

Dear commissioner, colleagues, ladies and gentlemen,

I am very glad to see that so many of you have ignored the urge to spend time in the sun, swim, or just lay under an umbrella reading a page-turning novel. Instead you have decided to join us at this important conference – for that I am very grateful.

When I was appointed Swedish Minister for Higher Education and Research just a couple of weeks ago I said that I believed it to be the most important job in the government. How we handle the “knowledge policy issues” is more important now than ever.

The Swedish presidency of the European union has a lot of difficult tasks to handle. Our priorities are obvious. There are two issues that outshine all others in urgency – European economic recovery and climate change. In both of those grand challenges—knowledge, education and research plays important roles.

The financial crisis has affected us all. The road ahead is not clearly mapped, but the desired destination is clear. Europe must recover and find new ways to be competitive in the era of globalization. In times of economic turmoil, it’s important to remain farsighted.

Investments in research are not a “quick fix” for the crisis at hand, but it is vital when building an economy that will stand strong when again challenged.

Other countries have realized the importance of investments in research. President Obama’s recovery plan for the United States contains a massive increase in funding for research. Developing economies in Asia and Latin America are also putting a lot of money into their research. Later today, we will hear speakers from other parts of the world telling us their story. I’m looking forward to their presentations, although we Europeans might get a thing or two to think about.

We, who in different capacities are involved in European research and innovation policy, have a great responsibility. We must come together and make our voices heard, so that the long-term perspective isn’t lost in the European debate.

One basic condition for achieving more in our field is obviously more money. The Lisbon agenda states a goal that every member state should spend at least one percent of GDP on research. I am very proud that the Swedish government has introduced a research

bill with such a large increase of funding that we reach that target this year. It is my hope that more countries will follow.

On the European level it's about priorities. The European Union's budget must become more modern. Sweden calls for a shift in the budget—from the past to the present. Investments in research have a much higher added value than agricultural subsidies. But the shift is not just important for creating growth in Europe. It will also send the signal that Europe still stands for the classical strive for knowledge.

But more money isn't enough if we don't have systems to distribute them efficiently and accurately. And we have a lot of problems to deal with—both in our own countries and on the European level.

Let me start by saying a few words about the general big debates when it comes to research policy, and then move on to the Swedish priorities for the presidency of the European union.

The first one of those always-present topics is quality—and how to best achieve it. We have a lot of excellent research in Europe but we know there is a need to improve. In order to be competitive, we must make sure that our investments are put towards the best

environments. It's far too common today that research grants are distributed without enough quality assessments. In my opinion, peer-review must be the standard—all over Europe.

When discussing research policy you always, often sooner than later, come to talk about the so-called conflict between basic research and applied research. For me, it's really not a conflict. It's obvious that we need both.

The basic research is vital to the academic freedom. Researchers must have the guts and the resources to ask the impolite and uncomfortable questions. Sometimes curiosity is a good enough reason to start a research project, you'll never know what it might lead to. That does not mean that private companies can't fund a research project—they certainly can. It just means that they will have to be prepared to get an answer they may not like.

And who can say for certain what kind of knowledge or what kind of technique we'll need in the future? Once upon a time Sweden was the leading country in the world on research and development of radios based on vacuum tubes. All our resources in that field went into improving that very technique and all was well—until the day

the Americans invented the transistor radio. All of a sudden all our knowledge on vacuum tubes was pretty much useless.

My point is this—if we only invest in applied research, soon we'll be left without any research to apply.

But what good is a brand new technique or a new miracle drug if it's left in a desk drawer at a university? That leads me to the next great challenge for European research—how to boost our innovation systems in order to get the most out of our research investments.

Innovation and commercialization is not something that the sector can solve by itself. It has a lot to do with the entrepreneurial climate, the business climate and the taxation system. But there are things we can do.

It's my experience that brilliant researchers are not always great businessmen, although some are. In Sweden we have the extraordinary example of Alfred Nobel who both invented the dynamite and commercialized it to make the fortune that today is used to fund the Nobel Prize. But renaissance people like Alfred Nobel don't come around that often. Instead I believe in match

making. Universities should be better at helping their employees find a venture capitalist to help fund the development of their own inventions.

Many researchers hesitate to commercialize an idea because it could hold them back in their academic career. When applying for tenure or a professorship many believe, often correctly, that a couple of published articles beats two years building up a company based on a new idea. We must find ways to make it easier to go back and forth between the academic world and the private sector.

The last of great issues I'll mention is about research infrastructure. I'm very much in favor of mobility among researchers. A change of environment is often very good for researchers—new surroundings give new perspectives. But in the era of globalization, when it's easier than ever to migrate—Europe must try harder to be able to keep our best minds—and to attract others.

Big investments in research are one important factor, having state of the art research facilities is another. On that area, Europe has clearly been lagging behind the US and Asia.

Being in Lund, it feels natural to use the European Spallation Source as an example.

In the beginning of the 1990's it was determined that the world could use three spallation sources—a research facility often compared to a giant microscope, used in material research.

It was stated that one should be located in the US, one in Asia and one in Europe. Both Japan and the US have spallation sources up and running, but Europe has not been able to reach a decision until recently.

Obviously I am very pleased that the location of the European Spallation Source will be Lund in Sweden, but it's taken way to long to get here. In order for Europe to compete with the rest of the world—we need better decision making skills when it comes to large investments. Otherwise we will loose our best researchers to other continents.

Those are some big issues that are always interesting to debate. However, when choosing priorities on the research field for the Swedish presidency of the European Union – we had to limit ourselves.

We have chosen three areas where we think we can make a difference during our six months.

**First.** We will increase focus on the knowledge triangle. We must strengthen education on all levels, increase the investments in research and find ways to boost our systems for innovation. But we must also find ways to interlink these three areas and enhance the cooperation between research, education and innovation.

**Second.** We want to develop a new governance structure for the European Research Area – the ERA. Our goal is an ERA characterized by relevance and efficiency. This is important both in general but also as an argument when debating the budget review. We must be able to argue that money invested in European research is money well spent. A more efficient system is a prerequisite for winning that fight.

A better ERA calls for a new partnership between the Commission and the member states. The member states must engage themselves more in the development of the ERA, allowing better flow of knowledge and resources between member states. Europe can get a lot more out of the resources that we invest through more

cooperation and better coordination between member states. It is important to emphasize that political will and determination must go hand in hand with academic freedom.

**Third.** We want to start the debate on the next framework program. I believe that the next framework program should have a new aim. Instead of being overly bureaucratic with a technical thematic structure – I believe it should be focused at achievements. We should use the European research program to build knowledge to meet the grand challenges we face – climate change, water shortage, poverty, diseases. This will not only help improve Europe's competitive advantage, I believe it will also make the framework program easier to understand and more accepted.

Dear friends,

To mismanage research policy in our time would be a historical mistake – one we just can't afford to make. We need more cooperation – between countries, between institutions, between the public and private sector, between individual researchers. We must raise our level of ambition – both at home and at the European level.

This is especially important during the financial crisis and recession that Europe now has to deal with. Investments in research are vital for Europe's strength in the future. We must keep the longer perspective in mind and be bold enough to make the right decisions in these difficult times. Today's research is tomorrow's welfare.

We have a lot of work ahead of us. This conference in Lund is the starting point for all our efforts the coming months. I hope that there will be many debates and I'm really looking forward to seeing what you will decide to put in the Lund declaration.

Thank you for listening.