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An International City

The City of Stockholm is implementing a new strategy to encourage more investment in the capital.

Images courtesy of City of Stockholm

Consistently named as one of the best cities in the world for business and residents, Stockholm is enjoying a surge of international investment and immigration. Stockholm, the capital of Sweden, is the political, cultural, and economic centre of Scandinavia and where most large international companies have their Nordic headquarters. Lars Rådth is the CEO of the City of Stockholm—one of Europe’s fastest growing cities. Lars spoke to *The CEO Magazine* about Stockholm’s openness to international investment and immigration, the importance of sustainability, and his vision for the city.

The CEO Magazine: What did you see as your mandate following your appointment as CEO?

Lars: It was of course the usual thing, to combine quality with effectiveness, to produce good services for people, and to improve the possibility for the citizens to be

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part of the democratic process. But everyone can say that. I think we have very specific goals that are set by the city council, and the key word is sustainability. We want to achieve social, economic, and environmental sustainability, and to fight segregation. Although we are considered one of the best cities in the world to live in and have a lot of good things going on, we also have this growing gap between rich and poor. The newspapers have articles about this, with facts showing that differences in education, differences between incomes, and differences in social means really are increasing.

With the boom in immigration, how do you manage these differences in social means?

For a long time, we have had many well-educated people coming to Sweden, but we also have people with low education and even illiterate people coming here. The main task is of course that we take advantage of the knowledge and the contacts of the people arriving

here. We are not completely unsuccessful, but we have to ensure that this makes progress. Otherwise, we could get worse problems. A lot of our youth don’t think it’s worth studying because they know it is difficult to get a job even if they go to university. We have structural problems, too. For example, if you have the ‘wrong’ name or background it is more difficult to get a job.

How do you think your previous role as director of management services, and previous roles in government, have helped you in your current role?

I used to work in a small municipality outside of Stockholm. This was a very good experience because now that I am working at the core of such a big city it is very useful to have seen the city from the outside. I also had this very same position back in the 1990s, and there are big differences between now and then. Many of us in the management were new in our roles when we took office in October, and of course I had a >



knowledge gap of what had happened since I was in this position the last time. With a change in leadership, some of the collective memory is lost and also background knowledge of decisions that have been taken in the past. But I also realised that for many of the large challenges, for example, investments in transportation and so on, not so much had happened. This is, however, natural because the organisation is so large and complex and there are many external factors that need to be considered. Now we have new and massive needs for public transportation and housing to deal with and we are challenging the way we are financing these investments.

What do you want to achieve in terms of sustainability in the next three to five years?

It is difficult to set long-term goals, and difficult to measure if you're on the right track after only three or four years. We are working on that. There are a lot of expectations. As a politician or a civil servant, you say that you want to change things, and a lot of expectations arise. I think education is the most important thing to deal with because many young people in Stockholm drop out of school too early. We also have students that are going through school, and even university, that don't have a job. I want to improve education and have a higher percentage of young people willing to go on to higher education. The city has to take a lead in this work, to reach out to these youngsters. We also have to cooperate with private companies and together create jobs for young people. You have to find and work with the factors that are positive for the city and for us. One of these factors is that people from different backgrounds and cultures will have more confidence and trust in politicians and public authorities if they can see that we

ourselves have persons of different cultures and backgrounds employed in our own organisations. We have to go for skills and education and at the same time see the possibilities and benefits to employ people from different cultures.

How has Stockholm changed with the city becoming more international?

It is a different city. I grew up in the 60s and 70s and cultural life was okay. Big companies were in focus and small companies were not that interesting for the society. Now, small and medium-sized companies are perhaps even more important for the economy than the larger ones. And the growth of the creative sector has been extremely important. We have had a big change in cultural life. You can go out anywhere in Stockholm now to have a beer or a meal and it is good—top quality. There have been a lot of influences from outside that have really changed society and we now have a lot of international contacts and connections that we were not even close to before. So that is a big change due to immigration. Of course, there are some problems to meet the demand and the different cultures but I think the overall progress for the economy is very, very positive. That is, I think, why the Swedish people in general are also positive and open towards people coming from other countries. In general, people are very welcoming to companies, immigrants and tourists coming from different parts of the world because the Stockholmers have seen Stockholm becoming a more open, more creative society and city than it ever was before.

What would you say are the key operating principles that govern Stockholm?

Stockholm is one of the fastest growing cities in Europe. This is positive but also challenging for us. We're improving the transport system and we have a very high percentage of people travelling by public transportation. We want to focus on public transportation,



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bicycling, and pedestrians rather than cars. We have bold plans for expanding the metro system and for more capacity in the rail network. The challenge now is to use the new infrastructure to connect the different parts of the city, and also to build houses for all the people moving to Stockholm. Other key issues are to develop the city to be cohesive, inclusive, and climate smart. Sustainability is once again the key word.

Can you explain the fundamentals behind why Stockholm is such an attractive place to live and work?

Why it is so attractive? I think the main thing is that we have good fundamentals as a starting point, and if you have a positive cycle going on it will continue if you can give it a lot of energy and focus. We have the skilled and creative people and a well-organised society. We also have the nature with green areas and the water close to where we live and work. We have a good transport system. And it is possible to live as you like. You can live in a villa almost in the countryside and you can travel into the city to work in just half an hour or so. I also think



Stockholm is attractive because of our openness to other cultures. We have a mix of people here and we welcome this. World-leading Swedish companies have their headquarters here and they attract people from other countries. They are well-known brands. When you compare Stockholm with other cities we are in a very high position, whether it is living conditions, culture, or environment. We are almost always in the top five, and that is attracting people. And I think also when people speak about Swedes they stress that we are early adopters. We also have excellent possibilities for private companies to establish and grow here, and good public services such as schools and elderly care. ●

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