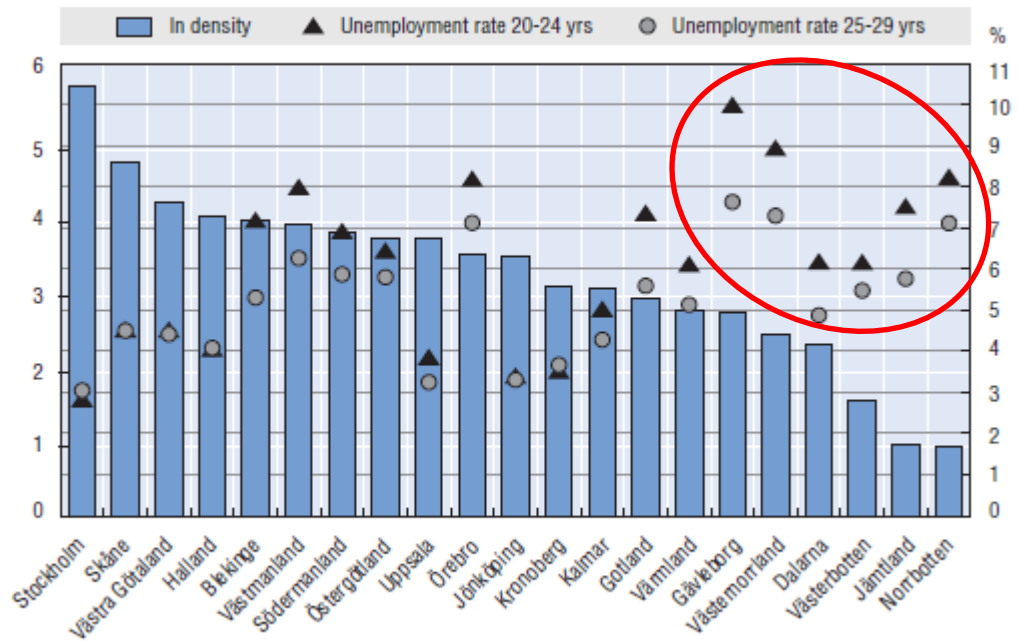
# ... and youth unemployment



Unemployment is projected to rise over OECD level...

... and youth unemployment is higher around the largest cities

Figure 1.16. Youth unemployment rates and population density, 2007 Q3



Source: Authors' calculations based Statistics Sweden.

... which requires **innovative delivery of public services**

- National Strategy for eHealth (adopted in 2006)  
formally adopted by all county councils but less than half of municipalities

- Best practices in some remote regions

e.g.



**Ambulances are equipped with 3 integrated electronic information systems (MobiMed, Paratus, AmbuLink):**

- *Direct contact between specialized hospital staff and ambulances*
- *Real-time monitoring of vital patient data*
- *Specialist consultation during transport*
- *Treatment can begin before arrival at the hospital*
- *Simultaneous preparation for treatment at the alerted hospital*



**Neonatal intensive care unit (NICU) at Sunderby Hospital:**

- *ICT-based support for parents of prematurely born infants during the first trial discharge from hospital*
- *Videoconferencing system installed in parents' home, connected to neonatal unit*
- *Reliable and comfortable access to neonatal care from everywhere in a sparsely populated area*
- *Cost and pollution reduction through fewer home visits*

# Reforming regional policy

	<b>Old approach</b>		<b>New approach</b>
<b>Objective</b>	Redistribution from leading to lagging regions		Building competitive regions
<b>Strategies</b>	Sectoral approach		Integrated development projects
<b>Tools</b>	Subsidies and state aids		Mix of hard and soft capital (social capital, networks)
<b>Unit of intervention</b>	Administrative areas		Functional economic areas
<b>Actors</b>	Top-down		Partnerships across and within different levels of government

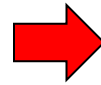
# Reforming regional policy (1)

## Old approach

## New approach

**Objective**




Redistribution from leading to lagging regions



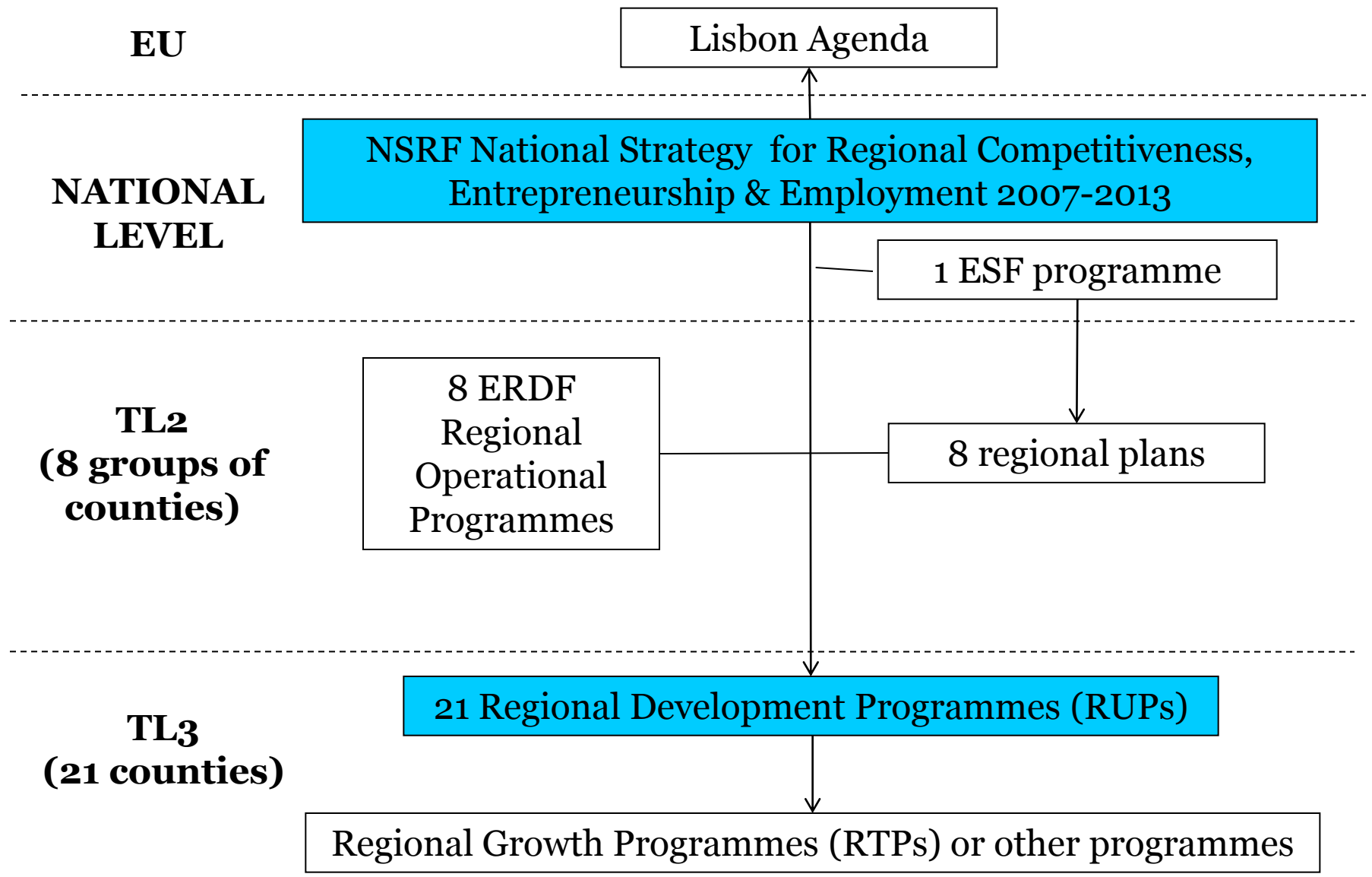
Building competitive regions

**“Regional Growth Policy”  
(2008 Budget Bill), in line  
with EU Cohesion Policy**

## Reforming regional policy (2)

	<b>Old approach</b>		<b>New approach</b>
<b>Objective</b>	Redistribution from leading to lagging regions		Building competitive regions
<b>Strategies</b>	Sectoral approach		Integrated development projects
<b>Tools</b>	Subsidies and state aids		Mix of hard and soft capital (social capital, networks)

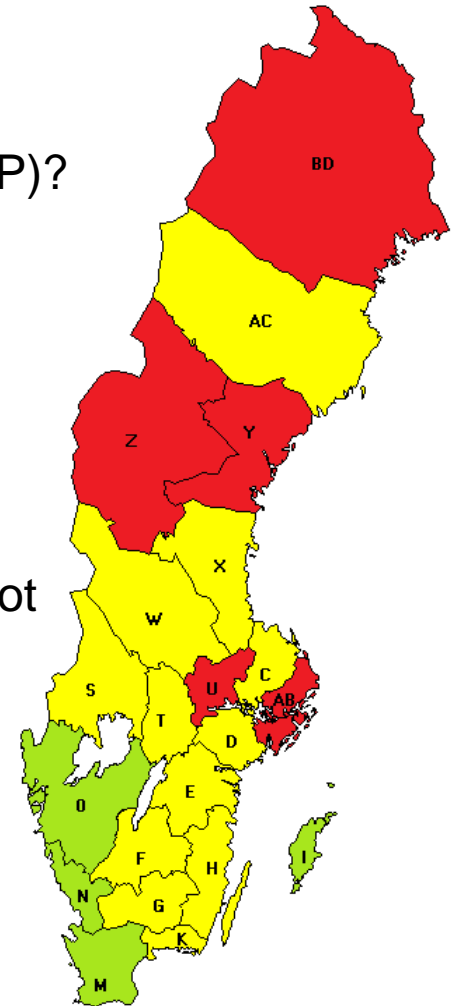
# Key tools under Sweden's « Regional Growth Policy »



# A heterogeneous map of regions

Who prepares the Regional Development Programmes (RUP)?

- **Red:** County Administrative Board (in 5 counties)
- **Yellow:** Regional co-ordination bodies (in 12 counties)
- **Green:** County councils (in 4 counties, including in the 2 pilot regions made permanent since 2010)



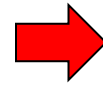
# Reforming regional policy (3)

## Old approach

## New approach

**Objective**

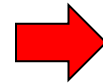
Redistribution from leading to lagging regions



Building competitive regions

**Strategies**

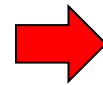
Sectoral approach



Integrated development projects

**Tools**

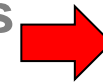
Subsidies and state aids



Mix of hard and soft capital (social capital, networks)

**Unit of intervention**

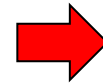
Administrative areas



Functional economic areas

**Actors**

Top-down

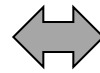


Partnerships across and within different levels of government

# Strengths and challenges of the Swedish system to implement regional growth policy

## Strengths

- High level of trust & transparency in public decision-making
- Well-developed inter-municipal cooperation for public service delivery
- Strong capacity for gradual reform and learning by doing (e.g. pilot regions)



## Challenges

- Lengthy reform process, loss of leadership, dilution of objectives
- Lack of effective implementation mechanisms of RUPs
- Critical mass debate: small size of some counties vs. widening labour markets

# Conclusion

- Regional development & health care can (and should) go hand in hand
- No optimal size/number of regions – but need to achieve critical mass for efficient & high-quality public services (cf. recommendations of the Parliamentary Committee on Public Sector Responsibilities in its 2007 report)
- Better coordination among actors for sustainable regional development
  - To strengthen implementation & enforcement of RUPs
  - To support local capacity building
  - To engage stakeholders (firms, universities, NGOs, citizens...)