SWEDEN 2026
STRATEGIC COUNTRY ASSESSMENT

Internal and external policy, economics, society, demography, communications, alliances, threat perceptions and grand strategy
through the analytical lens of Guerra di margini

Research cut-off: 19 September 2026
Prepared as a strategic assessment based on open sources, official Swedish and EU materials, RAND research, public intelligence assessments, and Russian and Chinese official narratives.

Executive assessment

Sweden in September 2026 is best understood as a state in the middle of a strategic conversion rather than a state that has completed one. The decisive transition is not simply the formal abandonment of military non-alignment through NATO accession in March 2024. It is the simultaneous re-pricing of security, geography, infrastructure, industrial capacity, demographic resilience and political cohesion after three decades in which Swedish policy could assume that the marginal cost of defence readiness was greater than the marginal security benefit of maintaining Cold War levels of mobilisation. Russia's full-scale invasion of Ukraine, repeated damage to Baltic undersea infrastructure, rising cyber and influence activity, uncertainty over the future scale and reliability of United States engagement in Europe, and the hardening of economic competition with China have reversed that calculus. The Swedish state is therefore reconstructing an all-of-society defence model while trying to preserve an open economy, a technologically sophisticated welfare state and fiscal credibility. The central strategic question is no longer whether Sweden should spend more on security, but how many simultaneous forms of resilience it can purchase before the marginal cost of each additional layer begins to erode growth, social cohesion or policy flexibility elsewhere.

The political setting is unusually fluid because the parliamentary election took place on 13 September 2026. By 17 September all ballots had been counted, with the centre-left opposition on 176 seats and the outgoing right bloc on 173, while formal certification was still pending. Prime Minister Ulf Kristersson requested to be discharged from office and, on 18 September, Speaker Andreas Norlén asked Social Democratic leader Magdalena Andersson to explore the possibility of forming a government. A government had not yet been formed at the research cut-off. This matters analytically because the report must distinguish between policy already enacted by the Kristersson government, structural commitments that any plausible successor would inherit, and campaign positions that may or may not become policy. Defence rearmament, NATO integration, support for Ukraine and the stronger Nordic-Baltic orientation are already embedded in enacted decisions, agency planning and alliance commitments. Migration, criminal justice, taxation, climate implementation, nuclear financing and the balance between coercive and integrative social policy remain more politically contestable.

From a Guerra di margini perspective, Sweden possesses unusually valuable strategic margins. It has low public debt by European standards, strong institutions, a large current-account surplus, advanced manufacturing, a globally competitive defence-industrial base disproportionate to population, abundant low-carbon electricity, access to the Baltic and Arctic theatres, a high-technology labour force and dense alliances. These are options, not merely assets. The policy value of those options depends on how quickly they can be converted into usable capability without destroying the conditions that made them valuable. The same defence industry that gives Sweden strategic autonomy can become capacity-constrained if national procurement, support to Ukraine and export demand all rise faster than skills and production. The same fiscal room that can finance rearmament can narrow rapidly when defence, nuclear power, grid expansion, ageing and welfare compete for resources. The same open economy that generates wealth exposes Sweden to shocks in trade, market funding, energy and strategic technologies. In marginal terms, Sweden is stronger than headline size suggests, but its strength is highly network-dependent.

The most important geographical change is that Sweden is no longer a strategically ambiguous space between NATO and Russia. It is part of NATO's operational geography. Swedish territory connects Norway and the North Atlantic to Finland and the Baltic states, while Gotland sits astride the central Baltic and Swedish airfields, ports, railways, sensors and command networks can support reinforcement of the entire northern flank. RAND analysis before and during Sweden's accession repeatedly emphasized the logistical and operational value of Swedish geography, especially Gotland and the ability to support Baltic reinforcement. NATO membership converts those latent advantages into alliance obligations. This creates a positive marginal effect for deterrence, because Swedish territory complicates Russian planning, but it also raises the marginal value of Swedish infrastructure to an adversary, making

ports, air bases, energy links, telecommunications, satellite services and political decision-making more attractive targets for hybrid disruption.

Swedish threat assessments have hardened accordingly. Säkerhetspolisen's 2025–2026 situation assessment identifies Russia, China and Iran as the principal state threats to Sweden, with Russia remaining the largest. MUST's 2025 annual report assesses that the military threat from Russia in Sweden's neighbourhood will rise as Russia gradually rebuilds military capabilities and continues hybrid methods. In August 2026 Säpo stated that it had disrupted an SVR-directed intelligence and influence operation aimed at Swedish decision-making and at discrediting Sweden, NATO and the EU. These are Swedish official assessments and should not be treated as neutral descriptions of Russian intent, but they are strategically important because they shape Swedish procurement, counter-intelligence, legal policy and public preparedness. Conversely, public Russian and Chinese narratives portray Sweden's deeper Western alignment through different lenses: Russian rhetoric tends to frame NATO enlargement and Baltic militarisation as destabilising encirclement, while Chinese official messaging in 2026 emphasized economic complementarity, mutual benefit and the desirability of separating commercial cooperation from political securitisation. Neither narrative is equivalent to an intelligence estimate; both are useful as indicators of how external powers seek to influence the political meaning of Swedish choices.

Economically, Sweden enters this transition from a stronger position than many European states but not from a costless one. The IMF's July 2026 Article IV assessment projected real GDP growth of about 2 per cent in both 2026 and 2027, while the European Commission's May forecast put growth at 1.8 per cent and 2.2 per cent respectively. The Riksbank held the policy rate at 1.75 per cent in August, noting improved sentiment but still-high unemployment and risks that supply shocks could raise underlying inflation. The Commission expected unemployment to fall only gradually from 8.8 per cent in 2025 to 7.9 per cent in 2027. Sweden therefore has a cyclical recovery without a fully repaired labour market. Its more persistent constraints are slower productivity growth, skills mismatch, housing distortions, demographic ageing, high household indebtedness and financial-sector exposure to real estate and market funding. These constraints determine the real opportunity cost of defence and resilience spending.

The grand strategy that emerges is not written in a single canonical document, but it is coherent enough to describe. Sweden is attempting to become an indispensable northern European node: militarily useful to NATO, politically influential inside the EU, industrially relevant to European defence rearmament, resilient enough to absorb hybrid pressure, technologically connected to the United States and Europe while selectively de-risking from China, and geographically central to Baltic-Arctic security. It is a strategy of networked sovereignty rather than autarky. Sweden seeks more freedom of action not by standing apart from blocs, as in the twentieth century, but by embedding itself so deeply in overlapping Nordic, Baltic, NATO, EU, JEF, bilateral and industrial networks that the cost of coercing Sweden rises and the number of alternatives available to Stockholm expands. In Guerra di margini terms, the objective is to maximise strategic optionality and raise the adversary's marginal cost of interference faster than Sweden's own marginal cost of resilience.

Key judgments

Judgment	*Assessment*	*Confidence*
Strategic orientation	The structural direction is toward deeper NATO, Nordic-Baltic and EU security integration, regardless of the exact coalition formed after the 2026 election.	High
Primary external threat	Swedish official services identify Russia as the principal state threat; China is treated more as a long-horizon intelligence, technology and economic-security challenge; Iran as a narrower but active security threat.	High for Swedish assessment; medium for underlying future intent
Economic capacity	Sweden can finance a substantial defence increase because of low public debt and credible institutions, but ageing, infrastructure, nuclear investment and welfare needs create rising opportunity costs.	High

Social vulnerability	The most consequential internal vulnerabilities are not generalized social collapse but uneven integration, organised-crime ecosystems, labour-market mismatch, housing segmentation and declining demographic momentum.	Medium-high
Geostrategic value	NATO membership makes Swedish territory, especially Gotland, southern ports, central logistics corridors and northern space/air infrastructure, more valuable both to allies and as targets.	High
Grand strategy	Sweden is pursuing networked sovereignty: increasing autonomy through dense alliances, domestic industrial capacity and total-defence resilience rather than through neutrality.	Medium-high
Marginal risk	The principal danger is simultaneous overextension: defence, energy, infrastructure, welfare and industrial policy could all be individually rational but collectively exceed the state's absorptive and skills capacity.	Medium-high

1. Method, scope and the lens

This report treats Sweden as a strategic system in which military, economic, demographic, infrastructural and cognitive variables interact. The research base prioritises Swedish primary sources: Government Offices communications, the Total Defence Resolution 2025–2030, the 2026 Statement of Foreign Policy, the 2026 Arctic Strategy, Säkerhetspolisen and MUST public assessments, the Swedish Armed Forces, the Psychological Defence Agency, Statistics Sweden, the Riksbank, the Swedish National Institute of Economic Research where available, and sectoral authorities. These are cross-checked with the European Commission, IMF, ENISA, EEAS, NATO and RAND. CIA material is used sparingly because the World Factbook was discontinued in February 2026; its continuing value is mainly institutional reference rather than current analytic depth. Russian and Chinese material is included as publicly observable state narrative. This distinction is critical: public statements by the Russian Foreign Ministry, TASS or Chinese Ministry of Foreign Affairs cannot be equated with secret intelligence reporting and are therefore treated as signalling and influence material, not as verified assessments of Swedish capability or intent.

The Guerra di margini framework changes the questions. Conventional country analysis asks whether Sweden is rich, stable, well armed, ageing, highly indebted or well allied. Marginal analysis asks what an additional unit of effort buys, what it displaces, how rapidly diminishing returns appear, what can substitute for what, and which options are being consumed. An additional billion kronor for defence has a different strategic value depending on whether it buys scarce ammunition, air defence, training throughput, repair capacity, cyber redundancy or a platform whose delivery is delayed by industrial bottlenecks. An additional migration restriction may reduce one administrative burden while increasing another through labour scarcity or weakening the inflow of specialised skills. One more electricity interconnector can increase system flexibility but may also expose domestic consumers to continental price dynamics. One more bilateral security compact can add redundancy to NATO, or create coordination complexity. The relevant variable is therefore not expenditure or policy intensity alone but the ratio between marginal strategic effect and marginal economic, political and institutional cost.

The framework also requires distinguishing stock from flow. Sweden's historic strengths are stocks: institutional trust, infrastructure, accumulated human capital, industrial know-how, financial credibility, reservoirs and nuclear plants, diplomatic reputation and alliance relationships. Crisis policy turns those stocks into flows. The danger is that the visible flow of capability can be maintained for a time by consuming the stock underneath it. A military surge can be financed by debt, overtime and depletion of inventories; welfare stability can be maintained by postponing infrastructure maintenance; industrial output can rise by drawing workers from civilian sectors; social order can be temporarily improved through intensive policing without reducing recruitment into criminal networks. Guerra di margini therefore asks whether a policy renews the stock that generates future options or merely monetises it.

Finally, marginal analysis is explicitly relational. Sweden does not need to match Russia unit for unit, nor China market for market. It needs to create asymmetries that make coercion expensive and alternatives abundant. Geography, alliances and technology allow a smaller state to impose

disproportionate costs. The corollary is that dependencies can reverse the asymmetry. A single undersea cable, a concentration of cloud services, a critical transformer with a multi-year replacement time, a specialised ammunition component or a narrow pool of nuclear engineers can become a point where an adversary obtains high marginal leverage at low cost. The report therefore gives disproportionate attention to bottlenecks and substitution rather than to aggregate national totals.

2. Political system and the post-2026 electoral transition

Swedish political stability rests on institutions that are stronger than governments. The Riksdag has 349 seats; executive authority is exercised by the cabinet while autonomous public agencies implement policy with a degree of operational independence unusual by international standards. RAND's 2024 comparative study of defence planning highlighted this institutional separation, the role of collective ministerial decision-making and Sweden's transparent multi-year budget process as strengths because they make long-term defence planning less vulnerable to abrupt political changes. That institutional architecture is especially important in September 2026 because political power is changing hands while defence and security programmes are accelerating. The 13 September election produced an extremely narrow parliamentary shift. Reuters reported on 17 September that all ballots had been counted, with 176 seats for the centre-left bloc and 173 for the outgoing right bloc, while formal certification remained pending. Kristersson requested to be discharged from office that day; on 18 September the Speaker asked Andersson to explore the possibilities of forming a government. The final form of a government remains unresolved at the cut-off.

This interregnum should not be mistaken for strategic paralysis. Sweden's rearmament programme is embedded in legislation, agency planning, industrial contracts and alliance commitments. The Total Defence Resolution 2025–2030 allocates more than SEK 170 billion in additional military funding through 2030 and SEK 37.5 billion to civil defence. The outgoing government budgeted SEK 175 billion in military appropriations for 2026 and stated that NATO-defined defence expenditure would reach 2.8 per cent of GDP in 2026, 3.1 per cent from 2028 and 3.5 per cent by 2030. Reversing that path would require a new parliamentary coalition to absorb substantial political and alliance costs. Thus, the most important security policies have high path dependence. The election changes the distribution of emphasis, not the strategic fact that Sweden has committed itself to collective defence.

Domestic policy is less locked in. The Kristersson government, supported by the Sweden Democrats through the Tidö framework, made migration restriction, tougher citizenship rules, organised crime and nuclear energy central priorities. Government communications described asylum immigration as having fallen to the lowest level since 1985 and framed integration around language, self-sufficiency, citizenship obligations and adherence to Swedish norms. The outgoing government also promoted stronger deportation powers and stricter labour-migration controls while seeking to preserve access for high-skilled workers. A centre-left-led government could revisit the balance, but any successor would inherit two constraints: public concern about crime and integration is real, and demographic ageing raises the economic value of productive migration. The politically salient question is therefore no longer a simple open-versus-closed binary but how different migration flows interact with fiscal, security and labour-market outcomes.

The 2026 election also matters for Sweden's cognitive resilience. Before the vote, the Psychological Defence Agency warned that elections create opportunities for malign influence and that AI lowers the technical barrier to tailored manipulation. Yet on 14 September MPF and the National Cyber Security Centre reported that the election had taken place without major cyberattacks or coordinated foreign information operations and that Sweden had not been a priority target. This is an important corrective to alarmist narratives. The threat was plausible and preparations were extensive, but the observed event was comparatively quiet. In Guerra di margini terms, preparedness may itself have raised the expected cost of interference, but analysts should resist claiming deterrence as proven causation; the absence of attack could equally reflect adversary prioritisation elsewhere.

The broader political risk is fragmentation rather than institutional breakdown. A 176–173 division leaves any government exposed to small-party bargaining, dissent and issue-by-issue coalition management. This can raise the transaction cost of reforms precisely when Sweden needs decisions that allocate losses: defence spending consumes fiscal space; grid investments alter regional interests; housing reform creates winners and losers; migration policy redistributes labour-market risks; nuclear projects shift long-horizon financial risk to the state. Strong institutions reduce the probability of abrupt crisis, but a narrow parliament can increase the marginal political cost of each structural reform. The practical consequence is that technocratic consensus may continue in security policy while domestic economic and social reforms become slower and more negotiated.

3. External policy: from non-alignment to constrained Russia strategy

The 2026 Statement of Foreign Policy makes the new orientation explicit. The outgoing government described support to Ukraine as Sweden's foremost foreign-policy priority, assessed that Russia's objectives extend beyond Ukraine and called for preparation for a long-term confrontation with Russia. It placed NATO deterrence and the credibility of Article 5 at the centre of Swedish security, while simultaneously arguing that Europe must assume more responsibility because the United States is entering a more uncertain relationship with Europe. This dual perception is strategically consequential: Sweden is not replacing dependence on the United States with European autonomy; it is trying to insure against changes in US policy by strengthening European capacity inside NATO. That is classic portfolio diversification in strategic form.

Sweden's regional activism is now concentrated on the Nordic-Baltic theatre. Government statements in 2026 describe Nordic and Nordic-Baltic cooperation as deeper than ever, emphasize stronger Baltic Sea security cooperation and present Sweden's partnerships with Germany, the United Kingdom, France, Canada and Poland as complementary layers. In June 2026 Sweden and Poland concluded the procurement of three A26 submarines from Saab and launched a broader Baltic Sea Pact covering security policy, military cooperation and defence industry. Sweden will lease HMS Södermanland to Poland until 2032 and support Poland's submarine programme into the 2030s. This is more than an export contract. It locks together training, maintenance, industrial supply, doctrine and political expectations, turning commercial interdependence into a security network.

The NATO role has also become operational. Swedish forces are contributing to Forward Land Forces in Latvia, naval forces, integrated air and missile defence, and Sweden has taken responsibility as framework nation for NATO Forward Land Forces in Finland. The government also announced combat-aircraft participation in Arctic Sentry. The May 2026 NATO foreign ministers' meeting in Helsingborg symbolically placed Sweden inside alliance political command culture. Sweden's strategic value lies not primarily in mass but in geography, specialised capabilities and infrastructure: air bases that can support northern operations, submarine and anti-submarine expertise, Gripen aircraft, sensors, ports, a technologically advanced navy, Gotland, and overland routes connecting Norway to Finland and the Baltic.

RAND's pre-accession analysis argued that Sweden could provide strategically valuable bases and logistics for Baltic reinforcement and that Gotland could influence air and sea operations across the central Baltic. Its 2024 defence-planning study added that Sweden's total-defence framework, defence-industry ties and long-term budget processes are unusual strengths, while warning about weaknesses in performance metrics and long-term capability planning. The practical meaning in 2026 is that Sweden's accession does not simply add another flag to NATO. It changes the geometry of reinforcement. Finland's long land border with Russia, Norwegian access to the North Atlantic and Swedish transit space now form a more coherent northern operational area. The marginal value of each country rises because the others are present.

The Russian side interprets the same change through an opposing security narrative. Public Russian discourse has consistently represented Finnish and Swedish NATO accession as expansion of a hostile

military infrastructure toward Russia and has warned that military countermeasures will follow. Because accessible Russian public sources mix official diplomacy, strategic messaging and domestic propaganda, the report does not treat such claims as reliable forecasts of action. Their importance is signalling: Moscow wants Swedish audiences and other Europeans to associate deeper NATO integration with higher risk. Swedish policy seeks to invert that causal story by arguing that Russian coercion made NATO accession necessary and that stronger deterrence lowers the probability of war. The strategic contest therefore concerns not only force posture but the interpretation of causality itself.

4. Russia, hybrid pressure and intelligence competition

Swedish intelligence and security agencies now frame Russian activity as continuous competition below the threshold of open war. Säkerhetspolisen's 2025–2026 assessment states that Russia conducts intelligence collection on Swedish political positions, NATO efforts, the military-equipment industry, support to Ukraine and infrastructure relevant to longer-term war preparation. It also warns of sabotage risks and the use of disposable agents recruited digitally for single tasks. MUST's 2025 annual report similarly assesses that Russia will continue to develop hybrid methods in Northern Europe and describes Russian decision-making toward the West as opportunistic and risk-acceptant. These assessments are not self-validating evidence of every alleged Russian action, but they establish the threat model within which Sweden allocates resources.

The August 2026 Säpo disclosure provides a concrete case. The service said it had disrupted an SVR-directed operation designed to influence Swedish decision-making and discredit Sweden, NATO and the EU, involving an agent at a foreign diplomatic mission. The strategic value of such operations, when they work, is precisely their favourable marginal economics. A successful influence network can impose political friction, consume counter-intelligence resources and amplify existing social disputes at a cost far below that of military coercion. The defender therefore faces an asymmetry: it must protect many open institutions, while the attacker needs only occasional access to a sensitive node. Sweden's answer is to harden counter-intelligence, election protection, cyber security and psychological defence without closing the open society that generates legitimacy and innovation.

Baltic infrastructure illustrates the same problem physically. Damage to undersea telecommunications and energy connections since 2023–2025 has demonstrated how difficult attribution can be when civilian shipping, anchors, seabed conditions, insurance, sanctions evasion and covert intent overlap. Sweden joined a 2025 memorandum among Baltic EU states, Norway, Iceland and the EU on protecting critical undersea infrastructure, while NATO expanded Baltic Sentry activities. In 2026 the EU's MARSEC exercise in Finland again focused on underwater infrastructure and suspicious maritime activity. The objective is not only to prevent damage; it is to shorten detection, attribution, repair and political decision cycles so that the strategic yield from ambiguous sabotage falls.

In Guerra di margini terms, the correct response is not infinite hardening. It is to identify nodes where small investments dramatically reduce systemic loss: spare cable capacity, distributed routing, rapid-repair contracts, surveillance of high-risk vessels, reserve power at telecom nodes, alternative command locations, interoperable data, and legal mechanisms that allow faster action. The Swedish Total Defence Resolution explicitly stresses reserve power, redundancy and repair preparedness in electronic communications. The value of a redundant fibre route is not its average daily use but the option it creates when a primary route is disrupted. This is a classic strategic real option: an apparently idle asset can be economically efficient because it reduces the tail cost of rare events.

The principal analytic risk is mirror-imaging. Sweden sees Russia through the experience of Ukraine and repeated hybrid incidents; Russia sees Sweden through the enlargement of NATO and Western support to Ukraine. Each side can interpret precautionary moves by the other as evidence of offensive intent. Yet the asymmetry is material: Russia is conducting a large interstate war and has used force to revise borders, while Sweden has no comparable record of territorial coercion. Neutral analysis does not require treating the evidentiary weight of competing narratives as equal. It requires separating

observed action, official assessment, inferred intent and propaganda, and then estimating the decision consequences of being wrong in either direction.

5. China: economic opportunity, intelligence concern and de-risking

China occupies a fundamentally different place in Swedish strategy from Russia. It is neither a proximate military threat nor a state Sweden can economically ignore. The 2025 Swedish Statement of Foreign Policy described China as the world's second-largest economy and a technology leader, while expressing concern over its geopolitical ambitions, Taiwan, human rights, support enabling Russia's war effort, and Chinese intelligence and security-threatening activities against Swedish and allied interests. Swedish policy therefore follows the broader EU formula of de-risking rather than decoupling: preserve trade and innovation where interests align while reducing unilateral dependence in technologies, infrastructure and supply chains that can create coercive leverage.

The Chinese official narrative in 2026 pushes in the opposite direction. During Wang Yi's July visit to Stockholm, the Chinese Foreign Ministry emphasized the long history of bilateral ties, recalled Sweden as an early Western recogniser of the People's Republic, praised what it described as Sweden's tradition of independent foreign policy and argued for objective perceptions, mutual respect and mutually beneficial cooperation. Chinese embassy messaging to Swedish business groups repeatedly stressed that common interests exceed differences and warned against protectionism and excessive politicisation of economic relations. This is strategically sophisticated messaging because it targets a genuine Swedish dilemma: many globally competitive Swedish firms need access to the Chinese market, industrial ecosystem and innovation base even as the state worries about technology leakage and dependency.

Business Sweden's 2025 mainland China survey found that the business climate for Swedish companies had reached a decade low, yet many companies remained committed to the market. China remained Sweden's largest trading partner in Asia and a significant part of global sales for major Swedish firms. The marginal problem is thus not whether China matters but where the next unit of dependency becomes dangerous. A company can diversify suppliers while retaining customers; the state can restrict high-risk telecom or defence-adjacent technologies without trying to remove ordinary trade; Swedish research institutions can tighten screening in sensitive domains while preserving academic exchange elsewhere. De-risking only works if it is granular enough to distinguish these categories.

Sweden's exposure is also indirect through the EU and global value chains. Even a modest bilateral trade share can conceal dependencies on Chinese processing, components, rare earths, batteries, solar supply chains or machinery embedded in German and other European exports. Conversely, Sweden possesses strategic materials and industrial capabilities that may become more valuable as Europe seeks supply-chain autonomy. The country's northern mining, power and transport systems therefore connect China policy to Arctic policy, climate policy and defence. Restricting one dependency can create a new one if alternatives are concentrated elsewhere. Guerra di margini therefore evaluates de-risking not by the number of Chinese links removed but by the increase in substitutability and the reduction in single points of failure.

The July 2026 visit also shows that security competition has not eliminated diplomacy. The resumption of the Stockholm–Shanghai route and high-level political contacts suggest an attempt by both sides to stabilise commercial relations while accepting strategic disagreement. The relevant forecast is not a simple deterioration or rapprochement. It is compartmentalisation: more scrutiny in telecoms, dual-use technology, research security and critical infrastructure alongside continued trade promotion in less sensitive sectors. The sustainability of that arrangement will depend on the evolution of China–Russia cooperation, Taiwan tensions, EU trade defence measures and US demands on technology controls.

6. European Union, Nordic-Baltic networks and the meaning of alliance density

Sweden's 2026 foreign-policy statement calls the EU its most important foreign-policy platform and supports a more geopolitical and resolute Union, including a stronger defence dimension, military

mobility, civil preparedness and more qualified-majority decision-making in foreign policy. This is a significant evolution for a state that historically placed high value on national sovereignty in security affairs. The change reflects a calculation that sovereignty in a fragmented international system is increasingly produced through collective regulatory and industrial scale. The EU can sanction shadow-fleet operators, finance defence production, shape digital rules, coordinate infrastructure and negotiate trade agreements in a way Sweden cannot do alone.

Alliance density is one of Sweden's greatest strategic assets. NATO provides collective defence and operational planning; the EU provides market, regulatory, sanctions, infrastructure and industrial tools; NORDEFCO enables deep Nordic military cooperation; the UK-led Joint Expeditionary Force offers a flexible northern coalition; Nordic-Baltic Eight cooperation links political coordination across the region; bilateral partnerships with Poland, Germany, France, the UK and Canada create specialised channels; and the United States remains indispensable in high-end deterrence, intelligence, logistics and technology. These are not redundant in the pejorative sense. Properly designed, redundancy gives Sweden alternatives if one institution is slow or politically blocked.

The downside is coordination cost. Every framework has planning cycles, exercises, standards, political consultations and procurement preferences. A small state can become over-networked if the administrative burden of participation consumes scarce staff or if different partners demand incompatible equipment and readiness commitments. RAND's 2024 study of European defence planning identified both the value of cooperation and persistent national incentives to protect sovereign programmes and domestic industries. Sweden's defence-industrial base intensifies this tension: Stockholm benefits from common European procurement, but it also has strong reasons to preserve national competence in combat aircraft, submarines, command systems and ammunition.

A Guerra di margini approach therefore views alliance participation as a portfolio. The marginal value of another framework is high when it adds a capability or political option not already available; it is low when it duplicates meetings and plans without improving readiness. Sweden's bilateral submarine cooperation with Poland is high-value because it creates shared capability and industrial demand. Participation in Baltic infrastructure protection is high-value because threats are inherently transnational. By contrast, political declarations with little implementation can generate declining returns. The strategic task is to convert institutional density into practical interoperability, repair capacity, stockpiles, transport permissions, shared situational awareness and pre-agreed decision mechanisms.

7. Military power, total defence and industrial mobilisation

Sweden's defence transformation is the largest since the Cold War. The 2025–2030 resolution adds more than SEK 170 billion to military defence and explicitly aims to increase personnel, equipment, units and joint-exercise experience. The government's 2026 military budget page states that military appropriations total SEK 175 billion, up 18 per cent from 2025, and that defence expenditure under NATO's definition is expected at 2.8 per cent of GDP in 2026, 3.1 per cent from 2028 and 3.5 per cent by 2030. These figures capture fiscal effort, not necessarily usable combat power. The conversion rate depends on training, delivery times, munitions, maintenance, command systems, basing, personnel retention and the ability of industry to expand.

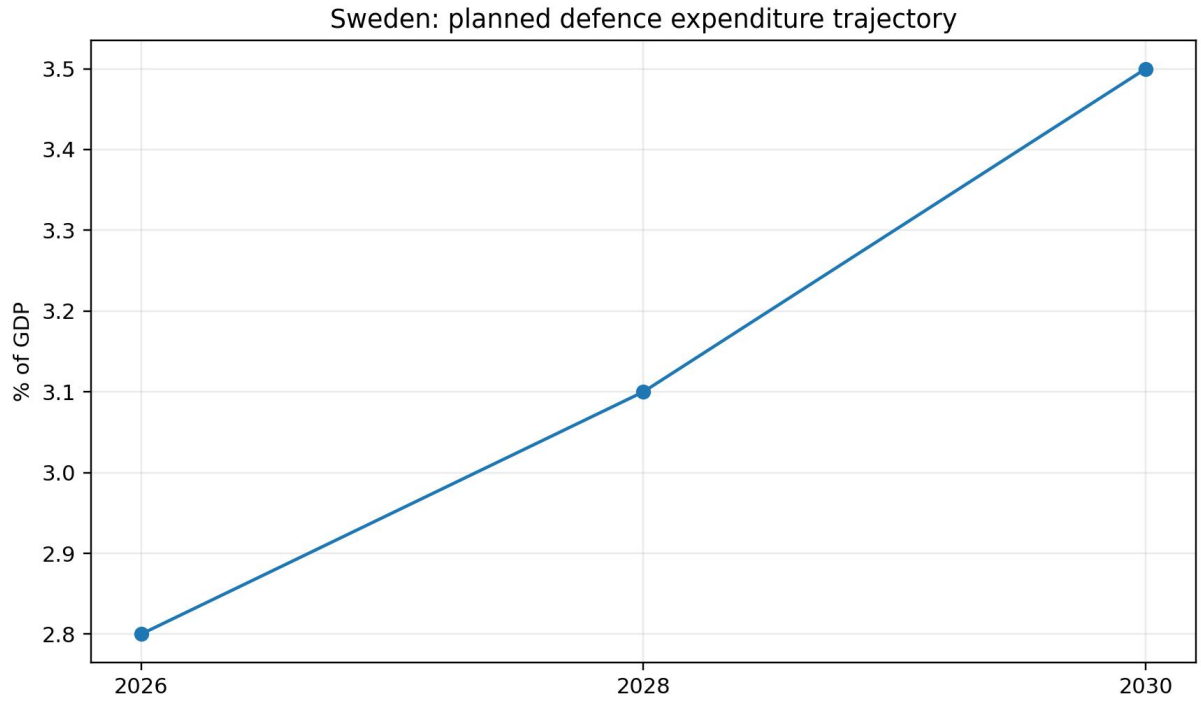

Figure 1. Planned trajectory of Swedish defence expenditure under government policy Source: Government Offices of Sweden, Military budget, 2026.

Sweden's comparative advantage is that it retained industrial capabilities many European states allowed to atrophy. The 2025 Defence Industry Strategy explicitly identifies combat aircraft, underwater systems, command and control and cartridge ammunition as strategic materiel categories and calls for long-term orders, joint procurement, increased ammunition production, central-government investment in production capacity when necessary, access to key materials and components, and stronger defence-company access to capital. Saab's Gripen ecosystem, submarine design and production, sensors and missiles give Sweden not only equipment but bargaining power inside alliances. A country that can contribute scarce capability has more influence than one that only purchases it.

Yet industrial sovereignty is relative. Swedish systems still depend on foreign engines, electronics, raw materials, software, machine tools, financing and export markets. The defence industry therefore works best as a node in allied supply chains rather than as an autarkic arsenal. The Poland A26 agreement shows the logic: export demand expands production scale and preserves skills that Sweden alone might not economically sustain. The strategic risk is that export success and national rearmament compete for the same constrained engineers, shipyard slots and components. The marginal value of a new export order is high if it funds capacity expansion; it can be negative for readiness if it displaces urgent domestic deliveries without adding capacity.

Total defence extends beyond armed forces. The Swedish model assigns roles to government, municipalities, regions, businesses, voluntary organisations and citizens. Civil defence funding of SEK 37.5 billion through 2030 is intended to improve health care, food, water, energy, communications, transport, shelters, rescue services, cyber security and continuity of government. RAND's work on societal resilience highlights the historical depth of this model and the post-Cold War decline in stockpiles and planning that Sweden began reversing after 2014. In marginal terms, total defence is an attempt to prevent a military adversary from gaining cheap leverage by attacking civilian systems. If electricity, payments, telecoms or hospitals collapse quickly, expensive military capability loses strategic value.

The binding constraint is absorptive capacity. Budget increases can exceed the rate at which the armed forces and industry can turn money into trained people and available systems. Rapid expansion creates cost inflation, procurement risk and competition for specialised labour. Sweden therefore needs to

measure not merely allocations but time-to-effect. A billion kronor spent on a long-lead platform has low immediate deterrent effect but may be essential for the 2030s; the same amount spent on munitions, repair kits or exercises may produce faster readiness but less long-term transformation. The optimal portfolio balances these horizons rather than maximising any single category.

8. Gotland, the Baltic Sea and the geography of reinforcement

Gotland has become shorthand for Sweden's strategic geography, but its significance is often oversimplified. The island matters because it sits in the central Baltic, can support air defence, sensors, anti-ship systems and logistics, and lies near maritime and air routes relevant to the Baltic states. RAND analyses long before Sweden joined NATO argued that control of Gotland could influence access and reinforcement dynamics. NATO membership changes the problem because Swedish defence of the island is now embedded in collective planning rather than national ambiguity. The adversary must consider not only Swedish forces on Gotland but allied response, dispersed air operations and the possibility that Swedish territory supports countervailing fires and surveillance.

The island also illustrates civilian-military interdependence. Svenska kraftnät decided in March 2026 to assume a stronger role in ensuring robust electricity supply to Gotland when new 220 kV mainland connections come into service around 2030, explicitly citing the security environment and Gotland's total-defence significance. That decision captures the marginal logic of resilience. Normal reliability standards are insufficient when an island has strategic value in heightened alert. Additional redundancy may look expensive under peacetime utilisation rates but has high option value during crisis.

At the wider Baltic level, Sweden's goals are sea control where possible, denial where necessary, protection of trade and infrastructure, and rapid allied reinforcement. The Baltic is geographically constrained, commercially dense and heavily instrumented, which favours surveillance but also creates ambiguity because civilian and military traffic overlap. Russia's Kaliningrad enclave, St Petersburg access, Baltic Fleet, missile systems, electronic warfare and shadow-fleet activity interact with NATO's enlarged northern perimeter. The most likely pressure is therefore not a classical fleet battle in isolation but a layered contest involving drones, mines, GPS interference, cyber operations, cable incidents, sanctions enforcement, airspace violations and political signalling.

Sweden's best contribution is to make the theatre transparent and repairable. Sensors, submarines, maritime patrol, Gripen operations, coastal systems, data fusion and rapid infrastructure repair reduce the adversary's ability to exploit ambiguity. This is cheaper than attempting to physically guard every cable or shipping lane. The marginal objective is to reduce the expected gain from each disruptive act by shortening downtime and increasing attribution probability. A resilient system does not promise zero incidents; it denies incidents strategic accumulation.

9. The Arctic and High North: Sweden as a corridor and space power

Sweden's June 2026 Arctic Strategy defines five focus areas: peace, security and stability; economy and trade; climate and environment; resilient communities; and strategic resources. The strategy reflects the transformation of the Arctic from a peripheral environmental and indigenous-policy arena into a core security and industrial space. Finland and Sweden's NATO membership makes the Nordic north a more integrated military region. Norwegian Atlantic ports, Swedish roads and rail, Finnish territory and northern air bases form reinforcement corridors. The strategic value of northern Sweden therefore depends less on national control of Arctic sea lanes than on its function as depth, transit space, energy base, mining region and sensor/space platform.

Esrange is particularly important. Sweden's defence and security space strategy and September 2026 statements by Defence Minister Pål Jonson describe space as essential to communications, surveillance, reconnaissance and long-range strike, and argue for sovereign European access to space. Sweden has developed military satellite capabilities and is investing in Esrange as a launch site. This gives Sweden a niche capability with disproportionate alliance value. Space services are classic force multipliers: they

can increase the effectiveness of every aircraft, ship and ground unit by improving positioning, communications and targeting. They are also vulnerable to cyberattack, jamming, anti-satellite threats and supply-chain dependency.

The Arctic also concentrates the resource dilemma. Northern infrastructure must serve mining, green industry, civilian communities and defence mobility. Each additional military requirement can strengthen roads, rail, power and telecoms that benefit the civilian economy, creating positive spillovers. But projects can also compete for the same construction capacity, electricity and environmental permissions. Strategic resources have value only if extraction, processing, transport and social consent can be aligned. A mineral deposit with no power, rail capacity or permitting pathway is a geological stock, not usable strategic power.

Sweden's optimal Arctic strategy is therefore integration rather than militarisation in isolation. The aim should be to make northern investment multi-use: stronger grids that support industry and bases, rail upgrades that move ore and military units, satellite infrastructure that serves civil and defence users, emergency services that improve community resilience. Guerra di margini favours such dual-use investments because one unit of expenditure creates several option values. The challenge is governance: dual-use projects often fall across ministries and agencies with different budgets and time horizons.

10. Economy: cyclical recovery under structural pressure

The Swedish economy is recovering but the medium-term story is less comfortable than the headline resilience narrative. The IMF's 2026 Article IV concluded that Sweden entered the current period from a position of strength because of credible institutions, buffers and sound policy frameworks, while warning about ageing, slower productivity, household debt, commercial real-estate exposure and financial reliance on market-based funding. The European Commission's May 2026 forecast projected GDP growth of 1.8 per cent in 2026 and 2.2 per cent in 2027, inflation below 2 per cent and unemployment falling only gradually from 8.8 per cent in 2025 to 7.9 per cent in 2027. The Riksbank held its policy rate at 1.75 per cent in August, with a possible future increase if supply shocks made inflation more persistent.

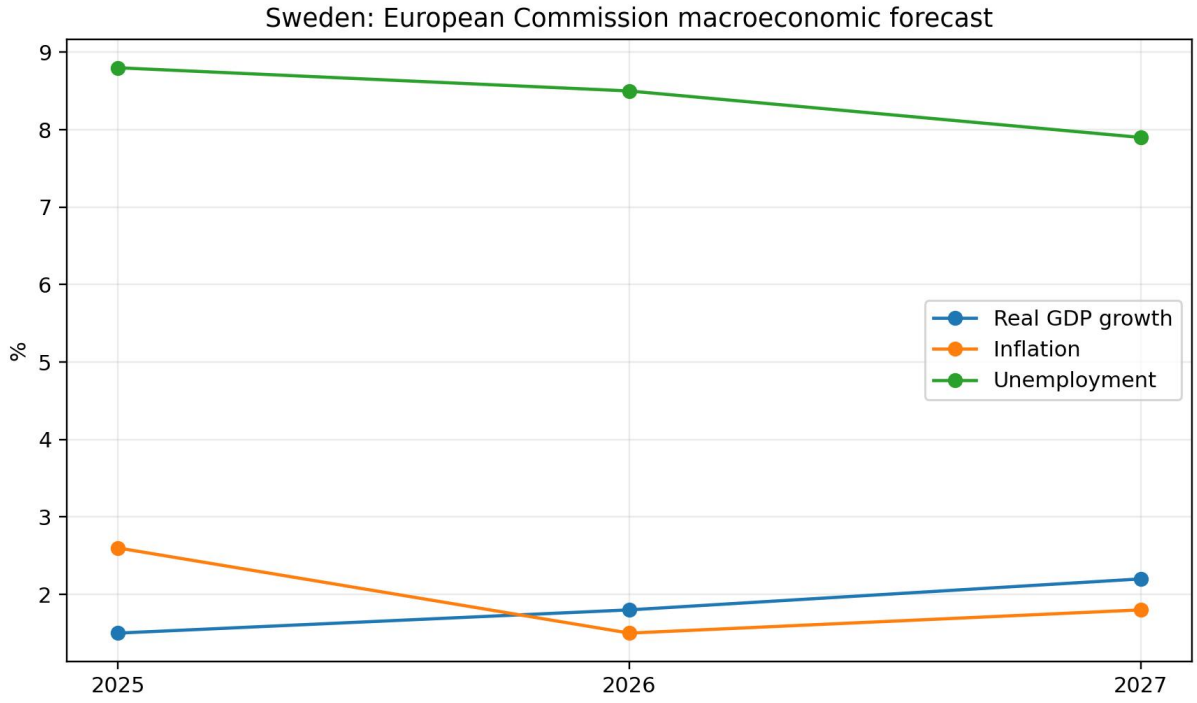

Figure 2. European Commission forecast for growth, inflation and unemployment Source: European Commission, Spring 2026 forecast.

The key strength is fiscal credibility. Even after expansionary policy and defence increases, the Commission expected gross public debt to remain below 40 per cent of GDP through 2027. That is strategic capital. Low debt reduces the marginal financing cost of responding to emergencies and allows Sweden to temporarily debt-finance part of defence expansion. But fiscal room is not equivalent to free resources. Borrowing can move the timing of taxation; it cannot manufacture engineers, construction workers, transformer capacity or doctors. When several state priorities bid for the same scarce labour and capital, the real marginal cost appears as wages, delays and crowding-out rather than an immediate debt crisis.

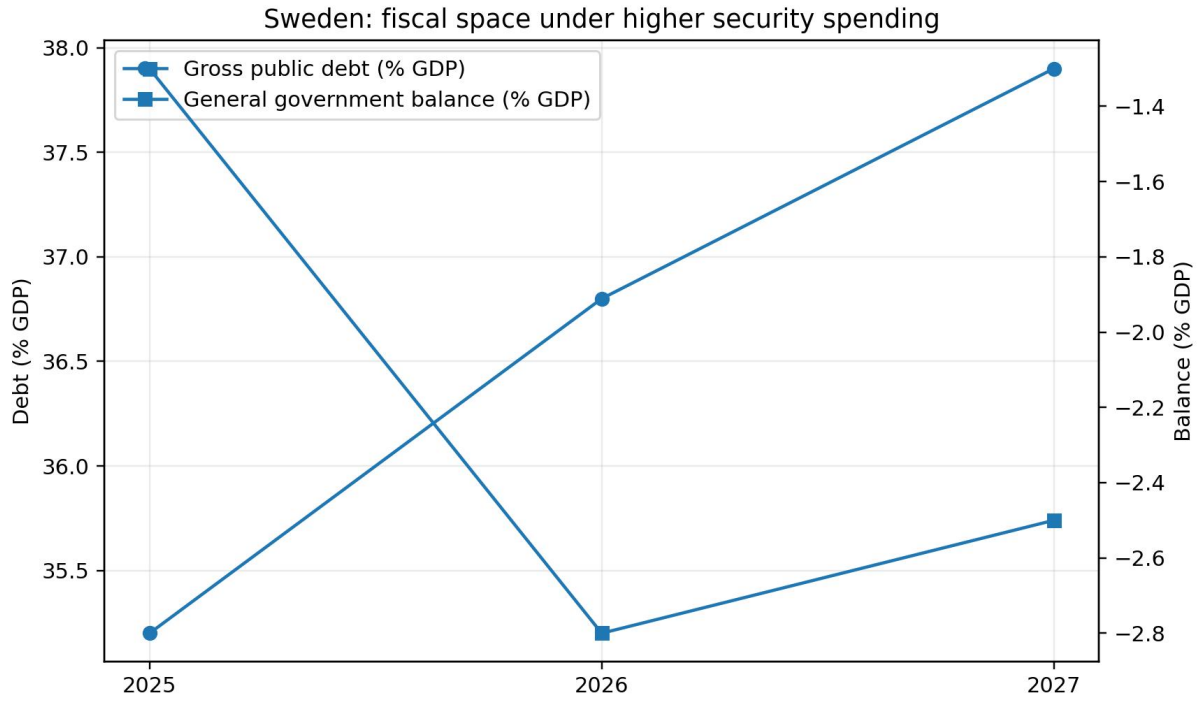

Figure 3. Fiscal space during the security-spending expansion Source: European Commission, Spring 2026 forecast; approximate 2025 debt level shown for trajectory.

Sweden's external position is another buffer. The IMF's revised external-sector estimate put the 2025 current-account surplus at 6.1 per cent of GDP, down from 6.9 per cent in 2024, while explicitly noting substantial uncertainty associated with balance-of-payments errors and omissions. Export competitiveness is built on advanced manufacturing, pharmaceuticals, engineering, digital services, vehicles, defence and specialised industrial products. The economy is therefore highly exposed to global trade fragmentation. US tariff changes in 2025 reduced Swedish goods exports to the United States during part of the year, while China-related de-risking creates other adjustment costs. Sweden benefits from a rules-based trade order more than a large continental economy might because its domestic market is small relative to the scale of its firms.

The labour market is the most visible structural weakness. High employment coexists with high unemployment because skills, location and integration do not match employer demand. This is strategically relevant. Rearmament, nuclear build-out, grid expansion, mining, AI and elder care all increase demand for specialised labour. If unemployment remains concentrated among people whose skills do not match these sectors, aggregate slack will not prevent bottlenecks. The marginal product of training, credential recognition, language acquisition and mobility policy may therefore exceed that of additional capital spending once physical investment hits labour constraints.

Housing is part of the same equation. Rental-market distortions, long queues in major cities, high household leverage and regional house-price differences reduce labour mobility and expose households to interest-rate changes. The IMF specifically identified housing and rental-market reform as productivity-enhancing. Strategically, a defence or industrial cluster cannot expand quickly if workers

cannot access housing. What appears to be a social-policy issue becomes an industrial mobilisation constraint.

11. Energy, electrification and nuclear statecraft

Sweden's electricity system is a major strategic advantage because it is largely fossil-free and combines hydro, nuclear and wind generation. The next phase is harder: electrification of industry, transport, data centres, defence production and new northern projects can raise demand faster than grids and firm generation. The outgoing government made new nuclear construction a central policy and created a state-aid framework for up to roughly 5,000 MW of new nuclear capacity, corresponding to about four large reactors. By early September 2026 six applications for support had been received. In June the state took a 60 per cent share in Videberg Kraft AB alongside Vattenfall and Industrikraft to pursue new reactors at Ringhals.

This policy represents a deliberate transfer of long-term project risk to the state. The economic rationale is that nuclear projects provide system value and security of supply that private investors may underprice because of construction, political and power-price uncertainty. The fiscal risk is that cost overruns and delays become public liabilities. Guerra di margini does not treat nuclear as intrinsically good or bad; it asks whether the next unit of firm capacity provides more system resilience than alternative combinations of grid investment, hydro flexibility, storage, demand response, wind and interconnection. The answer varies by region and time horizon.

Energy security has also become more geopolitical. Sweden is a net exporter of electricity, but the government in 2026 challenged aspects of the EU's grid policy and paused movement on upgrading a cable connection to Denmark, arguing that domestic consumers should not bear inappropriate effects of continental grid rules. This reveals a tension between European market integration and national control of scarcity rents. Interconnection normally raises efficiency and resilience by allowing imports and exports; under stress, it can also transmit prices and create domestic political backlash. The marginal value of another cable depends on the rules governing congestion, capacity and cost sharing.

Gotland again demonstrates the security dimension. Svenska kraftnät's decision to enhance robustness for the island indicates that energy planning is being recalibrated for wartime continuity, not merely least-cost operation. Similar logic applies to reserve generation, black-start capability, fuel stocks, grid cyber security and transformer inventories. Efficiency tends to minimise redundancy; defence requires some redundancy. The strategic task is to decide where redundancy buys the greatest reduction in catastrophic loss.

12. Demography: slow growth, ageing and the shrinking margin of easy labour supply

Sweden's demographic trajectory is not collapse but deceleration. Statistics Sweden's 2026 projection estimates population growth in 2026 at 0.17 per cent, the lowest rate of the 2000s, and projects only modest growth over the next five years. In 2025, 21 per cent of the population was foreign-born, a share projected to rise to 25 per cent by 2070. The share aged 80 or more was around 6 per cent in 2025 and is projected to reach about 11 per cent by 2070. Fertility was about 1.43 in 2024 and is expected to recover only gradually under the central projection. Ageing therefore proceeds even without population decline.

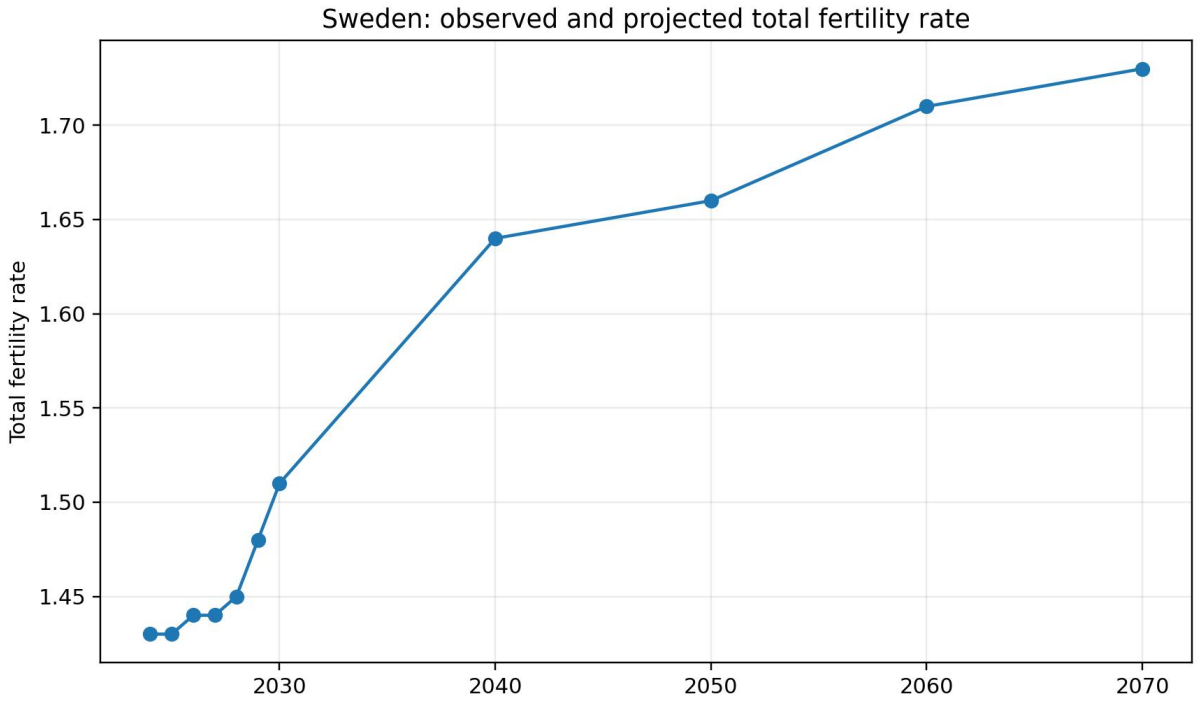

Figure 4. Observed and projected total fertility rate Source: Statistics Sweden, population projections 2025–2070.

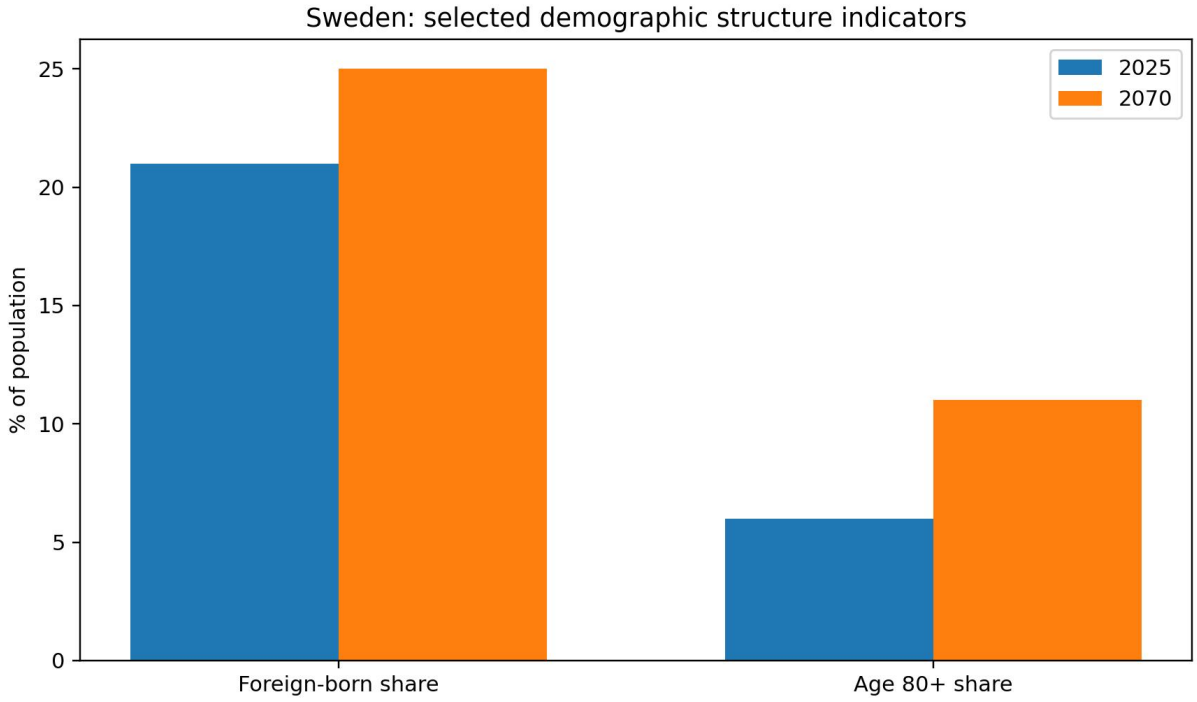

Figure 5. Selected demographic structure indicators Source: Statistics Sweden, population projections 2026–2070.

For strategy, the important variable is the ratio between people who consume age-sensitive public services and those who can staff and finance them. Defence expansion adds another labour-intensive claim on the same cohorts. Conscription can spread military obligations socially, but professional officers, cyber specialists, pilots, engineers, medical staff and industrial workers remain scarce. The same 25- to 45-year-old technical worker may be valuable to Saab, a grid operator, a nuclear project, a hospital IT department or the armed forces. This is why demographic policy cannot be analysed separately from industrial strategy.

Migration becomes more economically valuable as native labour-force growth slows, but its fiscal and social effect depends heavily on employment rates, skills and age. Sweden's earlier large humanitarian inflows exposed weaknesses in integration, housing and labour-market entry. The outgoing government's restrictive turn responds to those costs, but an indiscriminate reduction in migration can also reduce the pool of engineers, researchers and health workers. The optimal marginal policy is selective: lower the inflow of categories with persistently low integration probability while increasing pathways for scarce skills and accelerating the productivity of people already resident.

The foreign-born share is also politically sensitive because aggregate national statistics conceal geographic concentration. Integration challenges are most acute where housing segregation, weak school outcomes, low employment and criminal recruitment interact. These are local systems. A national average can improve while a small number of municipalities experience deteriorating marginal conditions. Strategic resilience therefore depends on municipal capacity, policing, schools and transport as much as on national migration law.

13. Society, organised crime and the security of the welfare state

Sweden's social-security problem is often caricatured internationally either as evidence of systemic collapse or dismissed as political exaggeration. The data support neither extreme. Sweden remains a high-trust, high-capacity state by international standards, but it has experienced a distinctive form of lethal gun violence linked to criminal networks and a related problem of explosions, recruitment of minors, welfare fraud and coercive local ecosystems. Brå reported that firearms were used in 42 confirmed lethal-violence cases in 2025, half of the total, with male victims dominant. Government strategy now treats organised crime not merely as a policing issue but as a threat to institutions, public finances and the rule of law.

The strategic significance comes from criminal economies' ability to exploit the same openness that supports Sweden's productive economy: digital payments, corporate forms, welfare transfers, logistics and cross-border mobility. Organised networks can corrupt or intimidate local institutions, recruit children and outsource violence. This raises the marginal cost of governance because each additional control measure can burden legitimate businesses and citizens. The objective should therefore be precision: better identity systems, information sharing, financial intelligence, asset confiscation and targeted prevention rather than general friction imposed on the entire economy.

Crime also interacts with foreign-state activity. MUST and Säpo have warned that state actors can exploit violent extremists or criminal individuals as agents. The disposable-agent model is strategically attractive because it offers deniability. A criminal motivated by money can be recruited for surveillance, arson or sabotage without sharing the sponsor's ideology. This blurs the boundary between internal security and foreign intelligence. Sweden's agencies must therefore connect organised-crime intelligence with counter-intelligence while preserving legal safeguards.

The welfare state is itself part of national defence. Social insurance, health, schools and municipal services sustain trust during disruption. Yet they also contain large payment flows attractive to fraud. Every krona lost to organised exploitation has a double cost: fiscal loss and erosion of legitimacy. In Guerra di margini terms, the political danger appears when citizens perceive that the marginal tax they pay no longer generates a corresponding marginal public good. That perception can weaken willingness to fund both welfare and defence. Thus anti-fraud policy, integration and defence willingness are linked through trust.

14. Communications infrastructure, cyber resilience and strategic communications

The term communications has two strategic meanings for Sweden: the physical-digital networks that keep the country functioning, and the information environment through which citizens interpret events. Both are now incorporated into total defence. The 2025–2030 Defence Resolution states that electronic communications and postal services must remain functional under armed attack and calls for

stronger public-private cooperation, sensitive-information exchange, reserve power, network redundancy, repair preparedness and alternative command locations. This reflects the ownership reality: much critical infrastructure is operated by private companies, so the state cannot create wartime continuity through command alone.

Cyber threat data at EU level reinforce the problem. ENISA's 2025 Threat Landscape analysed 4,875 incidents and found DDoS dominant by incident count, ransomware most impactful, hacktivism responsible for a large share of visible activity, and continued cyber-espionage by Russia- and China-nexus groups. Sweden shares the same European digital supply chains and cloud dependencies, so national cyber defence cannot be reduced to border protection. A vulnerability in a software supplier or hosting provider can propagate across ministries and firms. The marginally efficient defence is therefore systemic: software supply-chain controls, identity management, segmentation, backups, incident exercises and procurement standards.

Sweden is also moving into space-based communications and ISR. The 2025 defence and security strategy for space, followed by 2026 ministerial statements, identifies sovereign satellite communication and reconnaissance as components of total defence and describes Esrange as a strategic launch asset. This adds resilience if space systems provide alternative communications and sensing when terrestrial networks are degraded. It also creates new dependencies on ground stations, launch services, components, orbital data and spectrum. Strategic autonomy in space is thus partial, but partial autonomy can still have high marginal value if it prevents a single commercial provider or foreign government from having veto power over critical services.

The information dimension is institutionalised through the Psychological Defence Agency. Its 2026 election work defined malign information influence as intentionally misleading activity by foreign actors designed to disrupt public debate and weaken society. MPF's post-election assessment found no major coordinated foreign operation affecting the vote. This is a useful sign of resilience, but not a reason to relax. The most effective influence operations often exploit true events, social grievances and authentic domestic actors rather than fabricate everything from abroad. The state's challenge is therefore to increase source literacy and expose foreign manipulation without turning disagreement into a security problem.

Strategic communication should be understood as reducing uncertainty, not manufacturing unanimity. A total-defence society needs citizens to know what the state expects, which services may fail, what information channels are reliable and how long households should cope independently. Excessive reassurance is dangerous because it creates a trust shock when disruption occurs; excessive alarm is equally dangerous because it creates fatigue. Sweden's comparative advantage is high institutional credibility. That credibility is a scarce stock that should not be consumed for short-term political messaging.

15. Economic security, trade routes and supply-chain substitution

Sweden's economic model is structurally outward-looking. Large firms sell into global markets, industrial inputs cross borders repeatedly, and financial markets intermediate savings and investment. This makes trade security part of national security. The outgoing government's foreign-policy statement explicitly linked economic growth to defence capacity and called for reduced vulnerabilities from unilateral dependencies while defending free trade. The apparent contradiction is resolved by the concept of substitutability: an open system can be more secure than a closed one if it has multiple suppliers, routes and customers and if switching costs are manageable.

The United States and China generate different forms of risk. US trade protection can reduce Swedish export demand and disrupt transatlantic supply chains, but the US is simultaneously Sweden's most important security partner and a major technology and capital source. China offers scale, industrial depth and innovation but is also identified by Swedish security agencies as an intelligence and economic-security concern. The EU is Sweden's central market and regulatory platform, but deeper

EU integration can transmit policy choices and energy prices Sweden might not choose alone. Strategic autonomy is therefore not separation from all three; it is avoiding a situation in which any one relationship can impose catastrophic switching costs.

A useful Guerra di margini metric is replacement time. Commodity imports that can be replaced in weeks carry lower strategic dependency than specialised components with two-year certification cycles, even if the annual import value is smaller. The same applies to infrastructure: one damaged fibre link is tolerable if traffic reroutes immediately, while the loss of a unique high-voltage transformer may create a much longer outage. Sweden's economic-security policy should therefore map dependencies by time-to-substitute, concentration, inventory depth and technological know-how rather than by trade value alone.

Defence industrial policy already moves in this direction by seeking secure access to key materials and components. The same method is applicable to pharmaceuticals, grid equipment, telecom hardware, data infrastructure, nuclear fuel services, semiconductors and critical minerals. Stockpiling is one tool but not always the most efficient. Long-term contracts, dual sourcing, domestic repair, allied production sharing and design changes that allow alternative components can often create more resilience per krona than large inventories.

16. The defence-industrial economy and the risk of crowding out

Rearmament is often presented as an economic stimulus because it creates orders, jobs and technological spillovers. That is partly true in Sweden, where defence firms have export markets and high research intensity. But in an economy near specialised labour constraints, defence can also crowd out civilian investment. The relevant question is not whether a defence job is productive but what the same engineer would otherwise produce. If Saab recruits from underemployed labour or expands training, the opportunity cost is low. If it recruits from grid engineering, telecom security or advanced manufacturing already facing shortages, the opportunity cost rises.

The government's strategy attempts to reduce this cost by expanding capacity rather than merely reallocating it: modernising manufacturing, supporting SMEs, improving capital access, securing skills and increasing long-term order visibility. Predictable demand is crucial because firms will not build factories or training pipelines for temporary peaks. A credible multi-year procurement path can lower unit costs and induce private co-investment. This is a case where state commitment can improve market efficiency by reducing uncertainty.

Export policy is equally central. Sweden's domestic demand is too small to sustain every strategic production line at efficient scale. Exports spread fixed costs and preserve design competence. The Poland submarine agreement is the clearest 2026 example, but Gripen and other systems follow the same logic. The political trade-off is that export relationships can create dependence on foreign customers and controversy over end use. Export controls therefore function as a strategic filter, not merely an ethical constraint.

The broader macroeconomic risk is defence inflation. When many European states increase spending simultaneously, prices for ammunition, air defence, explosives, machine tools and skilled labour rise. A nominal 20 per cent budget increase may buy far less than 20 per cent more capability. Sweden can partially hedge this by owning production capacity, placing long-term orders early and cooperating with allies. The Guerra di margini lesson is that timing matters: an early marginal krona invested in bottleneck capacity can be worth several later kronor spent after scarcity has become acute.

17. Nuclear, grid and industrial policy as strategic option creation

The Swedish state is increasingly acting not only as regulator but as strategic investor. Nuclear financing, defence production support, grid expansion and space infrastructure all involve public capital or risk guarantees designed to create capabilities that private markets may underprovide. This marks a shift

from the post-Cold War assumption that efficiency could be maximised through lean infrastructure and international markets. The new model values option capacity: plants, cables, launch sites, shipyards, inventories and skills that may be underutilised in normal times but become decisive under stress.

The danger is portfolio blindness. Each ministry can justify its own project using security arguments, producing an aggregate investment programme that exceeds construction capacity or fiscal tolerance. Nuclear plants, new transmission lines, northern rail, defence facilities, housing and industrial factories compete for the same permitting system and contractors. The national strategy therefore needs a cross-sector bottleneck map. If the marginal constraint is welders, environmental courts, grid transformers or municipal planning staff, spending more money upstream will mainly increase prices.

A rational sequence would prioritise enabling assets with the widest spillovers: grid capacity, ports, rail, digital infrastructure, vocational and technical education, and permitting capacity. These assets raise the return on later defence and industrial investments. This is analogous to logistics in warfare: combat platforms have limited value if fuel, maintenance and transport cannot reach them. Sweden's strongest grand strategy will therefore be infrastructure-heavy even when public debate focuses on visible weapons systems.

18. Social cohesion, trust and psychological defence as strategic capital

Sweden's total-defence concept implicitly treats social trust as a military resource. A population willing to follow emergency instructions, accept temporary hardship, serve in the armed forces, support high taxes and distinguish reliable information from manipulation lowers the cost of national mobilisation. Trust reduces the need for coercion. It is therefore a form of capital whose depletion can be measured through rising enforcement, compliance and transaction costs.

Polarisation around migration, crime, religion, climate and NATO creates obvious targets for external influence, but the existence of polarisation should not itself be securitised. Democratic disagreement is not a vulnerability to be eliminated; it becomes strategically exploitable when institutions are perceived as dishonest, ineffective or unequal. The best psychological defence is therefore competent government. Fact-checking can rebut a false claim, but it cannot substitute for functioning schools, credible policing or transparent procurement. An adversary's marginal influence cost falls when domestic grievances already have high emotional salience.

The 2026 election provides an encouraging data point because no major coordinated foreign interference was detected despite high public concern. MPF reported before the vote that 24 per cent of adults thought attempts at foreign election influence were very likely and 40 per cent thought them fairly likely. Perceived threat was therefore higher than observed threat. Governments should manage this gap carefully. Overstating interference can itself reduce confidence by persuading citizens that democratic processes are fragile. Understating it can create complacency. The correct communication is probabilistic and evidence-based.

Defence willingness is likely to be strengthened by the visibility of Russia's war and Sweden's NATO role, but it cannot be assumed indefinitely. As military spending rises toward 3.5 per cent of GDP, citizens will increasingly perceive direct trade-offs with welfare, taxation and consumption. The marginal political return of security spending therefore depends on demonstrating capability outcomes and burden fairness. A procurement programme that produces delays or scandals can erode support faster than the abstract security case can rebuild it.

19. Fears: what Sweden appears to fear, and what it may be underpricing

Official Swedish documents reveal a hierarchy of fears. The first is a militarily stronger and more risk-acceptant Russia able to threaten Northern Europe after rebuilding from the Ukraine war. The second is hybrid pressure designed to exploit the threshold below Article 5 through sabotage, cyberattack, disinformation and deniable agents. The third is weakening transatlantic reliability, reflected in the 2026

foreign-policy language that Europe must take more responsibility as signals from the United States change. The fourth is economic coercion and technology dependence, especially involving China and fragmented global trade. The fifth is internal erosion through organised crime, social exclusion and loss of trust.

Some risks may receive less attention than their marginal consequences justify. Climate adaptation is one. Northern infrastructure, hydropower, forests, coastal cities and military facilities are exposed to physical climate effects even while climate policy competes with security priorities. Financial concentration is another. Swedish banks are strong but household leverage, commercial real estate and market funding can amplify a property shock. Skills scarcity is a third: it is less dramatic than sabotage but can quietly delay every strategic programme. Finally, alliance success itself creates dependency. Sweden's new security model assumes that networks function under stress; interoperability, transport permissions and political cohesion must therefore be tested, not merely declared.

The most dangerous risk is correlation. Defence planners often assess threats separately: military crisis, cyberattack, recession, energy shock, migration pressure, financial disruption. Real crises combine them. A Baltic incident could raise energy prices, damage a cable, trigger cyber activity, reduce shipping confidence and force military mobilisation at the same time. The relevant resilience measure is therefore not performance under one isolated shock but the ability to preserve essential functions when shocks interact. Guerra di margini gives particular weight to correlated events because they consume multiple buffers simultaneously and make substitution harder.

20. Grand strategy: networked sovereignty

Sweden does not publish a document titled grand strategy, but its policies reveal one. The older model of armed neutrality sought sovereignty by preserving distance from military blocs, maintaining significant national defence capability and cultivating diplomatic room. The contemporary model seeks sovereignty through selective interdependence. Sweden joins NATO, deepens EU defence, strengthens Nordic-Baltic networks, exports defence systems, builds bilateral partnerships, maintains national technological niches and reconstructs civil defence. It gives up the option of neutrality in exchange for a much larger portfolio of allied options.

The strategy can be called networked sovereignty. Its logic is that small and medium states cannot generate all relevant capabilities alone, but they can become difficult to coerce if they are indispensable nodes in larger systems. Sweden contributes submarines, Gripen, sensors, Arctic geography, Esrange, industrial technology, fiscal capacity, ports, airfields and political legitimacy. In return it receives US strategic depth, NATO planning, Finnish and Norwegian geography, Baltic partners, EU market power and allied intelligence. Sovereignty is produced by reciprocity.

This grand strategy has four pillars. First, deterrence by integration: make an attack on Sweden inseparable from a wider NATO response. Second, resilience by total defence: deny adversaries cheap coercive gains through civilian disruption. Third, autonomy by industrial competence: preserve selected national capabilities where dependence would be strategically costly. Fourth, prosperity by open but diversified trade: maintain access to global markets while reducing single-source leverage. These pillars can reinforce each other but also compete for resources.

The central strategic test is whether Sweden can keep the marginal cost of integration below the marginal security benefit. NATO commitments may require forces abroad; EU industrial policy may constrain national procurement; US technology ties may limit commercial freedom with China; domestic resilience requires expensive redundancy. The strategy remains favourable so long as these costs buy capabilities Sweden could not efficiently generate alone. If alliance expectations become asymmetric or if domestic investment is crowded out excessively, political support can erode. Sweden therefore needs continuous measurement of contribution and return, not alliance romanticism.

21. Guerra di margini: the strategic balance sheet

A conventional balance sheet would list Sweden's assets and liabilities. The Guerra di margini balance sheet instead ranks the elasticity of options. An asset is strategically valuable when it can be converted into several different forms of power and when substitutes exist if it is lost. A liability is dangerous when it concentrates dependency or creates irreversible commitments. Sweden's hydro reservoirs are valuable because they provide electricity, balancing and emergency flexibility. A defence factory with unique know-how is valuable but vulnerable if a single foreign component can stop production. Low public debt is valuable because it can be converted into crisis spending, but less so if the economy lacks workers to execute projects.

Domain	*High-value margin*	*Marginal constraint*	*Strategic implication*
Fiscal	Low debt and high policy credibility	Simultaneous defence, energy, welfare and infrastructure claims	Borrowing capacity is abundant relative to physical absorptive capacity
Military	Advanced air, maritime and sensor capabilities; NATO geography	Personnel, munitions, air defence, production throughput	Prioritise readiness bottlenecks and reinforcement infrastructure
Industry	Saab and specialised defence ecosystem	Skills, components, production slots	Use exports and allied orders to expand capacity, not merely reallocate it
Energy	Hydro/nuclear/wind mix and export capability	Grid congestion, future demand, project risk	Value firm capacity and redundancy by system effect rather than average cost alone
Demography	High human capital and productive immigration potential	Ageing, low fertility, integration gaps	Selective migration and skills policy become security policy
Society	Institutional trust and autonomous agencies	Polarisation, organised crime, unequal local outcomes	Protect trust through competence and targeted enforcement
Geography	Gotland, Baltic access, Arctic corridor, Esrange	Infrastructure exposure and need for allied reinforcement	Dual-use infrastructure has unusually high strategic return
Alliances	Dense NATO/EU/Nordic/JEF/bilateral network	Coordination burden and dependence on allied political will	Portfolio management is more valuable than maximal institutional proliferation

The table suggests that Sweden's current problem is not resource poverty but conversion efficiency.

The state can allocate money faster than industry can produce, society can train or infrastructure can be permitted. The highest-return policy may therefore be unglamorous: procurement reform, technical education, stockpiles, maintenance, reserve power, port depth, railway sidings, spare parts, cyber segmentation, municipal planning capacity and housing near industrial clusters. These raise the marginal productivity of larger strategic investments.

The framework also highlights sacrifice. Every strategic programme should disclose not only its budget but the option it consumes. A nuclear guarantee consumes fiscal risk capacity; a defence export consumes production slots; a new brigade consumes instructors; a migration restriction consumes potential labour supply; another interconnector changes domestic price exposure; a sanction consumes some commercial optionality. The correct question is not whether the sacrifice exists but whether the gained option is more valuable under plausible future states of the world.

22. Qualitative stress cases, 2027–2035

The four cases below are qualitative stress tests, not the report's formal futures model. Their purpose is to test whether the central diagnosis survives under materially different combinations of external security pressure, trade fragmentation and domestic strain. Annex N provides the structured 2026–2035 futures exercise using vectors, attractors and relative model weights. The two layers are complementary: the stress cases isolate causal mechanisms; Annex N combines those mechanisms into a single comparative framework.

Stress case A: managed northern consolidation

In this lower-pressure case, Russia remains militarily constrained by the long aftermath of the Ukraine war while NATO Europe increases conventional capacity. Sweden reaches its defence targets gradually, expands ammunition and air-defence stocks, integrates reinforcement plans with Finland and Norway, and turns the Poland submarine partnership into a durable Baltic industrial network. Economic growth remains near 2 per cent, inflation is contained, nuclear and grid projects progress without severe overruns, and labour-market reforms reduce structural unemployment. China relations remain commercially significant but compartmentalised. Under this scenario, each additional krona of resilience has relatively high return because it is invested before acute crisis and because industrial capacity expands alongside demand.

The strategic risk in this scenario is complacency and overinvestment in capabilities optimised for the last war. With the immediate Russian threat less acute, political pressure may shift toward welfare and tax relief. Sweden should use the breathing space to invest in enabling infrastructure and technological adaptation rather than assume that deterrence success is permanent. The marginal value of preparedness is highest before a crisis is visible enough to make inputs expensive.

Stress case B: prolonged European confrontation with reduced US engagement

In this higher-pressure case, the United States reduces its routine European burden while remaining formally committed to NATO, Russia rebuilds selected conventional and missile capabilities, and hybrid activity intensifies across the Baltic. European defence spending rises sharply, causing procurement inflation. Sweden must provide more air, maritime and land capability to NATO while supporting Ukraine and protecting domestic infrastructure. Defence moves beyond 3.5 per cent of GDP, financed partly through debt and partly through reprioritisation. The limiting factor becomes personnel and industrial throughput rather than budget authority.

This scenario favours Sweden relative to European states that lack defence industry or fiscal space, because Swedish production and geography become more valuable. But that advantage creates extraction pressure: allies seek more Swedish equipment and access while the Swedish state needs the same capacity. The strategic choice becomes whether to maximise national inventories or alliance production scale. Guerra di margini suggests that the best answer is often to invest in expansion that serves both rather than hoard existing capacity, but expansion takes time. Early decisions in 2026–2028 therefore have disproportionate value.

Stress case C: economic-security shock with China and global trade fragmentation

A Taiwan crisis or severe US-China economic confrontation could disrupt electronics, machinery, shipping and industrial demand without creating an immediate military attack on Sweden. Export orders weaken, input costs rise and companies face conflicting US, EU and Chinese compliance regimes. Defence and energy projects encounter component delays. The government is tempted to subsidise strategic sectors broadly. The main policy danger is inefficient protectionism that preserves incumbent firms without increasing substitutability. The higher-return response is targeted supply-chain diversification, allied standardisation, inventories for truly irreplaceable inputs and rapid qualification of alternatives.

Stress case D: internal trust shock

A domestic scenario could be triggered by a combination of gang violence, recession, integration conflict, a major public-sector failure and polarising information operations. The security institutions continue to function, but public willingness to fund defence and welfare declines. This scenario demonstrates why social cohesion is a strategic variable rather than a soft supplement to military power. The cheapest defence is competent service delivery and transparent accountability before a crisis. Once trust falls, every policy becomes more expensive because enforcement and political compensation increase.

23. Strategic indicators to monitor quarterly

Indicator	*Why it matters*	*Warning signal*
Defence expenditure converted to delivered capability	Budget effort can overstate readiness	Rising appropriations with falling delivery schedules or training throughput
Munitions and air-defence stock depth	Determines endurance in high-intensity conflict	Consumption or export commitments outpacing production
Skilled vacancy rates in defence/energy/engineering	Proxy for absorptive capacity	Vacancy duration rising despite unemployment
Public debt and interest cost	Measures fiscal option value	Structural spending rises faster than credible medium-term adjustment
Grid connection queues and transformer lead times	Determines industrial and military expansion speed	Multi-year delays in strategic regions
Household debt service and commercial real-estate stress	Financial shock amplifier	Rising arrears, refinancing stress, bank funding pressure
Foreign-born employment gap	Measures integration productivity	Gap persists while labour scarcity rises
Shootings/explosions and youth recruitment	Measures organised-crime ecosystem	Violence falls but recruitment/financial crime rises
Undersea infrastructure incidents and repair times	Measures Baltic resilience	Longer outages or repeated damage at same nodes
Cyber incidents affecting essential services	Measures digital resilience	Shift from nuisance DDoS to persistent service degradation
Trust in institutions and defence willingness	Measures psychological reserve	Sharp partisan divergence or decline after procurement failures
Trade concentration in strategic inputs	Measures coercive leverage	Rising dependence on single-country suppliers with long replacement times
NATO reinforcement exercise performance	Tests alliance value in practice	Administrative or transport bottlenecks recur across exercises

Sweden in 2026 is not abandoning its historical strategic culture so much as translating it. The old model combined national industrial capacity, social mobilisation and careful diplomacy to preserve freedom of action outside alliances. The new model keeps industrial capacity and mobilisation but embeds them in alliances. This is a profound change in legal commitment and operational planning, yet the underlying Swedish preference remains recognisable: avoid strategic dependence on any single external actor, maintain credible national capability, cultivate technology and use institutions to multiply the power of a small population.

The country's strongest cards are not simply wealth or NATO membership. They are the interaction between fiscal credibility, a sophisticated state, industrial niches, low-carbon power, strategic geography, alliance density and social trust. Each makes the others more valuable. The principal danger is likewise interactive: simultaneous defence, energy, demographic, welfare and infrastructure pressures can produce bottlenecks that are invisible in aggregate budget statistics. Sweden can afford more than it can immediately build.

The Guerra di margini conclusion is therefore that Sweden should optimise conversion and optionality, not headline ambition. The state should spend first where an additional krona removes a bottleneck that constrains several systems at once; preserve redundancy where failure would create nonlinear loss; use alliance commitments to increase rather than replace national capacity; maintain economic openness while maximising substitutability; and treat trust, skills and repair capacity as strategic stocks. Grand strategy is successful when it leaves the state with more valuable options after each choice than before it. Sweden currently possesses an unusually strong option set. The next decade will be decided by how efficiently it converts those options into durable capability without consuming the institutional, fiscal and social capital that created them.

Annex A. Source-by-source intelligence and narrative assessment

A.1 Swedish Government Offices

Government Offices material is the most authoritative source for declared policy and budget intent but is necessarily political. The 2026 Statement of Foreign Policy should be read as both policy and signalling. It places Russia at the centre of security policy, support to Ukraine at the top of foreign policy, NATO as the core defence framework and the EU as the core foreign-policy platform. It also contains unusually explicit language about uncertainty in the transatlantic relationship and the need for Europe to strengthen itself. Because a government transition is underway after the September election, declarations that depend on coalition preferences require separate treatment from already funded programmes. Defence appropriations, NATO contributions and industrial contracts have higher continuity than rhetorical priorities.

A.2 Säkerhetspolisen

Säpo's public threat assessment provides the clearest open view of counter-intelligence priorities. Its identification of Russia, China and Iran as principal state threats is an assessment by the Swedish security service, not an independently verified hierarchy. The service is strongest on domestic counter-intelligence evidence and weakest, by design, on public disclosure of sources and methods. The August 2026 announcement of an SVR-directed operation is more probative than generic threat language because it describes a specific disrupted activity, but public material still omits evidentiary detail. Analysts should use it to understand Swedish state behaviour and plausible threat mechanisms, not to infer every Russian action from attribution by association.

A.3 MUST

MUST's annual reports are valuable for Swedish military threat perception and regional trends. The 2025 report's central judgment is that the Russian military threat in Sweden's neighbourhood will rise as Russia rebuilds and continues hybrid pressure. Its discussion of China stresses expanding power instruments and economic coercion rather than a direct northern military threat. Because the report is explicitly constrained by secrecy, it offers strategic conclusions more than verifiable intelligence detail. Its strongest analytical use is therefore trajectory: which problems Sweden's military intelligence leadership considers increasingly important and how that changes year to year.

A.4 RAND

RAND provides an external, US-linked but formally non-partisan analytic perspective. Its older Baltic studies should not be used as current order-of-battle estimates because Russian and NATO force structures have changed dramatically since 2022. Their continuing value is geographic and conceptual: Swedish territory and Gotland alter reinforcement and access; Swedish logistics can support the Baltic states; total defence and national industry create resilience. RAND's 2024 work is more current on institutional features and notes both strengths—collective decision-making, transparent long-term budgeting, defence-industry depth—and weaknesses such as limited performance metrics and long-term capability-planning gaps. These findings fit the Guerra di margini emphasis on conversion efficiency.

A.5 CIA

The CIA World Factbook was discontinued in February 2026, which limits its value for current country assessment. Remaining CIA public material is suitable for basic institutional facts and leadership reference, not for detailed strategic intelligence. No claim in this report is presented as a current CIA intelligence judgment on Sweden unless explicitly identified as such, because such public judgments are

scarce. This avoids the common error of describing a public reference compendium as if it were equivalent to classified US intelligence analysis.

A.6 European Union sources

The European Commission, ENISA and EEAS contribute different forms of evidence. Commission country reports and forecasts provide comparable economic and structural data; ENISA provides incident-based cyber-threat analysis across the EU; EEAS provides the Union's policy framing of hybrid threats and maritime infrastructure. None is equivalent to EU INTCEN classified intelligence. Public EU material is strongest on cross-border patterns and regulatory response, weaker on country-specific clandestine attribution. The distinction matters because the user requested EU intelligence: the open-source approximation is a combination of EU agency threat assessments and member-state disclosures, not access to classified INTCEN reporting.

A.7 Chinese official sources

Chinese Foreign Ministry and embassy material is best read as strategic messaging. The 2026 line toward Sweden emphasises historical ties, Sweden's early diplomatic recognition of the PRC, mutual economic benefit and resistance to politicising commerce. It also subtly appeals to an older Swedish identity of independent foreign policy, which can be interpreted as an effort to create distance between Stockholm and more restrictive US/EU China policies. These sources are useful for identifying Beijing's preferred framing and pressure points; they are not evidence that Chinese intelligence activity is absent or that commercial relations are symmetrical.

A.8 Russian official and state-media sources

Public Russian narratives concerning Sweden and NATO are heavily shaped by strategic communication. They frame NATO enlargement as a cause of regional militarisation and often imply that Russian countermeasures are reactive. Because Russian official and state-media ecosystems frequently blend factual announcements with influence objectives, this report uses them to represent Moscow's stated position rather than as independent evidence. For clandestine activity in Sweden, Swedish counter-intelligence disclosures and corroborated multi-source reporting receive greater evidentiary weight. This is an application of source weighting, not political alignment.

Annex B. Detailed Guerra di margini applications

B.1 Defence spending

The first additional increments of defence spending after a period of underinvestment have unusually high returns because they restore basic readiness: munitions, exercises, spare parts, staffing and maintenance. As these gaps close, the marginal return shifts toward more complex capabilities whose delivery is slower. Sweden should therefore avoid measuring success by a single percentage-of-GDP target. A 3.5 per cent level can represent very different combat power depending on procurement timing and inflation. The key variable is the slope of capability gain per additional krona. When that slope falls because industry is saturated, the optimal action is to invest in capacity or training rather than continue bidding up prices for the same output.

B.2 Civil defence

Civil-defence spending has high marginal returns where it prevents cascading failure. Reserve power at a telecom node can protect emergency communications, banking and command; a backup water supply can preserve health services and public order. The correct prioritisation method is therefore network centrality rather than equal spending by sector. Identify nodes whose failure propagates across multiple systems and harden those first. Sweden's governance challenge is that those nodes are often privately owned and regulated by different agencies.

B.3 Demography and migration

The marginal value of migration depends on age, skill, employment probability and integration cost. Sweden's earlier debate often treated migration in aggregate, obscuring variance. A 30-year-old engineer and a person with very low labour-market attachment have different fiscal and strategic effects. Selective labour migration, faster recognition of qualifications and concentrated integration efforts can raise the average marginal product of inflows while reducing social friction. Conversely, blanket restriction can be strategically costly if it worsens skill scarcity.

B.4 Energy

Energy assets should be valued by system contribution under stress. Baseload, dispatchability, black-start capability, fuel security, geographic location and grid constraints matter alongside average megawatt-hour cost. A high-cost asset can have high marginal strategic value if it prevents shortages during rare but consequential conditions. The same applies to interconnectors: their option value is high when they diversify supply, but lower if all connected markets experience the same shock.

B.5 Alliances

Each alliance layer is an option contract. NATO provides a high-value collective-defence option with political obligations; EU membership provides market and regulatory scale; JEF provides flexible regional response; bilateral ties offer speed and specialisation. Sweden should evaluate overlaps by asking whether each framework materially shortens decision time, adds capacity or reduces dependency. Pure duplication has declining returns; functional redundancy can be invaluable.

B.6 Information resilience

The defender cannot economically rebut every piece of misinformation. Marginal effort should focus on accounts, networks and narratives with high reach, high coordination or links to decision-critical moments. The 2026 election experience suggests that pre-emptive resilience and monitoring can coexist with normal democratic competition. The main strategic stock is credibility. Once official communication is seen as partisan, the marginal effectiveness of future warnings falls sharply.

B.7 Industrial policy

Subsidies have positive strategic return only when they change future capacity, not when they merely transfer income to existing producers. Support for a defence factory should ideally buy additional lines, tooling, skills or inventories. Nuclear guarantees should buy credible construction and system value. The state should therefore attach capacity milestones to strategic support and measure whether supply elasticity actually improves.

B.8 Geography

Geography becomes power through infrastructure. Gotland without resilient energy, sensors, air defence and logistics is less valuable; northern Sweden without rail and power cannot fully support NATO reinforcement or mining. The marginal return on dual-use infrastructure is therefore high because it converts static location into usable strategic depth. Sweden's geography is a stock that must be activated through networks.

Annex C. Chronology of strategic conversion, 2014–2026

Date	*Strategic development*
2014	Russia's annexation of Crimea and war in eastern Ukraine accelerate Swedish reassessment of security and the restoration of total-defence planning.
2015–2017	Defence planning shifts back toward territorial defence; conscription is reactivated; the Defence Commission develops a renewed resilience concept.
2020	Parliament adopts a strengthened total-defence direction for 2021–2025, rebuilding military and civil preparedness.
2022	Russia launches full-scale invasion of Ukraine. Sweden applies for NATO membership together with Finland. Security policy shifts from partnership and non-alignment to formal alliance seeking.
2023	JEF activity and Baltic infrastructure incidents increase focus on subsea protection and hybrid threats.
March 2024	Sweden becomes NATO's 32nd member, ending more than two centuries of formal military non-alignment.
October 2024	Government presents Total Defence Bill 2025–2030 with more than SEK 170bn additional military funding and SEK 37.5bn for civil defence.
2025	Sweden deepens NATO contributions, Baltic Sentry activity, defence-industrial policy and psychological defence; government adopts a dedicated defence-industry strategy.
February 2026	MUST publishes 2025 annual report warning of a rising Russian military threat in Sweden's neighbourhood. Government foreign-policy statement calls for long-term constraint of Russia and greater European responsibility.
March 2026	Svenska kraftnät strengthens strategic planning for Gotland electricity resilience.
May 2026	Sweden hosts NATO foreign ministers in Helsingborg, reinforcing its role as an active ally.
June 2026	New Arctic Strategy issued. Poland and Sweden finalise A26 submarine procurement and launch a deeper Baltic security partnership. State takes majority role in a new nuclear project company.
July 2026	Chinese Foreign Minister Wang Yi visits Stockholm; both sides signal interest in stabilising economic relations despite strategic disagreement.
August 2026	Säpo announces disruption of an SVR-directed influence operation. Riksbank holds policy rate at 1.75 per cent.
September 2026	General election gives centre-left bloc a narrow parliamentary lead; Kristersson resigns and Andersson is tasked with exploring government formation. MPF reports no major coordinated foreign influence operation against the election.

Annex D. Deep strategic dossiers: state capacity, geography, economy and society

This annex expands the country assessment into a set of linked strategic dossiers. It is deliberately more granular than the main text. Each dossier distinguishes the observable baseline, the mechanism through which it affects Swedish power, the principal uncertainty, and the marginal decision problem. The approach follows the Guerra di margini method: the relevant question is not simply how much of an asset Sweden possesses, but what an additional unit of that asset contributes under stress, what it displaces, how quickly it can be substituted, and whether today's decision preserves or destroys future options.

D1. Post-election governing capacity and strategic continuity

The Swedish Election Authority, reporting by Reuters on the completed 2026 count, and the Riksdag's constitutional procedures provide the factual baseline for the post-election transition.

The 2026 election produced an exceptionally narrow parliamentary configuration. By 17 September all ballots had been counted, with the centre-left parties on 176 seats and the outgoing right bloc on 173, although formal certification was still pending. Prime Minister Ulf Kristersson requested to be discharged from office, and Speaker Andreas Norlén subsequently asked Magdalena Andersson to explore the possibilities of forming a government. This does not mean that every pre-election proposal becomes policy. It means that Sweden enters a period in which enacted defence, NATO and infrastructure commitments coexist with a potentially different domestic spending mix and a more complex coalition bargaining environment.

Strategic continuity in Sweden is stronger than cabinet turnover alone would suggest. NATO membership, the 2025–2030 total-defence resolution, multi-year procurement, Ukraine support, EU obligations and bilateral defence cooperation create institutional lock-in. Agencies retain substantial professional autonomy and the budget process is highly rules-based. The key mechanism is therefore not abrupt reversal but reprioritisation at the margin: which programmes are accelerated, protected, delayed or financed by borrowing rather than tax changes. Small changes in coalition support can have large effects on politically salient welfare, migration and climate measures while leaving core deterrence architecture largely intact.

The risk is a widening gap between strategic commitments and coalition willingness to fund their second-order costs. Defence expenditure is visible; the less visible costs are municipal preparedness, housing, health surge capacity, railway maintenance, industrial subsidies and personnel. A government can formally preserve a defence target while underfunding the complementary systems that make forces usable. Conversely, a government that protects welfare legitimacy may increase the durability of security spending by maintaining social consent. The uncertainty is therefore distributive rather than purely geopolitical.

From a Guerra di margini perspective, cabinet formation matters because the scarce resource is political attention and coalition slack. The marginal krona spent on a high-profile platform may have lower security value than the same krona spent on a bottleneck, but coalition politics can reverse that ordering. Sweden's strategic advantage will depend on designing measures that produce multiple returns: housing that supports labour mobility, grid investments that serve industry and defence, rail improvements that serve commuters and military mobility, and education that serves both productivity and recruitment.

Watch the first government declaration, the first full budget after government formation, committee allocations, treatment of the 3.5 per cent defence path, Ukraine appropriations, nuclear financing, migration legislation and municipal civil-defence grants. The signal is not rhetoric but whether multi-year commitments remain funded and whether enabling expenditure grows with headline military appropriations.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure

must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D2. Fiscal space as a strategic reserve

The European Commission's Spring 2026 forecast and the IMF's 2026 Article IV consultation provide the principal macro-fiscal reference points.

Sweden still enters the rearmament cycle with public debt low by European standards. The Commission projected debt moving from just above 35 per cent of GDP in 2025 toward roughly 38 per cent in 2027, while the general-government balance was expected to deteriorate to about minus 2.8 per cent of GDP in 2026 as taxes were reduced and expenditure, notably defence, increased. The IMF described Sweden as entering the period from a position of macroeconomic strength but stressed large medium-term spending needs linked to defence, ageing, infrastructure and the green transition.

Low debt is not merely a favourable statistic. It is an option: the state can borrow rapidly in a crisis without immediately triggering concerns about solvency. That option has higher value in a northern European security environment because shocks are correlated. A Baltic crisis could simultaneously raise defence expenditure, damage trade, require liquidity support for firms, increase energy costs and demand infrastructure repair. Fiscal headroom allows the state to respond to several channels at once. However, borrowing only converts financial claims into real capability if labour, materials and administrative capacity are available.

The main risk is confusing fiscal room with unlimited absorptive capacity. If government orders exceed the supply elasticity of defence equipment, construction, engineers or grid components, spending raises prices rather than capability. The same applies to nuclear support, transport and municipal preparedness. Sweden can therefore experience strategic crowding-out long before conventional debt indicators look dangerous. An additional risk is that temporary security expenditure becomes structurally embedded without corresponding productivity gains, gradually reducing the headroom available for the next shock.

The marginal test is to compare the option value of preserving debt capacity with the option value of investing before bottlenecks become more expensive. Underinvestment can be costly if later mobilisation occurs in a tight European market. Overinvestment can be costly if it locks Sweden into obsolete platforms or recurrent spending. The efficient frontier lies in early spending on assets with long lead times and broad reuse: ammunition plants, energy grids, transport nodes, cyber resilience, training capacity and stockpiles of genuinely irreplaceable inputs.

Watch debt-interest expenditure, structural rather than cyclical deficits, the maturity profile of government debt, procurement price inflation, construction wage pressure, central-government guarantees and the share of security programmes funded by debt. A rising deficit is not automatically deterioration; the question is what productive or strategic option has been purchased in return.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D3. Monetary policy, the krona and strategic import capacity

The Riksbank's August 2026 decision left the policy rate at 1.75 per cent and noted both improved sentiment and persistently high unemployment, alongside uncertainty over underlying inflation.

Sweden's small open economy makes the exchange rate a strategic variable even when monetary policy remains formally focused on price stability. Defence rearmament, energy infrastructure and digital investment require imported components; households are sensitive to mortgage rates; exporters benefit from international competitiveness but import-intensive projects can become more expensive when the krona weakens. The 2022–2024 inflation episode demonstrated how exchange-rate, energy and global supply shocks can transmit rapidly into domestic purchasing power.

The mechanism is asymmetric. A modest currency depreciation may support export earnings and industrial production, but a sharp depreciation during a security shock would increase the local-currency cost of foreign weapons, fuel, electronics and capital equipment just when demand for them is least elastic. Monetary tightening can stabilise inflation expectations but raises household debt service and can weaken construction. Monetary easing can support investment but may amplify currency pressure. The Riksbank therefore becomes indirectly relevant to mobilisation even while remaining institutionally independent.

Sweden's high household indebtedness and significant real-estate exposure are the principal transmission vulnerabilities identified repeatedly by the IMF. They do not imply imminent crisis; they mean that interest-rate changes have a strong cash-flow effect. If security policy requires sustained fiscal expansion, monetary and fiscal policy may move in opposite directions. A state that spends more on scarce inputs can create inflationary pressure while the central bank restricts private demand. The distributional consequences can affect political support for security policy.

The Guerra di margini question is what Sweden gains from an additional unit of macroeconomic stabilisation compared with an additional unit of investment. If inflation is supply-driven, suppressing demand may have limited effect on the physical bottleneck. The higher-return intervention can be to expand the bottleneck directly. Conversely, if expectations de-anchor, preserving monetary credibility has very high option value because every long-term procurement contract and infrastructure project becomes more expensive under volatile inflation.

Watch the September 2026 and subsequent Riksbank forecasts, the krona's trade-weighted path, mortgage resets, construction starts, defence-import contracts denominated in foreign currencies and evidence that fiscal expansion is lifting underlying rather than headline inflation.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D4. Productivity, AI and the quality of Swedish growth

The IMF's 2026 Article IV analysis highlights Sweden's strong innovation base and comparative advantages in digitalisation and artificial intelligence while warning that productivity growth has slowed.

Sweden's strategic economy depends less on raw scale than on productivity and the ability to combine skilled labour with capital. A country of roughly eleven million cannot match the mass of larger European powers. It can, however, raise the output of each engineer, technician, soldier, nurse and public administrator. This is why digitalisation and AI matter strategically: they can partially offset demographic drag, reduce administrative friction, accelerate design and maintenance, and improve the use of scarce high-skill labour. Sweden starts with advantages in connectivity, advanced industry, universities, software and high institutional digital adoption.

The mechanism is not simply "more AI equals more growth". Productivity gains depend on organisational redesign, data quality, procurement rules and the capacity to diffuse technology from frontier firms to municipalities and smaller suppliers. Defence firms may adopt simulation, digital twins and automated manufacturing quickly, while health services or permitting authorities move more slowly. A two-speed productivity system would leave key state bottlenecks unchanged even if aggregate technology indicators look strong.

Risks include concentration of compute and cloud dependencies, foreign platform reliance, cybersecurity exposure, skills polarisation and the possibility that automation increases the value of a narrow set of specialists faster than education can supply them. There is also a strategic sovereignty question: models, chips, cloud infrastructure and software stacks can be subject to foreign export controls. Sweden can benefit from US technology ecosystems while needing European or national fallbacks for functions that cannot tolerate political interruption.

Under Guerra di margini, the relevant metric is the marginal hour of scarce expert labour released by automation. An AI investment has high strategic value when it frees an engineer from routine documentation, reduces maintenance downtime or accelerates threat analysis without creating a single-point dependency. It has lower strategic value when it merely automates tasks already abundant. The state should therefore rank use cases by bottleneck relief rather than novelty.

Watch business investment in software and automation, AI adoption outside large firms, data-centre and electricity constraints, government cloud policy, semiconductor supply exposure, technical-graduate output and measured productivity per hour. The long-term strategic test is whether Sweden can convert digital leadership into higher state and industrial throughput.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D5. Labour-market mismatch and mobilisation capacity

The European Commission's 2026 forecast projected unemployment at 8.5 per cent in 2026 despite an improving economy and identified persistent skills mismatches; the IMF similarly treats labour allocation as a structural issue.

The coexistence of relatively high unemployment and severe shortages in engineering, health, skilled trades and advanced manufacturing is one of Sweden's most important strategic paradoxes. Aggregate unemployment suggests labour slack, but the labour that defence, electrification and civil preparedness need is occupationally and geographically specific. Saab cannot substitute an unemployed service worker for an experienced systems engineer in the short run; a grid operator cannot instantly create high-voltage technicians; a municipality in northern Sweden cannot fill vacancies if housing and family services are absent.

The mechanism links education, migration, housing and industrial strategy. Large defence and energy investments can draw skilled workers away from civilian infrastructure. Northern industrial projects can compete with military bases and municipalities. A construction rebound can tighten the same trades needed for fortifications and grid work. If Sweden treats each programme separately, the resulting wage bidding raises project costs without increasing national capacity. Coordinated workforce planning can instead create training pipelines that serve multiple sectors.

A second risk is duration. Training an engineer, specialist nurse, officer or qualified electrician takes years. Security spending announced in 2026 can therefore collide with a human-capital supply that was determined by education choices made much earlier. Immigration can accelerate supply but only if qualification recognition, language acquisition and settlement work. Restrictive migration policy may reduce some political and integration costs while simultaneously increasing scarcity in selected occupations.

Guerra di margini reframes unemployment as a substitution problem. The marginal unemployed worker is not the marginal worker required by a strategic project. The policy target should be the elasticity of conversion: how quickly can people move from low-productivity or mismatched employment into shortage occupations? Adult education, apprenticeships, accelerated certification and housing may yield greater strategic return than generalized labour-market subsidies.

Watch vacancy duration in engineering and defence manufacturing, apprenticeship intake, university STEM enrolment, foreign-qualification recognition times, wage inflation in strategic occupations, northern municipal population trends and project delays explicitly attributed to labour shortages.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D6. Household debt and the political economy of resilience

The IMF continues to identify high household indebtedness and housing-market vulnerabilities as structural Swedish risks, even while judging the financial system broadly sound.

Household leverage matters strategically because it shapes how much economic pain society can absorb before support for expensive state programmes weakens. Sweden's mortgage structure transmits interest-rate changes relatively quickly. A security shock that raises energy prices and inflation can therefore hit households through several channels at once: higher living costs, higher mortgage payments and weaker asset prices. The state may then face pressure for compensation at exactly the moment it needs to finance defence and infrastructure.

The banking system is sophisticated and well capitalised, but its exposure to property and reliance on market funding create channels through which global risk aversion can enter Sweden. Commercial real estate is particularly relevant because refinancing stress can coincide with weaker office demand. None of this means that Sweden faces a deterministic financial crisis. It means that resilience policy must include liquidity, funding and household cash-flow scenarios rather than treating military threats as fiscally isolated.

The political mechanism is important. Citizens evaluate sacrifice relative to visible household constraints. A population that is asked to accept higher defence expenditure while mortgage and food costs are rising may demand offsetting welfare or tax measures. Those measures can be justified, but poorly targeted compensation can dilute fiscal headroom. Conversely, credible stabilisation can protect support for long-term security spending by preventing temporary shocks from becoming social crises.

In marginal terms, the value of an additional unit of household balance-sheet resilience rises when geopolitical volatility increases. Measures that improve amortisation capacity, housing supply and competition can have strategic spillovers. The key is to avoid policies that eliminate all risk and therefore create moral hazard. Strategic resilience means households can absorb plausible shocks without requiring the state to socialise every loss.

Watch debt-service ratios, arrears, variable-rate mortgage shares, bank wholesale funding spreads, commercial-property refinancing, household confidence and the scale of ad hoc fiscal compensation during energy or interest-rate shocks.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy

must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D7. Housing supply as strategic infrastructure

The IMF has repeatedly recommended reforms to Swedish housing and rental markets because housing constraints reduce labour mobility and productivity.

Housing is rarely classified as defence infrastructure, yet in Sweden it can determine whether industrial expansion is physically possible. New defence production, grid projects, mines, data centres and military units require workers to move. In several growth regions, especially in the north, the availability of housing, schools and services can be more binding than corporate investment capital. A factory without a labour catchment is not a strategic asset at full capacity.

The Swedish housing system combines regulated rents, municipal planning, ownership incentives and a construction sector sensitive to interest rates. This can produce long queues and geographic mismatch even when national housing stock appears adequate. Strategic projects therefore face an implementation risk: investment decisions can be made faster than communities can add accommodation. Temporary labour can bridge construction phases but not sustain complex operations or family settlement.

There is also a social-cohesion dimension. Housing segregation can reinforce unequal education, employment and crime outcomes. That in turn increases policing and welfare costs and can weaken trust. A strategic housing policy should not be reduced to a security instrument, but security analysis should recognise that spatial concentration of disadvantage creates exploitable social seams and limits the effective national labour pool.

Guerra di margini asks where the next dwelling creates the most option value. An apartment in a saturated metropolitan market and a home near a critical industrial cluster have different strategic externalities. Planning reform, transport links and municipal finance can raise the return on private construction without requiring the state to build every unit itself.

Watch housing starts, rental queues, municipal permitting times, vacancy rates around northern industrial clusters, construction insolvencies, commuting patterns and project announcements that cite accommodation as a constraint.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D8. Migration restriction, labour need and integration capacity

The outgoing government pursued a materially stricter migration and citizenship policy, while Swedish statistical and economic institutions continue to show that future population growth and labour supply depend partly on migration.

Sweden's migration debate sits at the intersection of social trust, fiscal policy, crime, demography and labour demand. The policy turn toward lower asylum immigration and stricter citizenship requirements responds to concerns about integration, welfare dependency, identity fraud and organised crime. At the same time, very low fertility and ageing mean that a closed labour market would eventually tighten the workforce available for health care, industry and defence-support functions. The strategic question is therefore not open versus closed migration in the abstract, but composition, selection, integration speed and enforcement credibility.

Migration produces heterogeneous fiscal and social effects. High-skilled workers can raise productive capacity rapidly, whereas people with weak labour-market attachment may require years of language and training. Family formation, education of children and neighbourhood effects extend beyond first-year fiscal accounting. Policy therefore needs longitudinal rather than snapshot evaluation. A system that screens, trains and integrates effectively can preserve demographic options; a system that allows persistent exclusion can consume trust and municipal resources.

The security dimension is often overstated when treated collectively and understated when identity systems are weak. Most migrants are not security threats. The relevant vulnerabilities involve criminal recruitment, fraudulent identities, foreign coercion of diaspora communities and the use of polarising issues in influence operations. Strong rule enforcement protects both the majority population and migrants who are themselves targets of criminal or foreign-state pressure.

In Guerra di margini terms, Sweden should optimise the marginal migrant by skill, integration probability and strategic labour need rather than use aggregate inflow as the sole metric. Equally, the marginal enforcement measure should be judged by whether it increases compliance without unnecessarily reducing access to scarce talent. A restrictive system can still be economically open if it is fast and predictable for high-value workers.

Watch labour-migration rules, asylum volumes, citizenship tests, employment gaps by origin and duration of residence, language outcomes, foreign-born entrepreneurship, deportation enforcement, and shortages in health, engineering and skilled trades.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D9. Fertility, ageing and the time horizon of power

Statistics Sweden's 2026–2070 population projection expects slow population growth, with total fertility around 1.44 in 2026 and only a gradual recovery in later decades; the share aged eighty or more is projected to rise substantially.

Demography changes slowly but constrains strategy ruthlessly. Low fertility today affects the size of cohorts entering the labour force and military-age population two decades later. Ageing simultaneously raises demand for health and care labour. Sweden is not facing population collapse in the near term; Statistics Sweden projects continued population growth. The strategic issue is the composition of that growth and the ratio between workers, children and older dependants.

A larger elderly population does not mechanically bankrupt the welfare state. Older Swedes also hold assets, work longer than previous generations and can benefit from productivity improvements in care. But age-related expenditure competes with defence and infrastructure for labour as well as money. A nurse, electrician or municipal administrator cannot be in two places at once. This makes productivity in welfare services part of national security economics.

Family policy can influence fertility at the margin but cannot reliably engineer a rapid demographic reversal. Housing, work-family compatibility, perceived future security and cultural preferences all matter. The lag is long: even a successful fertility increase in 2027 contributes no new worker until the 2040s. Migration and higher participation are therefore the only faster demographic levers, while automation can reduce labour intensity.

The Guerra di margini insight is that demographic policy should value option preservation. Keeping parents attached to the labour market, extending healthy working lives, improving integration and automating routine care each add flexible capacity. A narrow focus on birth incentives can consume resources before it changes the binding constraint.

Watch births, cohort sizes, labour-force participation at ages 60–69, dependency ratios, municipal elder-care vacancies, health productivity and net migration by skill category.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally

sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D10. Organised crime as a state-capacity challenge

The Swedish National Council for Crime Prevention reported 84 cases of lethal violence in 2025, with firearms used in 42. Government strategy treats the criminal economy, undue influence and identity abuse as systemic problems rather than isolated street violence.

Sweden's organised-crime problem has strategic relevance because it tests the state's monopoly of coercion and its administrative integrity. The most visible indicator—shootings—captures only part of the system. Criminal networks also use fraud, welfare abuse, extortion, procurement infiltration, money laundering and recruitment of minors. Violence can fall while the underlying financial ecosystem remains resilient. A successful policy therefore has to attack revenue, recruitment and institutional penetration simultaneously.

The link to foreign threats requires precision. Domestic criminal actors are not automatically proxies for foreign states. However, Swedish security authorities and European services have warned that state actors can exploit criminal intermediaries for sabotage, intimidation or deniable operations. The existence of a market for violence lowers the cost of external coercion. That makes the suppression of criminal service markets part of resilience against hybrid threats.

Excessive securitisation also carries costs. If communities experience enforcement as arbitrary or if prevention and schools deteriorate, recruitment pools can persist. The state needs both coercive capacity and legitimacy. Data sharing, witness protection, asset seizure and identity integrity may deliver greater marginal return than simply increasing patrol volume once violent hotspots are saturated.

Guerra di margini treats organised crime as an adversarial economy. The aim is to raise the marginal cost of recruiting a shooter, laundering a krona, obtaining a false identity or corrupting an official, while lowering the marginal payoff of each crime. This suggests focusing on transaction infrastructure and replacement rates rather than arrests alone.

Watch youth recruitment, explosives incidents, criminal profits, asset recovery, convictions for financial crime, public-sector infiltration cases, witness cooperation and the geographic diffusion of network activity.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D11. Trust, legitimacy and the Swedish total-defence model

Sweden's total-defence concept explicitly relies on the whole of society: central government, municipalities, regions, business and households. Psychological-defence policy treats public resilience and confidence as operational capabilities.

Total defence works only if citizens believe institutions are competent enough to justify cooperation. Trust reduces transaction costs: people comply with warnings, firms share information, reservists report, municipalities coordinate and emergency rationing is more likely to be accepted. Sweden's historically high institutional trust is therefore not a cultural ornament but a form of strategic capital. It allows a relatively lean state to mobilise through networks rather than command every resource directly.

Trust is fragile when performance diverges from expectations. Failures in policing, health queues, infrastructure or crisis communication can accumulate even when aggregate state capacity remains high. Influence operations exploit existing grievances more effectively than they create wholly artificial ones. The Swedish Psychological Defence Agency's emphasis on source criticism and institutional coordination is therefore necessary but cannot substitute for competent service delivery.

There is a trade-off between secrecy and legitimacy. Intelligence and defence organisations need operational confidentiality, yet public consent requires enough transparency to understand the threat and the cost of response. Overstatement can cause fatigue; understatement can cause surprise. The most resilient communication is calibrated: attribute only when evidence supports attribution, acknowledge uncertainty and separate hostile intent from ordinary political disagreement.

The marginal value of trust rises sharply in crisis. Once trust falls below a threshold, each additional policy requires more enforcement, subsidy or persuasion. Protecting trust before crisis can therefore be cheaper than rebuilding it after. Guerra di margini recommends treating competence, fairness and communication as preventive investments with nonlinear returns.

Watch institutional-confidence surveys, compliance with civil-defence guidance, trust gaps between demographic groups, perceptions of police and municipalities, misinformation uptake and the speed with which authorities correct errors publicly.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D12. Psychological defence and the cognitive battlespace

The Swedish Psychological Defence Agency intensified work around the 2026 election and reported after polling that it had not observed a major coordinated foreign information campaign capable of redefining the election as a priority target.

The absence of a dramatic election operation is itself analytically important. It shows why strategic communication should not assume constant maximum adversary effort. Foreign actors allocate resources. Sweden may be targeted heavily on NATO, Ukraine, Quran-burning controversies, migration or defence-industrial issues at one moment and less heavily during another. A mature system distinguishes baseline manipulation, opportunistic amplification and centrally directed campaigns.

AI lowers the cost of producing persuasive text, audio and video, but distribution and credibility remain bottlenecks. A fabricated clip has little strategic effect if it does not reach trusted networks. Conversely, authentic material selectively framed can have high impact. The cognitive defence problem is therefore partly about platform incentives, domestic influencers and social trust, not only about detecting synthetic media.

Sweden's agency model is designed to defend open debate without creating a ministry of truth. That institutional choice matters. Overbroad counter-disinformation powers can undermine the legitimacy they intend to protect. The higher-return approach is provenance, rapid factual correction, media literacy, secure official channels and exposure of coordinated inauthentic behaviour when evidence is strong.

Guerra di margini asks what the adversary pays for the next unit of persuasion and what Sweden pays to neutralise it. If defensive systems force attackers to use higher-quality assets, verified identities or longer cultivation, they raise adversary marginal cost even if false content is never eliminated. The objective is not an information environment without falsehood; it is one in which manipulation struggles to change consequential behaviour.

Watch coordinated network takedowns, impersonation of public authorities, deepfake incidents involving military or political leaders, platform response times, survey measures of source verification, and whether foreign narratives migrate from fringe spaces into mainstream political agenda-setting.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D13. Cybersecurity of a highly digital state

ENISA's 2025 Threat Landscape analysed 4,875 incidents: DDoS represented 77 per cent of reported incidents, ransomware was assessed as the most impactful threat, and public administrations were among the most targeted sectors.

Sweden's high digitalisation is an efficiency advantage and an attack surface. Digital identity, payments, health records, tax administration, logistics and communications can make everyday activity fast in peacetime while creating correlated failure if common dependencies are compromised. The strategic

goal is therefore not to retreat from digitalisation but to build graceful degradation: critical services should continue at reduced capacity when cloud, telecom or identity layers fail.

The threat picture is heterogeneous. Hacktivist DDoS campaigns create visibility and nuisance but often limited lasting disruption. Ransomware can stop operations and expose sensitive data. State-linked actors seek persistence, espionage, pre-positioning and supply-chain access. Defences designed for one category may not work for another. Sweden needs segmentation, identity control, offline recovery, threat hunting and supplier assurance alongside public communication.

Cloud dependence creates a sovereignty dilemma. Hyperscale providers offer security resources that smaller national systems cannot easily replicate, but concentration creates jurisdictional and technical dependency. The answer is unlikely to be complete national autarky. More realistic resilience comes from classification: which workloads can rely on global providers, which require European control, and which need sovereign or disconnected fallback.

In marginal terms, cyber spending should prioritise the next avoided systemic outage rather than the next compliance document. Backup systems have value only if restoration is tested. Redundancy has value only if it does not share the same credential, software or power dependency. The strategic metric is recovery time under realistic attack.

Watch NIS2 implementation, major municipal incidents, ransomware recovery time, concentration of cloud contracts, telecom outage duration, red-team exercise results and evidence of pre-positioning in critical infrastructure.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D14. Electronic communications and the repair problem

The 2025–2030 total-defence resolution explicitly prioritises resilience in electronic communications, including reserve power, redundancy and repair capability.

Modern war and hybrid coercion target communications because disruption multiplies across sectors. A mobile outage affects emergency calls, payments, logistics, public warning and military coordination. Sweden's dispersed geography and northern climate make repair logistics particularly important. Redundant fibre is insufficient if both routes share a bridge, power substation or maintenance contractor. Physical topology matters as much as network architecture.

Commercial telecom operators optimise for service quality and cost in normal conditions, not necessarily for prolonged national mobilisation. Total-defence planning changes the objective function. It may require fuel for backup generators, hardened sites, spare radio equipment, priority access to

roads, protected warehouses and personnel obligations. These costs can appear inefficient in peacetime because they buy rarely used capacity.

The risk is a mismatch between formal redundancy and operational independence. Two data links can depend on one exchange; multiple cell towers can depend on one regional power feed; several operators can rely on the same vendor. Mapping common dependencies is therefore a core public-private task. Security classification can complicate information sharing, so trusted arrangements must exist before crisis.

Guerra di margini places high value on repair rate. Deterrence is not only preventing damage but demonstrating that damage yields short-lived benefit. If Sweden can restore a cut link in hours rather than days, the adversary must expend more sabotage resources to sustain disruption. Mobile repair teams and standardised spare parts can therefore be more valuable than another layer of static hardening.

Watch reserve-power endurance, fibre-route diversity, critical spare inventories, telecom repair exercises, vendor concentration, satellite backup integration and obligations imposed on operators under civil-defence planning.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D15. Subsea cables, pipelines and Baltic infrastructure

Sweden signed arrangements with Baltic and Nordic partners to deepen protection of critical undersea infrastructure, while the EU and NATO have expanded maritime surveillance and exercises after repeated Baltic incidents.

The Baltic seabed concentrates electricity cables, data links, pipelines and military sensor interests in a shallow, congested maritime environment. Attribution is intrinsically difficult because accidental anchor damage, negligent shipping, covert sabotage and state activity can produce similar physical effects. Sweden's challenge is therefore to combine surveillance, legal authorities, repair capacity and allied intelligence without assuming that every incident is hostile.

The economic mechanism is networked. A single cable rarely determines national survival, but repeated damage raises insurance, repair costs and uncertainty. Data traffic can reroute until spare capacity is exhausted. Power flows can be substituted until congestion emerges elsewhere. The strategic vulnerability lies in correlated incidents and in repair bottlenecks such as specialised vessels and components.

The Russian shadow fleet adds complexity because sanctions evasion, poor maintenance, opaque ownership and security concerns overlap. Sweden must distinguish enforcement of maritime and

sanctions law from military escalation. NATO membership improves intelligence sharing and deterrence but also places Swedish waters and ports inside alliance reinforcement planning, increasing their strategic salience.

From the marginal perspective, a second route has high value when it changes the system from single-point failure to degraded continuity; a third or fourth route may add less unless threats are correlated. Repair capability often has increasing value when redundancy is limited. Investment decisions should model simultaneous failures rather than average annual outage statistics.

Watch cable incidents, vessel patterns near critical routes, repair-vessel availability, spare-cable inventories, joint Baltic exercises, legal detention cases and the time required to restore damaged links.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D16. Gotland as a high-leverage node

Svenska kraftnät's March 2026 decision to strengthen Gotland's electricity resilience explicitly cited the island's significance for total defence and plans new 220 kV connections around 2030.

Gotland's strategic value comes from geometry. The island influences surveillance, air and maritime operations across the central Baltic and sits close to routes connecting Sweden, the Baltic states and Poland. Its importance increased after NATO enlargement because the Baltic is now surrounded largely by allied territory, but that does not make the island invulnerable or eliminate Russian anti-access capabilities. It makes reinforcement, sustainment and infrastructure more consequential.

A military force on Gotland depends on civilian systems: power, ports, fuel, telecom, water, roads and medical capacity. Hardening only the garrison would therefore create an illusion of resilience. The planned grid connections and discussion of additional robustness illustrate the correct systems approach. Local generation and storage may have value not because they are the cheapest energy in normal operation, but because they provide islanded functionality under disruption.

The island also has signalling value. Visible allied exercises and infrastructure investment raise the expected cost of coercion. Yet excessive concentration of assets can create target density. Dispersal, deception and rapid repair are therefore complements to reinforcement. Civil preparedness must account for seasonal population variation and constrained transport capacity.

Guerra di margini suggests Gotland is one of Sweden's highest-return locations for dual-use investment. A port improvement can serve commerce, civil contingency and NATO sealift; a power asset can serve households and military operations; an airfield upgrade can serve civil and defence aviation. These stacked returns justify investment even when narrow commercial calculations appear marginal.

Watch completion schedules for new cables, local reserve generation, port and runway upgrades, pre-positioned stocks, air-defence deployments, reinforcement exercises and civil-defence planning on the island.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D17. Military mobility from Norwegian ports to Finland and the Baltic

NATO accession transforms Sweden from a geographic gap between Norway and Finland into a central reinforcement corridor across the Nordic region.

Swedish territory now connects Atlantic reception points in Norway with Finland and the Baltic theatre. Roads, railways, bridges, tunnels, ports and airfields are therefore alliance capabilities. The shift is profound because infrastructure standards designed for civilian efficiency may not support heavy military loads, dispersed fuel demand or rapid movement under attack. Sweden's strategic value to NATO is partly the capacity to move other allies, not only its own forces.

The corridor problem is physical and administrative. Axle loads, rail gauge interfaces, bridge strength, snow clearance, customs-like procedures for dangerous goods, movement permissions and host-nation support can all become bottlenecks. A single weak bridge can reduce the value of an otherwise modern route. Infrastructure projects should therefore be evaluated as networks in which the least capable node can determine throughput.

Mobility also creates vulnerability. Fixed routes are observable and can be targeted by cyberattack, sabotage or long-range fires. Redundant routes, rapid bridge repair and civilian contractor agreements matter. The Nordic geography offers depth, but distance increases fuel and maintenance requirements. Pre-positioning can substitute for some transport demand but creates storage and protection needs.

In marginal terms, the next euro or krona should often go to the bottleneck that raises corridor throughput most. Widening an already adequate road may add little if a rail terminal cannot unload heavy equipment. This is a classic Guerra di margini problem: optimise the system constraint, not the most visible asset.

Watch NATO military-mobility projects, EU funding, bridge and rail upgrades, host-nation support exercises, cross-border movement times and identification of alternative routes in northern Sweden.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one

occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D18. The Army: mass, readiness and the personnel constraint

The 2025–2030 defence resolution directs substantial reinforcement of the Army, more personnel and faster unit production as part of Sweden's NATO commitments.

Sweden is rebuilding land power after decades in which expeditionary and smaller-force assumptions reduced mass. NATO membership changes the planning benchmark: the Army must defend Swedish territory, contribute to allied defence and support reinforcement. This creates demand for brigades, artillery, air defence, engineers, logistics and reserves. Equipment counts matter, but trained formations and sustainment matter more.

Personnel is likely to remain a binding margin. Conscription expands the pool, yet officers, NCOs, technicians and instructors cannot be scaled instantly. Rapidly increasing conscript intake can dilute training quality if cadre growth lags. Reserve obligations also interact with civilian critical sectors: the same technician may be valuable to a military unit and an electricity operator. Total-defence manpower planning must therefore allocate people, not just count them.

Land warfare in Ukraine has reinforced the importance of drones, electronic warfare, fortification, dispersion and ammunition consumption. Sweden must adapt without assuming that every Ukrainian lesson transfers directly to Nordic terrain or NATO air superiority. Forest, winter, infrastructure and alliance integration shape a different operating environment.

The marginal value of the next battalion depends on the artillery, air defence, logistics and command systems that enable it. A force can become larger on paper while readiness falls if support tails are underfunded. Guerra di margini therefore favours balanced unit production and training throughput over headline platform accumulation.

Watch annual conscript numbers, officer retention, brigade exercise tempo, artillery and air-defence availability, reserve mobilisation tests, ammunition consumption during training and the ratio of deployable units to nominal structure.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than

conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D19. Air power: Gripen, dispersed basing and integrated defence

Sweden contributes JAS 39 Gripen aircraft to NATO missions, including Arctic Sentry, and retains a domestic combat-aircraft industrial base identified by government as strategically important.

Air power is one of Sweden's clearest comparative advantages. Gripen was designed around dispersed operations and relatively austere basing, reflecting Cold War experience. In NATO, that national concept can become part of a wider integrated air and missile defence system. Swedish aircraft, sensors and bases can support Baltic and High North missions while allied aircraft can reinforce Sweden.

The vulnerability is that modern air warfare depends on more than fighters. Hardened and dispersed bases, munitions, fuel, ground crews, secure data links, airborne and ground-based sensors and long-range air defence determine sortie generation. Russia's use of missiles and drones against Ukrainian air infrastructure shows why static efficiency can be dangerous. Dispersal raises peacetime cost but lowers wartime targetability.

Industrial sovereignty has limits and benefits. Sweden can sustain and upgrade a national fighter ecosystem, preserving engineering knowledge and export leverage. But engines, electronics and weapons involve international supply chains. NATO integration can expand weapon options while increasing dependency on allied political and industrial decisions.

The marginal metric should be sorties generated under attack, not aircraft inventory alone. One additional missile stockpile, mobile maintenance team or fuel point may increase effective combat power more than another airframe if the fleet is already constrained by support. This is a direct application of the marginal-complement principle.

Watch Gripen readiness, Meteor and other munitions stocks, dispersed-base exercises, runway repair, integrated air-defence procurement, NATO data-link integration and pilot/technician retention.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D20. Air and missile defence as a scarce European commodity

The Swedish rearmament programme places growing emphasis on air defence in response to the missile, drone and cruise-missile threat demonstrated in Ukraine and across NATO's eastern flank.

Air defence is a classic scarcity problem. No European country can afford to defend every asset against every threat continuously. Interceptors are expensive, launchers limited and adversaries can use cheaper drones to saturate high-end systems. Sweden must therefore combine active defence with dispersion, hardening, deception, electronic warfare and rapid repair. The allocation problem—what receives protection—can be politically and militarily difficult.

NATO integration expands the sensor and interceptor network, but alliance assets are also scarce. During a wider conflict, Poland, the Baltic states, Finland and Germany would all demand coverage. Sweden cannot assume that allied systems will always be available for national infrastructure. National capability therefore has option value even when collective defence is credible.

Industrial policy matters because interceptor consumption can be extremely high. Long-term contracts and European joint procurement can increase production scale, but they may also create queues. The timing of orders affects strategic value: a launcher delivered after the crisis has little deterrent benefit beforehand. Procurement should therefore include production-slot analysis.

Guerra di margini recommends an "avoided loss per interceptor-equivalent" logic rather than indiscriminate defence. Protecting a command node, airbase, port or power switching station can preserve many downstream capabilities. Hardening a low-value target may consume resources with little systemic gain.

Watch launcher deliveries, interceptor inventories, drone-defence experimentation, passive-protection programmes, NATO air-defence exercises and the protection plans for ports, airbases, nuclear facilities and critical grid nodes.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D21. The Navy, sea denial and Baltic control

Sweden's maritime geography and NATO membership give the Navy a central role in Baltic surveillance, sea denial, escort, mine warfare and protection of reinforcement routes.

The Baltic is shallow, crowded and sensor-dense. Sweden's Navy does not need to dominate it in the same way a blue-water fleet would dominate an ocean. It needs to make hostile operations costly, preserve allied movement and support situational awareness. Corvettes, submarines, mines, shore-based sensors, aircraft and allies form a distributed system.

Sweden's Visby-class corvettes and submarine expertise reflect a long adaptation to Baltic conditions. The main strategic challenge is endurance and fleet size. A small number of sophisticated platforms can generate high peacetime surveillance value but maintenance or combat loss can reduce availability quickly. Shore-based missiles, unmanned systems and allied interoperability can diversify the force.

Mine warfare deserves particular attention because mines can deny ports and channels at relatively low cost. Clearing them is slow and specialist. The same asymmetry applies to cheap drones and small sabotage teams around ports. Naval planning must therefore protect the enabling infrastructure that gets ships to sea.

Marginal analysis asks whether the next unit of maritime spending adds sensing, lethality, endurance or repair. Once surveillance coverage is adequate, additional sensors may add less than ammunition or maintenance. Conversely, without a common operating picture, additional shooters may be underused. The optimum changes as NATO integrates the region.

Watch ship availability, mine-countermeasure capacity, coastal missile integration, autonomous systems, port security, maritime-domain awareness and allied Baltic patrol patterns.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D22. Submarines and the Sweden–Poland industrial axis

In June 2026 Sweden and Poland finalised arrangements for Poland to procure three A26 submarines from Saab, with Sweden leasing HMS Södermanland until 2032 and deepening long-term cooperation.

The deal is larger than an export contract. It can create a Baltic submarine ecosystem in which training, maintenance, doctrine and industrial demand are shared between two states facing the same theatre. For Sweden, this spreads fixed industrial costs and sustains a strategic underwater competence that would be expensive to maintain on national orders alone. For Poland, Swedish experience provides a system tailored to Baltic conditions.

The industrial opportunity also creates a capacity conflict. Export production occupies yards, engineers and suppliers that Sweden may need for its own fleet. If the order expands manufacturing capacity, the alliance gains. If it simply reallocates a fixed number of production slots, national readiness can be delayed. Contract design and state investment therefore determine whether exports are positive-sum.

Submarines have disproportionate deterrent value because uncertainty about their location complicates adversary planning. They can collect intelligence, threaten shipping and force expensive anti-submarine precautions. But their maintenance and crew pipelines are demanding. A small fleet can lose a large share of effective strength during refit.

Guerra di margini views the Poland deal as a test of whether Sweden turns demand into capacity. The best outcome is not the maximum export revenue; it is a larger, more resilient Scandinavian-Baltic underwater industrial base with interchangeable support where possible and protected sovereign knowledge where necessary.

Watch A26 construction milestones, yard expansion, supplier investment, Swedish fleet delivery schedules, crew training and the practical scope of Poland–Sweden maintenance cooperation.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D23. Defence industry: from commercial sector to mobilisation asset

The 2025 Defence Industry Strategy calls for long-term orders, higher production, state investment where needed, access to key materials and capital, and partnerships in strategic categories including combat aircraft, underwater systems, command-and-control and ammunition.

Sweden's defence industry gives it an advantage that many similarly sized European states lack. Domestic firms can design complex systems, export globally and retain engineering competence. That industrial base supports sovereignty because Sweden can influence upgrades, repair and production priorities. NATO accession also enlarges the accessible market and increases the value of interoperability.

The danger is assuming ownership nationality equals supply-chain sovereignty. Complex weapons include foreign engines, semiconductors, explosives, machine tools and software. A Swedish final integrator can still be exposed to external export controls or single suppliers. Supply-chain mapping and alternative qualification are therefore essential. State intervention may be justified where private firms cannot economically maintain dormant surge capacity.

Defence demand is cyclical and politically driven. Firms hesitate to build factories for orders that might disappear in five years. Long-term framework contracts can lower that uncertainty. However, guaranteed demand can also weaken cost discipline. Sweden needs procurement institutions capable of rewarding production expansion while maintaining competition and performance accountability.

The marginal unit of defence-industrial policy should be assessed by added throughput and substitution. A subsidy that merely raises profit on existing output has low strategic return; investment that opens a second production line, qualifies another propellant supplier or trains scarce welders can have high return. The objective is elasticity under surge.

Watch order backlogs, production lead times, supplier concentration, capital expenditure, export licensing, state co-investment, ammunition output and workforce vacancies at major defence firms.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one

occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D24. Ammunition and the economics of stockpiles

Swedish and European defence policy increasingly treats ammunition production and inventories as central after Ukraine demonstrated consumption rates far above pre-war planning assumptions.

Ammunition is a consumable option. It has little visible peacetime output, yet without it expensive platforms rapidly lose military value. The economics are awkward: stockpiles tie up capital, require storage and can age; production lines are costly to keep open; surge expansion takes time. Market mechanisms alone tend to underprovide capacity because the customer is mainly the state and crisis demand is discontinuous.

Ukraine support creates an additional trade-off. Donating munitions can produce immediate strategic benefit by degrading Russian military power, but it can lower Swedish inventories until replenishment arrives. The correct assessment therefore compares not only the item donated but the replacement time, production expansion triggered by the order and the contribution to European deterrence.

Joint procurement can aggregate demand and justify larger factories, though it can also reduce national control over delivery priority. Sweden's domestic industrial base helps but does not eliminate dependence on explosives, propellants and components. Storage sites themselves require protection and distribution planning.

Guerra di margini asks where the next round matters most. Once minimum war reserves are below requirement, each additional unit has very high value because it extends endurance. Beyond an adequate reserve, the same resources may produce more security by expanding production rate. The optimum therefore combines stocks with replenishment capacity rather than maximising one.

Watch inventory targets, replenishment timelines after donations, Nammo and other supplier expansion, explosives and propellant availability, storage construction and NATO standardisation of calibres.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy;

expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D25. Ukraine support as forward defence and resource allocation

The 2026 Statement of Foreign Policy calls support to Ukraine Sweden's foremost foreign-policy priority and frames the outcome of the war as consequential for European security for a generation.

Sweden's support to Ukraine is simultaneously normative, alliance-oriented and strategic. Equipment sent to Ukraine can impose costs on Russia before Swedish territory is threatened directly. It also generates battlefield learning for Swedish industry and armed forces. However, every donation carries an opportunity cost if replacement is slow. The strategic question is the balance between current Ukrainian marginal utility and Swedish/NATO reserve requirements.

The value of a donated system depends on context. A piece of equipment that Ukraine can employ immediately may have much higher current military utility than the same item stored in Sweden. Conversely, unique systems with low replacement rates may be critical to Sweden's own mobilisation. The proper calculation is therefore dynamic rather than political symbolism or inventory accounting.

Support also affects industry. Replacement orders can expand production and create scale, turning a short-term inventory drawdown into a long-term capacity gain. But if government purchases merely backfill at existing production rates, shortages persist. Training, maintenance and spare parts must accompany major systems or the recipient's effective capability is lower than nominal aid value.

Guerra di margini provides a direct decision rule: compare the marginal Russian capability reduced by aid today with the marginal Swedish/NATO risk created until replacement. The ratio changes with front conditions, stock levels, lead times and allied burden-sharing. There is no fixed answer across all equipment categories.

Watch Swedish aid packages, replacement contracts, delivery times, industrial expansion attached to Ukraine orders, training commitments and whether donated capabilities are standardised with broader NATO fleets.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D26. The Arctic: corridor, resources and surveillance

Sweden's 2026 Arctic Strategy defines five areas: peace and security, economy and trade, climate and environment, resilient communities and strategic resources; Sweden also participates in NATO Arctic Sentry.

Northern Sweden has moved from peripheral geography to a central NATO space linking Norway, Finland and the Baltic. It contains military training areas, mines, energy assets, space infrastructure and emerging industrial projects. Climate change can alter access and infrastructure conditions while Russia remains the dominant Arctic military power and China shows growing strategic interest in the region.

The Swedish challenge is to avoid separating security from regional development. Military mobility requires roads, rail, fuel and housing that northern communities also need. Mining and industrial electrification can support European strategic autonomy but increase grid and water demand. Indigenous Sami rights and environmental constraints add legitimate competing claims. Poorly managed development can generate local resistance that slows strategically important projects.

Surveillance is particularly valuable in the High North because distances are large and warning time matters. Space-based sensors, aircraft, ground radars and allied data sharing can reduce uncertainty. Yet surveillance without response capacity has diminishing returns. Finland and Norway provide complementary geography and capabilities, making Nordic integration more valuable than national duplication.

The marginal investment test should rank assets by multi-use. A rail upgrade that serves mining exports, residents and NATO reinforcement can have a higher total return than a narrowly military project. Conversely, strategic resources may justify some redundancy that commercial models would reject.

Watch Arctic Sentry deployments, northern rail projects, mine permitting, Sami consultation disputes, grid capacity, allied exercises and surveillance investment around the High North.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D27. Esrange, satellites and space sovereignty

Sweden's defence and security space policy identifies space as increasingly decisive; Esrange and sovereign satellite capabilities are being integrated into total defence.

Space systems support positioning, communications, weather, intelligence and targeting. Sweden's geography gives Esrange a valuable northern location, while domestic technical capacity creates opportunities in launch, satellite operations and sensing. NATO membership increases the military relevance of these capabilities because Swedish space assets can feed a wider allied network.

Dependence on foreign satellite services remains unavoidable for many functions. Sovereignty should therefore be defined as assured access rather than complete ownership. Sweden can own selected satellites, maintain ground infrastructure and participate in European constellations while using commercial services for scale. The critical issue is which functions require guaranteed wartime availability.

Space infrastructure is vulnerable to cyberattack, jamming, kinetic and non-kinetic interference, and ground-station sabotage. Redundant orbits and ground sites can mitigate risk, but they add cost. Launch capability has option value because it can reduce dependence on foreign schedules, although the economics of sovereign launch must be assessed realistically.

Guerra di margini asks whether another satellite, ground station or launch investment reduces a binding dependency. A small sovereign communications payload may have higher crisis value than a larger commercial-imaging programme if communications are the critical vulnerability. Integration with European programmes can multiply returns.

Watch military satellite launches, Esrange operational milestones, EU secure-connectivity participation, anti-jam capabilities, ground-station hardening and procurement of sovereign versus commercial services.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D28. Nuclear policy and state risk-bearing

In June 2026 the Swedish state agreed to take a 60 per cent share in Videberg Kraft AB, with Vattenfall and Industrikraft each at 20 per cent, as part of the effort to enable new nuclear capacity at Ringhals.

The decision illustrates a broader strategic shift: the state is willing to absorb risks that private investors may not bear when an asset is judged systemically important. New nuclear power is capital-intensive, exposed to construction risk and dependent on long-duration policy stability. Private financing therefore prices regulatory and political uncertainty heavily. State participation can lower financing cost but transfers risk to taxpayers.

The energy-security case rests on firm low-carbon output, grid stability and the prospect of much higher electricity demand from industry, data centres, transport and defence. Nuclear power can complement hydro and variable renewables. Yet the strategic value depends on delivery date and cost. A reactor that enters service late or far above budget can crowd out grids, storage or other generation for years.

There is also concentration risk. Large reactors create high-output nodes that require physical and cyber protection. A diversified system may be more resilient to disruption even if individual technologies have higher average cost. Sweden therefore needs a portfolio rather than a single-technology strategy.

Guerra di margini focuses on the value of firm megawatt-hours at the moment the system is constrained, not average annual generation. State aid is justified strategically only if the added capacity relieves a future bottleneck more efficiently than alternatives after financing, grid and risk are included.

Watch final investment decisions, construction schedules, state guarantees, cost overruns, grid-connection plans, industrial demand forecasts and how nuclear support interacts with wind, hydro, storage and demand response.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D29. The electricity grid as the hidden industrial constraint

Svenska kraftnät and government policy increasingly treat transmission expansion and resilience as prerequisites for electrification and total defence.

Sweden produces substantial electricity, but national energy abundance does not imply that every region can connect new load when needed. Grid congestion, transformer lead times, permitting and local network capacity can delay factories, mines, data centres and military installations. The security issue is therefore locational and temporal. A megawatt in one bidding zone at the wrong hour may not substitute for a megawatt elsewhere.

Electrification intensifies interdependence. Industry moves from fossil fuels to electricity; transport becomes more electric; digital systems expand. This can reduce imported-fuel dependence but raises the consequence of grid failure. Resilience therefore requires redundancy, black-start capability, reserve generation and repair inventories alongside more capacity.

Interconnectors create both value and exposure. Trade allows Sweden to export surpluses and import during shortages, lowering total system cost. During a regional crisis, however, neighbours may face the same scarcity. Domestic adequacy retains option value. Political controversy over cables often reflects this difference between average economic welfare and tail-risk security.

The marginal criterion is congestion relief and system resilience. A transmission line that unlocks several industrial projects can have enormous option value. Conversely, generation built where the grid cannot use it may add little near-term security. Planning should coordinate generation, demand and reinforcement rather than optimise each separately.

Watch connection queues, transformer procurement times, north–south price spreads, major transmission projects, cyber incidents at grid operators, reserve-power exercises and changes in cross-border capacity policy.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one

occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D30. Hydropower, storage and flexibility

Hydropower remains a core component of Sweden's electricity system and provides balancing capacity that becomes more valuable as variable generation and electricity demand grow.

The strategic value of hydro is flexibility rather than only annual energy. Reservoirs can shift output across hours and days, support frequency control and provide black-start capability. This makes them complements to wind and nuclear. In a crisis, dispatchable hydro can preserve essential loads while damaged infrastructure is repaired.

Hydro is not unconstrained. Water availability varies, environmental rules matter, and transmission can limit where power is useful. Climate change may alter hydrology. Competing objectives—electricity, ecology, flood control and local rights—must be managed. Upgrading turbines and control systems may add capacity without new dams, often at lower social and permitting cost.

Because hydro facilities are long-lived, cybersecurity and physical protection of control systems are essential. A successful attack on dispatch or substations could reduce the flexibility value that makes hydro strategically important. Manual fallback and local operating competence therefore matter.

Guerra di margini values the next controllable megawatt more highly during scarcity than during surplus. Policy should therefore measure capacity, ramp rate and restoration contribution, not only terawatt-hours. Hydro modernisation can yield high returns if it increases flexibility at constrained moments.

Watch reservoir levels, reinvestment plans, turbine upgrades, environmental re-licensing, transmission constraints and resilience exercises involving black-start and islanded operation.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D31. Wind power, permitting and strategic diversification

Wind contributes materially to Swedish electricity supply and remains one of the fastest technologies to add, but local opposition, permitting and defence interests can constrain projects.

Wind has strategic advantages: no imported fuel, modular construction and relatively short build times. It also has limitations: variable output, dependence on grids, imported components and potential conflicts with radar, aviation and local land use. Offshore wind can add large volumes but requires marine infrastructure and long connection timelines.

Defence objections should be treated as engineering constraints where possible rather than automatic vetoes. Radar upgrades, project siting and operational procedures can sometimes reduce interference. Yet some locations may genuinely conflict with surveillance or training. A credible process that identifies no-go zones early reduces developer risk and avoids years of wasted planning.

Supply-chain dependence matters because turbines use specialised magnets, electronics and large components. European industrial policy can reduce some exposure, but complete domestic production is unlikely to be efficient. Diversification and inventories for critical spares are more realistic than autarky.

The marginal value of wind depends on correlation with system scarcity. Additional output during already windy hours may have low price and strategic value unless storage or transmission can absorb it. A balanced portfolio should therefore evaluate firm-equivalent contribution and geographic diversification.

Watch permitting times, defence-related rejections, offshore grid plans, curtailment, turbine-supply concentration and the build-out of storage and flexible demand.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D32. Critical minerals, mining and strategic resources

The 2026 Arctic Strategy includes strategic resources as a focus, reflecting Europe's effort to reduce vulnerabilities in minerals and materials critical to defence and the energy transition.

Northern Sweden contains mineral resources and an established mining ecosystem. In a Europe concerned about dependence on China and other concentrated suppliers, new extraction and processing can have strategic value beyond market price. Yet mines take years to permit and build, require energy and transport, and can impose significant local and environmental costs.

The strategic objective should not be extraction at any price. A mine that exports concentrate for processing in a single external jurisdiction may leave the key dependency intact. Processing, refining

and recycling can be equally important. Sweden's comparative advantage may lie in combining low-carbon electricity, engineering and EU financing to create higher-value stages of the chain.

Sami land-use rights and environmental protections are substantive constraints, not merely procedural obstacles. Ignoring them can delay projects through litigation and erode legitimacy. Early consultation and benefit-sharing may increase upfront time but reduce total project risk. Strategic urgency does not remove the need for social licence.

Guerra di margini asks which dependency is actually binding. If Europe already has diversified ore but lacks refining, subsidising another mine may have low marginal security benefit. Policy should map the chain and target the narrowest point.

Watch permitting decisions, refining investments, EU Critical Raw Materials Act projects, grid connections to mines, Chinese ownership or offtake exposure, recycling capacity and local-rights disputes.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D33. China exposure: trade, technology and de-risking

Business Sweden's 2025 survey found the business climate for Swedish firms in mainland China at a decade low while a majority remained committed; China remains Sweden's largest trading partner in Asia and an important sales, manufacturing and innovation base for major firms.

Sweden's China relationship is therefore neither simple dependency nor easy decoupling. Large companies benefit from Chinese demand and supply chains while security authorities warn about technology acquisition, intelligence collection and coercive leverage. The government's 2026 foreign-policy statement anchors China policy in the European framework and supports cooperation where interests align while criticising human-rights abuses, pressure on Taiwan and support enabling Russia's war.

De-risking should distinguish sectors. Consumer goods and many industrial inputs pose different security concerns from telecom infrastructure, advanced sensors, dual-use software or defence-adjacent research. Broad restrictions can impose large economic cost with little security gain, while narrow controls can fail if technology leaks through subsidiaries or academic networks. The challenge is classification and enforcement.

Chinese official messaging toward Sweden emphasises mutual benefit, opposition to politicising commerce and an "objective and rational" view of China. This should be read as diplomacy and strategic narrative, not independent intelligence. It reveals Beijing's preferred frame: economic

cooperation should be insulated from European security concerns. Swedish policy increasingly rejects that insulation in sensitive sectors.

Guerra di margini asks how much security Sweden gains from the next unit of de-risking and what commercial option is sacrificed. The optimal point is not zero Chinese exposure; it is a portfolio in which no critical Swedish function can be coerced cheaply through a single Chinese dependency.

Watch Chinese market share in critical inputs, Swedish corporate revenue dependence, investment screening decisions, research-security cases, EU export controls and changes in Chinese pressure on firms after Swedish political decisions.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D34. Chinese strategic narratives about Sweden

Chinese Ministry of Foreign Affairs statements around Wang Yi's 2026 Sweden engagement emphasised Sweden's early recognition of the People's Republic, one-China policy, dialogue, mutual respect and win-win economic cooperation.

These public statements are useful not because they reveal secret Chinese assessments but because they show which Swedish choices Beijing wants to reward or discourage. China portrays bilateral commerce as positive-sum and warns against protectionism or securitisation. It prefers Sweden to act as a pragmatic European trading state rather than as an ideological or security-policy critic.

Sweden's NATO membership changes Chinese calculations indirectly. Beijing is unlikely to view Sweden primarily as a military adversary, but Sweden now participates in alliance policy, Arctic security, technology controls and a European effort to reduce strategic dependencies. Swedish defence technology and space assets also increase intelligence value. China can therefore pursue cooperation and collection simultaneously.

Narrative analysis must avoid mirror-imaging. References to mutual respect can signal a demand that Sweden limit criticism on Taiwan, human rights or economic security; they can also be routine diplomatic language. The evidentiary standard should distinguish stated position from inferred intent. Swedish intelligence reporting is a separate source category and should not be replaced by reading Chinese communiqués as confessions.

The marginal contest is over issue linkage. Beijing benefits when economic cost deters Swedish security measures; Stockholm benefits when commercial ties continue without creating veto points over sovereign decisions. Diversification raises Sweden's bargaining margin because the cost of Chinese retaliation falls.

Watch diplomatic protest patterns, trade disruptions after political disputes, Chinese media treatment of Swedish NATO activity, investment proposals in critical sectors and the language used around Arctic and technology cooperation.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D35. Russia's strategic view: Sweden as NATO territory and Baltic enabler

Swedish government, Säpo and MUST assessments identify Russia as the principal long-term military and intelligence threat, while Russian official discourse since Sweden's NATO accession frames Swedish policy as part of NATO's northern expansion.

Russia has several reasons to monitor Sweden closely. Swedish territory supports Baltic reinforcement, Gotland affects regional operations, northern Sweden connects Norway and Finland, and Swedish industry supplies advanced defence equipment to Ukraine and NATO states. Sweden also participates in sanctions and scrutiny of the shadow fleet. These functions matter more strategically than bilateral political symbolism.

Russian public narratives frequently portray NATO enlargement as escalation and may depict Swedish rearmament as loss of neutrality or subordination to US interests. Such claims are political messaging. They should be analysed alongside observable Russian force posture, intelligence activity and hybrid operations rather than accepted at face value. The August 2026 Swedish Security Service disclosure of an SVR-directed influence operation provides concrete evidence of active Russian interest in Swedish decision-making.

Russia's military capacity in the Baltic and High North will depend on the course and aftermath of the Ukraine war. Even if ground forces remain constrained, missiles, submarines, aircraft, cyber units and intelligence services can pose significant risks. Hybrid activity can be attractive because it exploits ambiguity and costs less than open confrontation.

Guerra di margini suggests that Sweden's objective is to raise the cost of every incremental Russian pressure tactic. Better attribution raises diplomatic cost; redundancy lowers sabotage payoff; allied presence increases military risk; diversified energy and trade reduce coercive leverage. Deterrence is an accumulation of unfavourable margins for the adversary.

Watch Russian force regeneration in the Western Military District and Arctic, Baltic Fleet activity, intelligence expulsions and arrests, sabotage cases, airspace incidents, GPS interference and narratives targeting Swedish NATO deployments.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure

must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D36. Russian intelligence, proxies and deniable pressure

On 10 August 2026 Säpo announced that it had thwarted an SVR-directed operation aimed at influencing Swedish decision-making and discrediting Sweden, NATO and the EU, involving an agent at a foreign diplomatic mission.

The case illustrates the continuum between classic intelligence collection and influence. Information about decision processes can identify divisions, timing and individuals vulnerable to pressure. Influence can then exploit real polarising issues rather than inventing them. Diplomatic cover reduces the cost of operating but can be disrupted through exposure or expulsion.

Modern services can also outsource tasks. Cybercriminals, ideological activists, commercial intermediaries or organised criminals can provide deniability. Attribution becomes a probabilistic process rather than a courtroom-level certainty in every instance. Sweden's response must therefore be calibrated to confidence and consequence; over-attribution can damage credibility, while under-reaction can invite repetition.

Defensive intelligence has opportunity costs. Surveillance resources devoted to Russia cannot simultaneously cover every other threat. Säpo identifies China and Iran as significant actors as well. Prioritisation should reflect capability, intent and access, not public attention. NATO and EU intelligence sharing can improve coverage but does not eliminate national responsibility.

In marginal terms, exposing one network can have value beyond the individuals removed if it forces the adversary to rebuild access and use riskier channels. The measure of counterintelligence effectiveness is therefore adversary replacement cost and loss of access, not arrest counts alone.

Watch diplomatic staffing changes, public attribution, foreign-state use of intermediaries, recruitment approaches to defence and technology personnel, cyber-espionage cases and cross-border investigations with Nordic partners.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare

lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D37. EU intelligence: what can and cannot be known publicly

The EU Intelligence and Situation Centre does not publish a comprehensive public country-threat dossier on Sweden. Public EU evidence instead comes from institutions such as the EEAS, ENISA, Commission, Europol and sectoral agencies.

This limitation is analytically important. A report that claims to reproduce "EU intelligence on Sweden" from open sources would overstate what is available. Public EEAS material describes a Europe-wide pattern of hybrid activity including cyberattacks, FIMI, sabotage, undersea infrastructure damage, airspace violations and weaponised migration, with Russia identified as the main but not only actor. ENISA provides incident-based cyber analysis rather than classified intelligence.

For Sweden, EU membership adds multiple layers of resilience: sanctions coordination, cyber assistance, critical-infrastructure rules, market power, investment screening and common diplomacy. The EU is not a substitute for NATO's collective defence, but it operates in economic domains where NATO has fewer instruments. Sweden's 2026 foreign-policy statement therefore calls the EU its most important foreign-policy platform while treating NATO as the foundation of deterrence.

The analytical risk is institutional category error. A Commission forecast is not intelligence; an ENISA dataset is not counterintelligence; an EEAS hybrid-threat page is not a national estimate. Each source answers a different question. Cross-validation is strongest when independent categories converge on the same vulnerability.

Guerra di margini values the EU because pooled regulation and market scale can raise the marginal cost of coercion against a small member state. Sweden alone has limited leverage over global platforms or large trading partners; the EU can impose rules at continental scale. The trade-off is slower collective decision-making and some loss of unilateral flexibility.

Watch EU sanctions enforcement, the Hybrid Toolbox, cyber-reserve activation, NIS2 implementation, defence-industrial funding and how Sweden shapes EU policy after the 2026 domestic political transition.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D38. NATO integration: benefits, obligations and hidden costs

Sweden became a NATO member in March 2024 and by 2026 was contributing forces in Latvia, assuming framework responsibilities for forward land forces in Finland and participating in Arctic Sentry.

Membership transforms Sweden's security equation by replacing national non-alignment with treaty-backed collective defence. It improves access to plans, intelligence, exercises and reinforcement. It also imposes obligations: Sweden must defend allies, provide host-nation support and allocate forces according to alliance plans. The strategic benefit is not simply Article 5 language but the practical integration that makes reinforcement credible.

Hidden costs emerge in standardisation, readiness and infrastructure. National procurement choices must consider interoperability; forces may be committed abroad; bases and ports must support allied units. These costs are not evidence that membership is unfavourable; they are the resource price of collective insurance. Their visibility matters for democratic durability.

Alliance credibility is endogenous. Sweden's security gain depends partly on its own contribution. A state that supplies geography, air power, submarines, industry and northern mobility increases the alliance's incentive and ability to defend the region. This is a reciprocal rather than charitable system.

The marginal calculation is portfolio-based. An additional Swedish brigade in an alliance plan may have more deterrent value than the same brigade held solely for national defence if it closes a regional gap. Conversely, excessive external commitments can thin domestic readiness. Sweden needs to optimise contribution across theatres, not maximise every NATO request independently.

Watch force assignments, NATO capability targets, host-nation infrastructure, joint procurement, command integration, exercise evaluations and domestic debate over nuclear policy, basing and allied presence.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D39. Nordic defence integration and the end of the old strategic map

With Finland and Sweden in NATO, all five Nordic states now operate within a common alliance framework, building on NORDEFCO, bilateral agreements and the Joint Expeditionary Force.

The old map treated Norway as Atlantic, Sweden as non-aligned, Finland as militarily non-aligned with a long Russian border, and Denmark as the Baltic entrance. The new map allows integrated air operations, common logistics and cross-border reinforcement. Geography can now be planned as a theatre rather than as adjacent national boxes.

Integration yields economies of scale but also coordination complexity. Nations retain different equipment, legal systems and political priorities. Common planning should focus where complementarity is strongest: air surveillance, ammunition, mobility, training areas, logistics and Arctic awareness. Full uniformity is neither feasible nor necessarily desirable.

Finland contributes mass mobilisation and border experience; Norway contributes Atlantic access and Arctic maritime expertise; Denmark controls approaches and Greenland/Faroese geography; Sweden contributes central geography, air and maritime industry, and transport corridors. The combined system is greater than the sum if command and logistics actually work under time pressure.

Guerra di margini values integration where it removes duplication or creates substitution. If Swedish airbases can host Finnish aircraft and Norwegian ports can receive reinforcements for Finland through Sweden, each national asset has more possible uses. That increases option value without requiring every state to own every capability.

Watch Nordic air-operations integration, cross-border exercises, common ammunition contracts, military-mobility projects, logistics agreements and whether national procurement increasingly reflects regional force design.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D40. The Baltic–Polish axis and eastern-flank politics

Sweden's 2026 diplomacy includes closer Poland cooperation, participation in eastern-flank declarations and intensive ties with Estonia, Latvia and Lithuania.

Poland and the Baltic states view Russia through immediate geographic exposure. Sweden increasingly shares this threat assessment while bringing different resources: industrial technology, naval access, Gotland and northern depth. The relationship is strategically complementary. Poland's scale and land power can anchor the southern Baltic, while Sweden contributes maritime and air capabilities and reinforces access to the Baltic states.

Political differences within the region remain possible on EU policy, migration, climate or rule-of-law questions. Security convergence does not erase every dispute. A durable strategy therefore institutionalises defence cooperation without requiring complete ideological alignment. NATO provides the common floor; bilateral and minilateral arrangements can move faster in specific areas.

The submarine agreement is an example of industrial integration. Similar logic can extend to ammunition, air defence and repair. Yet competition for EU funds and production slots may increase as every eastern-flank state rearms. Cooperation must produce additional capacity rather than simply divide scarcity.

The marginal value of Sweden–Poland cooperation is highest where geography and industrial strengths complement. A shared Baltic maritime picture, coordinated port protection and interoperable submarines can change adversary planning more than symbolic summits.

Watch implementation of the Baltic Sea Pact, submarine milestones, Polish–Swedish exercises, eastern-flank infrastructure, sanctions enforcement and coordination on Ukraine support.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D41. The United States: indispensable ally, uncertain strategic constant

Swedish policy assumes a strong transatlantic alliance while simultaneously arguing that Europe must take far greater responsibility for its own security.

The United States supplies capabilities Europe cannot yet fully replace: strategic intelligence, long-range lift, advanced munitions, nuclear deterrence, command infrastructure and global political weight. Sweden's NATO membership deepens access to that architecture. At the same time, US strategic attention is divided across Europe, the Indo-Pacific and the Middle East, and domestic US politics can alter burden-sharing expectations.

Sweden's rational response is not anti-American autonomy but insurance. European munitions, air defence, lift, space and command capacity reduce the consequences of a temporary US shortfall while making NATO more credible. Swedish industry can contribute to this European pillar without severing US technology links.

The bilateral Defence Cooperation Agreement facilitates US access and pre-positioning, increasing reinforcement speed. Access also creates domestic debates about sovereignty, basing and nuclear weapons. These are legitimate political questions; the strategic assessment should distinguish legal permissions from assumptions about what forces will actually be present in a given crisis.

Guerra di margini treats the US guarantee as a high-value but non-exclusive asset. Sweden should avoid a single point of strategic failure by increasing European substitutes for selected functions. The objective is to reduce the marginal damage of US distraction, not to duplicate the entire US military system.

Watch US force posture in Europe, pre-positioning in Scandinavia, European capability initiatives, transatlantic trade and technology disputes, and Swedish implementation of host-nation arrangements.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy

must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D42. The United Kingdom, JEF and fast minilateralism

Sweden participates in the UK-led Joint Expeditionary Force alongside Nordic and Baltic partners, adding a flexible framework outside the slower consensus mechanisms of larger institutions.

The JEF's value lies in speed, regional familiarity and political signalling. It can coordinate exercises, maritime presence and responses to hybrid incidents without replacing NATO. For Sweden, it provides a bridge to British maritime, intelligence and expeditionary capabilities and reinforces northern European networks.

Minilateral formats can proliferate to the point of administrative burden. Sweden participates in NATO, EU, NORDEFCO, NB8, JEF and numerous bilateral mechanisms. Each meeting consumes scarce senior attention and staff. The strategic criterion should be functional output rather than institutional density.

The United Kingdom remains a major European military power outside the EU. JEF therefore also reduces the institutional gap created by Brexit. It connects British capability to EU members in a way that is politically easier than rebuilding a single EU–UK defence framework for every task.

Marginal analysis favours JEF activities that solve coordination problems quickly: maritime awareness, protection of critical infrastructure, rapid reinforcement and exercises. Activities that duplicate NATO planning without additional speed have lower return.

Watch JEF deployments, undersea-infrastructure missions, UK–Sweden defence-industrial cooperation, exercise tempo and whether the framework develops standing operational mechanisms.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally

sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D43. The European Union as Sweden's economic-security multiplier

Swedish foreign policy calls the EU its most important foreign-policy platform and supports a stronger geopolitical role for the Union.

For a medium-sized open economy, the EU transforms bargaining power. Sweden alone cannot easily set rules for global technology platforms, impose meaningful sanctions on major powers or diversify critical supply chains at scale. The single market and common trade policy convert national preferences into continental leverage. This is particularly valuable in economic security, where coercion often targets market access rather than territory.

The price is shared sovereignty. EU industrial policy may favour European procurement rules or subsidies that do not align perfectly with Swedish commercial interests. Fiscal and state-aid decisions can constrain national choices. Sweden traditionally defended open trade and budget discipline; the new security environment pushes it toward more active European industrial policy.

A strategic Sweden should therefore distinguish protection from capacity-building. Tariffs or local-content rules can increase cost without creating a viable alternative supplier. EU-scale demand aggregation, research funding, joint procurement and infrastructure can create genuine substitutes. Sweden's policy influence should push toward the latter.

In Guerra di margini terms, the EU raises Sweden's outside option. If a coercive supplier knows Sweden can draw on a market of hundreds of millions of consumers and shared financing, the cost of isolating Sweden rises. The Union's value is therefore partly deterrent even when no sanction is imposed.

Watch EU defence-industry legislation, critical-raw-material projects, economic-security screening, sanctions enforcement, trade disputes with China and the US, and Sweden's coalition-building inside the Council.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D44. Export dependence and the fragmentation of global trade

Sweden's prosperity is deeply tied to exports, advanced manufacturing and multinational firms; recent trade shocks, including US tariff measures, show how quickly geopolitical policy can affect Swedish goods flows.

An export-oriented economy gains from openness because firms can specialise and scale beyond the domestic market. The same structure exposes Sweden to external demand and regulatory conflict. Trade fragmentation can affect automotive, machinery, pharmaceuticals, telecom equipment and defence production through both final demand and intermediate inputs.

The correct response is not self-sufficiency. Sweden is too small to reproduce every value chain efficiently. Resilience comes from diversified markets, supplier redundancy, inventories for low-substitutability inputs and political access through the EU. Firms should know where a single jurisdiction can halt production and where market substitution is fast enough that no state support is needed.

Trade policy also interacts with security alliances. The US can be a defence ally and commercial competitor; China can be a major market and security concern; EU partners can be customers and industrial-policy rivals. Strategy therefore requires issue-specific alignment rather than a single friend-enemy economic map.

Guerra di margini evaluates dependencies by switching cost. A high import share is not dangerous if substitutes are abundant and rapid. A tiny import share can be critical if the component is unique. Policy should focus on low-elasticity nodes rather than aggregate bilateral trade balances.

Watch export concentration, supplier mapping, tariffs and export controls, inventory days for strategic components, shipping insurance and Swedish firms' capital expenditure in alternative production locations.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D45. Ports, logistics and the physical economy of alliance

Swedish ports are both commercial gateways and potential military reception or sustainment nodes under NATO planning.

Container terminals, roll-on/roll-off facilities, rail access, cranes, fuel storage and customs procedures determine how quickly allied forces and civilian supplies can move. Port efficiency is usually optimised for predictable commercial flows. Crisis operations can require priority berthing, dispersed storage, security screening and handling of dangerous goods under attack or cyber disruption.

Ownership and operator structures matter because private companies may control critical assets. Total-defence arrangements need pre-agreed obligations, compensation and security standards. A port cannot improvise military classification, protected communications or labour availability after mobilisation begins.

The Baltic's confined geography makes ports potential targets. Redundancy across several ports, including west-coast access to the Atlantic system, reduces vulnerability. Rail and road connections from quays to inland depots can be more constraining than berth depth itself.

The marginal investment is often the missing interface: a rail siding, heavy-load ramp, fuel connection or secure staging area that unlocks the use of an existing port for military mobility. Such modest works can have unusually high strategic returns.

Watch NATO port exercises, infrastructure-security requirements, ownership changes, cyber incidents, hinterland rail upgrades and investment in fuel and ammunition handling.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D46. Food security and the return of stockpile logic

Sweden's civil-defence rebuilding includes concern for food supply, logistics and the ability of households and institutions to withstand disruption.

Food security in a wealthy trading state is less about national caloric self-sufficiency than about continuity of inputs and distribution. Agriculture depends on fuel, fertiliser, machinery parts, electricity, labour and payments. Supermarkets depend on just-in-time logistics. A country can produce substantial food and still experience local shortages if transport or digital ordering systems fail.

Stockpiles can bridge short disruptions, but rotating stocks and private-sector inventory arrangements are often more efficient than static state warehouses. The appropriate reserve differs by commodity. Grain is storable; fresh food is not. Fuel and fertiliser may be more strategically limiting than final food output.

Household preparedness has system value because it lowers immediate demand on authorities. Swedish civil-defence communication therefore encourages citizens to maintain some independent capacity. This transfers a small share of resilience cost to households but can reduce panic buying and emergency logistics requirements.

Guerra di margini asks which input would stop the food system first. The answer can be diesel, packaging, refrigeration, payment connectivity or a transport chokepoint rather than wheat. Resilience spending should target these low-substitutability nodes.

Watch agricultural input dependence, reserve-fuel policy, grocery distribution exercises, household preparedness surveys, payment-system fallback and municipal plans for schools, hospitals and elderly care.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D47. Health-system surge capacity and war resilience

Sweden's civil-defence programme must prepare a health system designed for peacetime efficiency to operate under mass-casualty, cyber and supply disruption conditions.

Modern hospitals depend on electricity, oxygen, pharmaceuticals, sterile supplies, digital records and specialised staff. Redundancy is expensive because spare beds and inventories look inefficient during normal operation. Yet wartime demand is highly nonlinear. The strategic health question is how quickly Sweden can convert ordinary capacity into emergency capacity without collapsing routine care.

Personnel is again the hardest constraint. Buildings can be repurposed faster than specialist surgeons, anaesthetists or intensive-care nurses can be trained. Reserve systems, military-civilian credential recognition and Nordic patient transfers can improve flexibility. Pharmaceutical stockpiles and diversified suppliers can reduce exposure to global manufacturing concentration.

Cybersecurity is directly clinical. A ransomware incident can delay diagnosis and treatment even when physical infrastructure is intact. Manual procedures, offline records and power backup therefore belong in medical resilience planning. Exercises must test degraded operation, not only evacuation plans.

The marginal value of another bed is low if there is no staff, oxygen or power to use it. Guerra di margini therefore favours bundle readiness: the smallest complete package that creates an additional functional treatment unit. This is a more demanding metric than nominal bed count.

Watch strategic medical reserves, staffing vacancies, emergency exercises, cross-border Nordic health agreements, hospital backup-power endurance and cyber recovery time.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than

conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D48. Municipalities and the last mile of total defence

Swedish total defence assigns important responsibilities to municipalities and regions because water, care, schools, local roads, rescue services and many emergency functions are decentralised.

National strategies succeed or fail locally. A municipality must know how to maintain water pressure during an outage, communicate when networks fail, prioritise vulnerable residents and support military movement. Capacity varies across municipalities because population, tax base and administrative expertise differ. Central grants alone do not guarantee implementation.

Smaller municipalities can struggle to employ specialist security, procurement or cyber staff. Shared-service models and regional support can create scale. However, excessive centralisation can slow local improvisation. Sweden's governance tradition favours autonomous agencies and local responsibility, so resilience policy must strengthen networks rather than assume command can be recentralised overnight.

The risk is unfunded mandates: central government imposes preparedness duties without covering personnel and investment. This can produce compliance paperwork instead of operational capability. Clear standards, exercises and funding tied to measurable outputs can reduce that gap.

Guerra di margini identifies the weakest municipality along a critical corridor or around a strategic facility as potentially more important than the national average. Targeted support to bottleneck jurisdictions can yield higher security return than uniform allocation.

Watch civil-defence grants, municipal staffing, water and power exercises, regional coordination, procurement of reserve communications and audit findings on preparedness.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D49. Education, skills and long-horizon security

Sweden's innovation model depends on broad education and advanced technical skills, while employers and international institutions warn about mismatch and shortages in specific fields.

Education is a strategic stock that cannot be replenished quickly. Engineering, medicine, cyber security, nuclear operations and military leadership require years of cumulative training. If school outcomes or

technical pathways weaken, the effect may become visible only when industry attempts to expand. This makes human-capital policy analogous to maintaining a defence production line: once lost, rebuilding competence is slow.

The challenge is not simply increasing university places. Completion, quality and occupational relevance matter. Vocational education can be strategically important because welders, electricians, machinists and mechanics are essential to infrastructure and defence production. Adult reskilling can shorten response time compared with waiting for new cohorts.

Foreign students and researchers can add talent while creating research-security questions in sensitive technologies. Universities need proportionate screening and clear rules so that security does not become a pretext for broad academic closure. International science is itself a Swedish strength.

The marginal educational investment should be judged by future bottleneck relief. Another general graduate may have lower strategic value than a scarce power engineer, but labour markets change, so excessive central planning can misallocate. Flexible, high-quality foundations preserve option value better than narrow forecasting alone.

Watch PISA and national outcomes, STEM completion, vocational enrolment, university–industry partnerships, research-security guidance, adult training and vacancy rates in regulated professions.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

D50. A synthetic grand strategy: networked sovereignty under scarcity

Across Swedish policy documents, no single text declares a classical grand strategy, but the pattern across NATO, EU, Nordic cooperation, total defence, industrial policy and Arctic strategy is coherent enough to infer one cautiously.

The emerging model can be called networked sovereignty. Sweden seeks to retain high-value national capabilities—combat aviation, submarines, intelligence, total-defence institutions, energy assets and advanced industry—while embedding them in alliance networks that multiply scale. Sovereignty is not defined as acting alone. It is defined as having enough national capacity and enough partners that no external actor can cheaply remove Sweden's freedom of action.

This strategy responds to four structural facts: Russia is a long-term military challenge; the United States remains essential but Europe must carry more burden; China is simultaneously a major economic actor and a security concern; and Sweden's small population limits mass. The solution is to specialise, integrate and build resilience around bottlenecks rather than attempt autarky.

The strategy's main failure mode is overcommitment. NATO, EU industrial policy, Ukraine support, nuclear investment, northern infrastructure and welfare ageing can all be individually rational while collectively exceeding available engineers, budget attention and political consent. The state must therefore sequence. The most important strategic resource may be the capacity to say "not yet" to a good project so that a higher-value constraint is solved first.

Guerra di margini provides the decision rule for that sequencing. Sweden should choose the intervention that most increases the set of future feasible actions per unit of scarce resource. Assets with multiple uses, short replacement chains and alliance interoperability deserve a premium. Dependencies with long replacement times deserve early mitigation. Programmes that consume fiscal or human capital without increasing flexibility deserve scepticism even if politically attractive.

Watch whether future governments preserve the integrated logic: defence spending accompanied by civil resilience; industrial orders accompanied by workforce and grid investment; alliance commitments accompanied by mobility infrastructure; migration control accompanied by talent access; and energy expansion accompanied by system flexibility. If these complements remain aligned, Sweden's strategic position can strengthen even in a harsher environment. If they diverge, headline spending can rise while real option value falls.

Cross-domain implication. The issue should not be treated as an isolated portfolio. Its strategic effect depends on complements elsewhere in the Swedish system: finance must meet labour, infrastructure must meet repair capacity, military units must meet ammunition and logistics, and political legitimacy must meet credible public service delivery. The practical implication is to use stress tests that remove one critical complement at a time. If the capability collapses when one supplier, one rail link, one occupation, one data service or one political partner disappears, the apparent peacetime surplus is less valuable than it looks. Conversely, if Sweden can switch routes, suppliers, personnel or institutions without a sharp loss of output, the country possesses genuine strategic depth.

Decision rule. For this dossier the correct policy metric is therefore not the largest observable stock but the marginal increase in usable options under plausible stress. Decision-makers should compare lead time, replacement time, reversibility, common-mode failure, alliance substitutability and the opportunity cost imposed on other programmes. This makes the framework deliberately stricter than conventional resilience language: redundancy that shares the same failure point is not true redundancy; expenditure that cannot be converted into operational throughput is not capability; and a nominally sovereign asset that depends on a single external component may offer less autonomy than an allied system with multiple suppliers.

Annex E. Cross-cutting stress tests through the Guerra di margini lens

E1. Simultaneous Baltic security crisis and financial shock

A useful stress test is not a pure military scenario but a compound one. Imagine a period of acute Baltic tension in which undersea infrastructure is damaged, risk premia rise, the krona weakens and commercial property refinancing deteriorates. The Armed Forces need higher readiness and NATO movements increase through Swedish ports and railways. At the same time, imported components and fuel become more expensive and households face weaker purchasing power. The immediate temptation would be to treat each problem through its normal ministry: Defence raises readiness, Finance protects liquidity, Energy restores infrastructure and municipalities handle local consequences. Yet the binding constraint can move quickly between domains. A damaged telecom link can slow port operations; a bank funding shock can affect contractors; a shortage of electricians can delay both civilian repairs and military facilities.

The Swedish advantage in this scenario is institutional credibility and fiscal headroom. The state can borrow, the Riksbank can provide liquidity within its mandate, and NATO can share situational awareness. The disadvantage is simultaneity. Market-based systems optimise by assuming that many disruptions are independent; strategic shocks deliberately make them correlated. The correct response is to protect the connectors between systems: payments, communications, fuel, identity, logistics and trusted information. These are the multipliers whose failure can turn manageable sectoral problems into a national crisis.

Marginally, the first unit of spending should go where it prevents cascades. Repairing a data or power node that restores several services has higher value than compensating every downstream loss individually. Liquidity support should preserve solvent critical firms rather than socialise weak business models. Military prioritisation should secure ports and movement corridors whose continued operation increases the value of allied reinforcement. This scenario therefore rewards pre-planned triage criteria and data sharing across agencies.

E2. Prolonged confrontation with Russia and reduced US bandwidth

A second stress test assumes no dramatic Article 5 rupture but a decade of elevated confrontation in which Russia restores selected forces and the United States devotes more attention and scarce munitions to the Indo-Pacific and Middle East. Europe remains allied with Washington but receives fewer marginal US assets. Sweden must then carry a larger share of Baltic and Arctic surveillance, air defence, logistics and industrial replenishment. The budget can probably rise, but personnel and production become binding. This is precisely the environment in which nominal GDP shares become less informative than physical throughput.

Sweden is relatively well positioned because it retains defence industry, low public debt, hydro and nuclear capabilities, and close Nordic partners. Yet those strengths attract demand from allies. Swedish submarines, aircraft, sensors and ammunition become European scarce goods. Exporting them can strengthen collective defence and finance industrial scale, but it can also delay Swedish inventories. The state therefore needs capacity-expansion clauses, production guarantees and common procurement arrangements that ensure export success enlarges rather than cannibalises national capability.

The marginal strategic objective is European substitution for the specific US functions most likely to be scarce, not replication of the United States in miniature. Space-based ISR, air and missile defence, precision munitions, lift, command systems and logistics deserve analysis by dependency. Where European replacement is prohibitively expensive, Sweden should preserve access through alliance contribution; where domestic or European alternatives are feasible, early investment buys insurance against political volatility.

E3. China–West economic confrontation without a European war

A Taiwan-related crisis could damage Sweden even if no military event occurs in Europe. Export controls, shipping disruption, sanctions and counter-sanctions could interrupt electronics, machine tools, batteries, chemicals and consumer demand. Swedish multinationals would face competing legal regimes. The first-order effect might look like a trade recession; the deeper effect would be on strategic projects whose critical components are embedded several supplier tiers down.

The correct preparation is not wholesale decoupling before the crisis. That would destroy valuable trade and may be impossible. The rational approach is to identify low-substitutability nodes where a Chinese supply interruption would stop essential Swedish production for months. For those nodes, dual sourcing, inventories, redesign and European production may be worth the cost. For easily substitutable goods, market adjustment should be allowed to work. The state's role is strongest where firms underinvest in national-security externalities because the private probability-weighted loss is lower than the social loss.

This scenario also tests Swedish diplomacy. China's public message urges Sweden not to politicise economic relations, while Swedish and EU policy increasingly treats economic dependencies as security variables. Sweden's bargaining position improves if de-risking is coordinated through the EU, because individual Swedish firms are less exposed to retaliation and alternative demand is larger. The marginal value of European unity is therefore greatest precisely when bilateral commercial stakes are highest.

E4. Domestic legitimacy shock during rearmament

A fourth scenario combines high defence expenditure with weak growth, visible organised crime, municipal service problems and controversial infrastructure decisions. There is no external attack, but the public begins to view strategic programmes as elite priorities disconnected from everyday security. This can reduce willingness to accept taxes, conscription, land use or alliance obligations. An adversary does not need to create the grievances; it can amplify them.

The resilience response is not propaganda. It is measurable competence and distributive transparency. Government should explain not only why programmes are necessary but what sacrifices they require and how burdens are shared. A nuclear guarantee, a military base or a new transmission line creates winners and losers. Compensation may be justified, but opaque side payments can undermine trust. Public legitimacy increases when authorities acknowledge trade-offs rather than insist that every strategic choice is costless.

Guerra di margini is useful because it makes sacrifice explicit. Every krona and every engineer has an alternative use. The political challenge is to show that the chosen use preserves more future options than the alternatives. This is harder than patriotic rhetoric but more durable. A society that understands the opportunity cost of security is less vulnerable to narratives that expose the existence of cost as if it were evidence of policy failure.

E5. Climate and infrastructure shock in northern Sweden

Northern Sweden combines military training, mines, space infrastructure, hydropower, industrial electrification and NATO mobility. A severe weather event, wildfire, flood or prolonged power disruption could therefore affect several strategic sectors simultaneously. Climate adaptation is not separate from defence; it changes the reliability of roads, rail, dams, communications and bases that military plans assume will function.

The key principle is robustness under changing baselines. Infrastructure designed using historical weather distributions can become less reliable even without hostile action. An adversary can then exploit a naturally stressed system at lower cost. Adaptation measures—drainage, firebreaks, redundant power, temperature-tolerant equipment and alternative routes—can therefore reduce both climate and security risk. Their dual benefit raises marginal value.

The policy danger is project-by-project appraisal that understates system interdependence. A railway may look uneconomic in commercial terms until its military mobility and industrial resilience are included. Conversely, invoking security cannot justify every northern project. A rigorous marginal framework should quantify which additional options the infrastructure creates and whether cheaper substitutes exist.

Annex F. Source-critical review: how to read the intelligence and policy material

The source base used in this report contains documents produced for very different purposes. Swedish government statements describe policy intent and therefore have high value for identifying priorities but cannot independently validate whether a programme is effective. Budget and defence-resolution material is stronger for appropriations and formal commitments, yet appropriated money is not the same as delivered capability. Swedish agencies such as Säpo, MUST, the Psychological Defence Agency, Statistics Sweden, the Riksbank and Brå provide more specialised evidence, but each operates under a mandate that shapes what it publishes. Intelligence services disclose only a fraction of what they know; statistical agencies usually avoid intent attribution; central banks focus on macroeconomic transmission rather than defence.

RAND material is used primarily as an external analytical benchmark. Its comparative work on European defence planning highlights Sweden's strengths in total defence, ministerial coordination and industrial integration while noting weaknesses in metrics, follow-up and long-term capability planning. RAND is not an intelligence service and its conclusions are analytical judgments. Older RAND work on Gotland and Baltic reinforcement remains useful for geography but should not be used as a current force-order reference because the region has changed markedly after Finland and Sweden joined NATO.

The CIA World Factbook requires a special caveat. The CIA retired the public Factbook in February 2026. Its historical country data can remain useful for background, but it should not be described as a current CIA intelligence assessment of Sweden. Public CIA leadership pages similarly provide basic official information, not classified analysis. This report therefore avoids attributing contemporary strategic judgments to the CIA unless they are available in current public material.

The phrase "Chinese intelligence on Sweden" is even more problematic in open-source research. China's Ministry of State Security does not publish a transparent country estimate comparable to a public defence white paper. Chinese Ministry of Foreign Affairs communiqués, embassy statements and state media are therefore treated as official narratives and signalling, not as intelligence. They can reveal Beijing's preferred framing—mutual benefit, opposition to economic securitisation, one-China language and criticism of bloc politics—but they cannot establish hidden Chinese intentions on their own. Swedish counterintelligence reporting provides a different evidentiary category when it attributes technology acquisition or intelligence activity to Chinese state actors.

The same distinction applies to Russia. Russian official statements, embassy messaging and state media are evidence of the narratives Moscow chooses to communicate. They are not reliable substitutes for operational intelligence. Swedish Säpo and MUST assessments, NATO reporting, observable force deployments and documented incidents receive higher weight for threat assessment. Where attribution remains uncertain—such as individual undersea cable events—the report avoids converting suspicion into fact. Strategic analysis is strongest when it preserves uncertainty rather than filling gaps with a preferred narrative.

EU "intelligence" is also frequently misunderstood. INTCEN and classified member-state exchanges are not available as a comprehensive public feed. Public EU material from the EEAS on hybrid threats, ENISA on cyber incidents, Europol on crime, Commission economic forecasts and sectoral regulations should be read according to mandate. Their convergence can be informative: if cyber, infrastructure, sanctions and economic-security institutions independently identify similar dependencies, confidence that the vulnerability is real increases. But institutional agreement does not eliminate common-source bias, and the report therefore cross-checks against Swedish agencies and external research.

OSINT has a different strength: timeliness and granularity. Ship movements, procurement announcements, satellite imagery, corporate filings, grid notices and local reporting can reveal implementation faster than annual official reviews. Its weakness is selection bias and uncertain provenance. Viral claims about military movements or sabotage often travel faster than verification.

This report treats OSINT as a mechanism for confirming observable activity, not as a licence to infer intent from every anomaly. The standard is triangulation: independent sources, physical plausibility, time consistency and separation between observation and attribution.

Economic sources also require temporal discipline. The European Commission's Spring 2026 forecast and the IMF's 2026 Article IV consultation use different assumptions and cut-off dates, so small differences in GDP or inflation projections are not contradictions. The Riksbank's August 2026 decision is later and reflects summer information, including supply shocks. Forecasts should therefore be presented as dated scenarios rather than facts about the future. The strategic value lies in the pattern: recovery is underway, unemployment remains high, fiscal policy is expansionary, and structural constraints include productivity, housing, skills and private leverage.

Demographic projections from Statistics Sweden are similarly conditional. A projection to 2070 is not a prediction of exactly 11.8 million residents or a precise fertility path. It is a model based on assumptions about births, deaths and migration. Its strategic use is to reveal direction and timescale: ageing is gradual but persistent; fertility is low; migration materially affects population growth; and policy cannot reverse cohort structure quickly. The farther the horizon, the greater the uncertainty and the more the analysis should focus on robust implications rather than point estimates.

Finally, this report treats Swedish government rhetoric about Russia, China, NATO and the EU as policy evidence rather than neutral truth. A foreign-policy statement tells us what the government intends to signal and prioritise. It may be accurate, but independent analysis still asks whether resources, geography and behaviour support the claim. This source discipline is essential to the Guerra di margini approach because the framework is explicitly interested in realised rather than declared value: a capability has strategic worth when it changes the feasible set of actions, not when it is announced.

Annex G. Decision matrix for Swedish strategy, 2026–2035

Strategic choice	Marginal benefit to test	Primary opportunity cost	Irreversibility / lead time	Preferred evidence
Raise defence spending beyond 3.5% GDP	Additional deployable readiness and endurance	Welfare, tax room, infrastructure and private capacity	Medium; platforms and personnel have long lead times	Delivered units, stock depth, training output, procurement lead times
Expand domestic ammunition production	Replenishment rate and allied surge capacity	Capital, engineers, environmental permits	Medium-high; plants take years but are reusable	Output per month, supplier redundancy, order backlog
Accelerate new nuclear power	Firm low-carbon capacity at scarcity hours	State risk-bearing, alternative grids/generation	High; multi-decade assets	Firm capacity value, project cost, delivery date, system studies
Tighten migration further	Higher compliance and integration selectivity	Labour supply and demographic options	Medium; policy reversible but cohort effects persist	Employment, fiscal outcomes, shortage occupations, enforcement effectiveness
Deepen NATO forward commitments	Regional deterrence and reciprocal allied support	Domestic readiness and personnel	Low-medium; deployments adjustable	NATO plans, exercise performance, readiness metrics
Increase China de-risking	Reduced coercive leverage and tech leakage	Market access and supply-chain cost	Varies by sector	Switching time, supplier concentration, technology sensitivity
Build northern transport infrastructure	Military mobility plus industrial and community value	Construction capacity and fiscal space	High; long-lived assets	Corridor throughput, civilian use, route redundancy
Increase cyber sovereignty	Assured access to critical digital functions	Cost and loss of hyperscale efficiencies	Medium	Recovery time, vendor concentration, classification needs
Expand strategic stockpiles	Immediate endurance against disruption	Storage cost and obsolescence	Low-medium	Days of supply, rotation cost, production restart time
Subsidise strategic industry	Capacity expansion and retained know-how	Fiscal cost and distorted competition	Medium-high	New production capacity, productivity, export viability

The matrix should be read as a discipline, not a scorecard. It prevents a common error in strategic policy: measuring input commitment instead of marginal output. A large budget increase can have low marginal value when the receiving system is saturated. A small regulatory change can have high value when it releases a bottleneck. Swedish strategy over the next decade will be judged less by whether it spends more in every category than by whether it identifies the constraint that limits the entire system and moves that constraint before the next crisis.

Annex H. Strategic geography and partner-by-partner operational map

Swedish power is unusually geographic. The country is long, sparsely populated in the north, industrially concentrated in several corridors, open to both the Baltic and the North Sea system, and now fully embedded in NATO's northern flank. The following notes translate the national strategy into places and partner relationships. They are not travel descriptions. Each asks what the node contributes, what can interrupt it, and which marginal investment would increase the number of usable options.

H1. Stockholm–Mälardalen: command, finance and concentration risk

Stockholm concentrates national political leadership, central agencies, finance, technology companies, communications infrastructure and a large share of high-skilled services. The Mälardalen region links the capital to industrial and logistics nodes westward. This concentration generates productivity because decision-makers, capital and expertise interact at low transaction cost. It also creates correlated vulnerability: disruption to power, digital identity, transport or communications can affect national decision-making and private-sector coordination simultaneously.

The strategic task is not to decentralise the capital artificially but to ensure continuity of government and continuity of essential private functions. Alternate command sites, geographically separated data services, protected communications and the ability to move key staff matter. Financial-system resilience is especially important because Sweden is highly digital and cash use is limited. A cyber or power event that interrupts payments can become a public-order issue faster than a conventional infrastructure outage.

Marginally, the highest-return investments are those that break common-mode failure: alternate power feeds, independent communications, backup payment procedures and tested relocation. The city's economic density means that even modest reductions in downtime have high national value. Watch continuity exercises, e-ID resilience, central-agency backup sites, financial-sector cyber incidents and transport chokepoints around the capital.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H2. Gothenburg and the west coast: Atlantic gateway

Gothenburg is Sweden's principal commercial maritime gateway and a natural NATO logistics node because it faces the North Sea rather than the enclosed Baltic. In a Baltic contingency, west-coast ports can receive reinforcements and supplies from the Atlantic system before movement east and north. The city also anchors major automotive, engineering and logistics activity, so military and commercial throughput share infrastructure.

The strategic vulnerability is hinterland dependence. Port capacity has little value if rail, road, fuel, warehousing or customs-like military procedures cannot move cargo onward. Cyber disruption of terminal systems can create physical queues. Labour disputes, accidents or sabotage could have national consequences. Host-nation planning should therefore treat Gothenburg as a system extending far beyond the quay.

The marginal investment may be an inland terminal, heavy-load rail improvement, protected fuel facility or digital fallback rather than another metre of berth. Watch port-security standards, NATO reception exercises, rail reliability toward central Sweden and Norway, fuel-storage policy and the ability to operate terminals under degraded IT.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H3. Malmö–Öresund: Denmark link, continental access and hybrid exposure

Southern Sweden is physically and economically integrated with Denmark through the Öresund region. The bridge and ferry network connects Sweden to continental Europe, labour markets and supply chains. In NATO terms, the region sits near the Baltic entrances and close to Danish control of the straits. It is therefore both a trade corridor and a strategic movement zone.

High connectivity creates dependency on a small number of visible links. The Öresund fixed connection is robust but cannot be treated as infinitely available under sabotage, cyberattack or military pressure. Ferry capacity, alternative ports and route planning add redundancy. Cross-border policing and intelligence cooperation also matter because criminal and hostile actors exploit the same mobility that benefits commerce.

Guerra di margini suggests that an alternative route becomes disproportionately valuable when it prevents the bridge from becoming a single point of failure. Sweden and Denmark should therefore measure transport substitution time, not just average traffic efficiency. Watch cross-strait military-mobility exercises, port alternatives, police cooperation and protection of energy/data infrastructure in the straits.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H4. Norrbotten: military depth, mining and NATO mobility

Norrbotten combines some of Sweden's most important military training areas with mining, hydropower, railways, space-related assets and proximity to Finland and Norway. Its sparse population and long distances create both strategic depth and logistical burden. NATO's northern plans increase the value of east–west movement across this region.

The same roads, railways and workers support mines, communities, military units and industrial projects. Competition for construction and engineering capacity can therefore become acute. Winter conditions and climate-related disruption raise maintenance requirements. Housing and municipal services are necessary to attract permanent workers, while local legitimacy requires serious engagement with Sami land use and environmental concerns.

The marginal project is the one that serves multiple networks: a rail upgrade that raises ore capacity and military throughput; a power reinforcement that supports industry and bases; communications that serve residents and surveillance. Watch the Iron Ore Line and cross-border corridors, garrison expansion, housing, electricity connections and northern exercise tempo.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H5. Västerbotten and the industrial transition corridor

Västerbotten has become a test of Sweden's ability to translate green-industrial ambition into durable regional capacity. Large projects can attract capital and workers rapidly, but they also expose financing, energy, housing and supply-chain risks. Strategic analysis should therefore avoid assuming that every announced industrial investment becomes an operating asset.

The region matters because successful industrialisation can broaden Sweden's manufacturing base and reduce dependence on foreign low-carbon materials. Failure can leave municipalities with infrastructure obligations and workers with stranded expectations. The state must distinguish systemic projects from private commercial risk; not every corporate difficulty justifies rescue.

Marginal policy should focus on shared enablers—grid, rail, training, housing—whose value survives even if one firm changes strategy. This preserves option value. Watch project financing, grid queues, municipal debt exposure, skilled migration into the region and whether public infrastructure remains useful across multiple industrial scenarios.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H6. Karlskrona and the naval-industrial node

Karlskrona is a core naval base and submarine-industrial location. It links operational fleet availability with shipyard competence, maintenance and underwater-system development. This combination creates efficiency but also concentration risk: disruption to the base or yard can affect several layers of maritime capability.

The Poland A26 agreement raises the node's alliance importance because Swedish industrial capacity will support another Baltic navy. That can justify expansion, but the expansion must include skilled labour, secure suppliers, physical protection and dry-dock capacity. Cybersecurity of design and maintenance systems is also essential because shipbuilding data is a high-value intelligence target.

The marginal investment is any measure that raises simultaneous throughput without creating a new single point: additional trained teams, modular facilities, redundant suppliers and protected digital environments. Watch A26 delivery, yard capital expenditure, security incidents, workforce pipelines and the balance between Swedish and export workloads.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H7. Linköping and the aerospace knowledge cluster

Linköping anchors the Swedish combat-aircraft ecosystem and associated engineering, research and supplier networks. Its strategic value is accumulated human capital: design competence that cannot be purchased instantly on an international market. The Gripen programme sustains systems engineering, integration and software knowledge that has spillovers into other advanced sectors.

Knowledge clusters are vulnerable to labour competition and generational gaps. If orders are too volatile, firms can lose engineers who take years to replace. Conversely, guaranteed programmes without export discipline can become expensive. The state's challenge is to sustain a minimum viable design and production capability while using exports and multinational cooperation to share fixed costs.

Marginally, retaining one critical design team can be more valuable than owning an extra stored platform if that team preserves the ability to modify systems after threats change. Watch engineering recruitment, Gripen upgrades, export campaigns, research partnerships and supplier concentration in avionics, engines and weapons integration.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical

inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H8. Kiruna–Esrange: space, mining and northern surveillance

The Kiruna area combines mining, scientific research, tourism, indigenous land use and the Esrange space centre. That mixture makes it strategically valuable and politically sensitive. Space infrastructure can support communications and sensing, while mining contributes materials and economic activity. The region's remoteness increases the consequences of transport and energy disruption.

Esrange offers Sweden and Europe a degree of space access and a northern ground segment, but launch economics and safety constraints remain real. Military relevance does not mean every launch project is economically justified. The value lies in assured access for selected sovereign or European payloads and in the data and engineering ecosystem around the facility.

Guerra di margini recommends protecting the functions that are hard to substitute rather than treating the whole cluster as equally critical. Watch launch cadence, military satellite integration, rail resilience, mining expansion, local consultation and whether common infrastructure investments produce both civil and security returns.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H9. Finland: Sweden's most consequential land-security partner

Finland shares the northern theatre, a long border with Russia and a defence culture based on mass mobilisation. Sweden provides geographic depth, Atlantic access through Norway and industrial capabilities that complement Finnish land forces. The two countries' simultaneous NATO integration allows planning that would previously have been politically constrained.

The most important practical areas are military mobility, air operations, logistics, intelligence, reserve planning and defence industry. Finland's requirement for rapid reinforcement makes Swedish roads, rail and airfields part of Finnish security. Swedish security, in turn, benefits because Finnish territory and forces increase warning and defensive depth eastward.

The marginal gain comes from removing legal and technical friction at the border: compatible communications, movement permissions, fuel standards, rail interfaces and pre-agreed support. Watch the development of NATO Forward Land Forces in Finland, joint air exercises, cross-border logistics and common procurement.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H10. Norway: Atlantic access, High North and energy complementarity

Norway gives the Nordic region direct access to the North Atlantic and possesses deep experience in Arctic operations, maritime surveillance and offshore energy. Sweden provides eastward land routes and industrial depth. NATO planning increasingly treats the two as parts of one reinforcement system.

Ports such as those on the Norwegian coast can receive allied materiel that then moves across Sweden toward Finland. The constraint is corridor capacity through mountains, winter conditions and limited routes. Energy and subsea-infrastructure cooperation also matter because both countries manage large offshore and cross-border systems.

Marginally, the critical investment may be route resilience rather than new front-line combat capability. A bridge, tunnel or railway improvement can increase the military value of several allied brigades by accelerating arrival. Watch cross-border exercises, road/rail upgrades, Arctic surveillance and energy-security coordination.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H11. Denmark: Baltic entrances and Scandinavian continuity

Denmark controls geography around the Danish Straits and connects Sweden physically through Öresund. It also brings North Sea, Baltic and Arctic responsibilities through the Danish realm. Sweden's southern security therefore cannot be separated from Danish maritime control and infrastructure.

The two countries have dense civilian integration, which lowers the transaction cost of defence cooperation. Yet fixed links and busy maritime routes create chokepoints. Joint protection of bridges, cables, shipping and airspace is more valuable than parallel national planning.

Guerra di margini values Denmark as a substitute route and sensor partner. Shared situational awareness reduces the cost of protecting the approaches to Sweden. Watch integrated air and maritime exercises, protection of the straits, Danish Arctic policy and contingency planning for the Öresund connection.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H12. Estonia, Latvia and Lithuania: forward exposure and Swedish depth

The Baltic states are geographically exposed and rely heavily on rapid allied reinforcement. Sweden's NATO membership materially improves their strategic depth because Swedish airspace, ports, Gotland and sea control can support reinforcement. Sweden's military presence in Latvia also converts political solidarity into a standing commitment.

For Sweden, the Baltic states provide forward sensing and allied forces close to Russia. Their experience with cyber operations, information influence and Russian-speaking communities offers practical knowledge. The relationship is therefore reciprocal rather than simply Swedish protection of smaller neighbours.

The marginal question is reinforcement time. Every hour saved in moving aircraft, air defence, troops or supplies has deterrent value before conflict and operational value during it. Watch Swedish deployments in Latvia, Baltic air policing, military-mobility exercises, cable protection and shared cyber initiatives.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H13. Poland: scale, industrial demand and southern Baltic power

Poland is becoming a major conventional military power in northern Europe and is investing heavily in land, air and maritime capabilities. Sweden brings a sophisticated but smaller industrial base, naval expertise and geographic control of the central Baltic. Their 2026 submarine agreement symbolises deeper strategic alignment.

Polish demand can help sustain Swedish production, while Sweden can benefit from Poland's scale and political weight on the eastern flank. Competition is also possible: both seek industrial investment, European funding and delivery priority. The relationship works best when procurement increases total production rather than reallocating fixed supply.

Marginally, common repair, training and logistics can create savings and resilience without requiring identical force structures. Watch the A26 programme, Baltic Sea Pact implementation, joint exercises and cooperation in ammunition and air defence.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority

functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H14. Germany: economic anchor and reinforcement power

Germany is one of Sweden's most important economic partners and a central NATO power in the Baltic region. German ports, industry and land forces affect reinforcement of the eastern flank, while German demand is important for Swedish exporters.

Germany's rearmament therefore has second-order effects on Sweden. It can increase European defence production and burden-sharing, but it also competes for the same skilled labour, munitions and components. German energy and industrial policy affect Nordic electricity trade and manufacturing chains.

Sweden benefits when German capacity expands because the region gains mass. The marginal risk is procurement congestion. Watch German force-generation plans, Baltic deployments, defence-industrial contracts with Swedish firms, energy interconnection and EU fiscal/industrial policy.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H15. France: nuclear deterrence, EU strategy and industrial autonomy

France matters to Sweden less through geography than through European strategic capacity. It is the EU's nuclear-armed state, a major defence producer and a leading advocate of European sovereignty. Swedish policy increasingly shares the goal of stronger European capability while remaining strongly Atlanticist.

The potential tension lies in industrial policy. French preferences can favour European strategic autonomy and domestic champions, while Sweden has traditionally valued open competition and US interoperability. These positions can converge when projects genuinely expand European capacity rather than protect incumbents.

Marginally, cooperation is attractive in missiles, space, air defence and EU financing where scale matters. Sweden should judge initiatives by added capability and access, not by the label "European". Watch EU defence funds, bilateral industrial projects and debate over Europe's nuclear dimension.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority

functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H16. The Netherlands and northern European market coalitions

The Netherlands often shares Swedish preferences for open trade, fiscal credibility, technology-intensive industry and strong transatlantic relations. In EU bargaining, such coalitions can influence how economic-security and defence-industrial policies balance openness with strategic protection.

This partnership is less visible than frontline defence cooperation but important for rule-setting. Sweden's prosperity depends on preventing security policy from turning into indiscriminate protectionism. Like-minded market economies can argue for targeted de-risking, competitive procurement and investment in capacity.

The marginal value is regulatory: a well-designed EU rule can affect hundreds of firms and years of investment. Watch Swedish–Dutch coordination on single-market policy, defence finance, semiconductor policy and trade responses to the US and China.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H17. Canada and the Arctic allies

Canada shares Sweden's interest in a stable Arctic and in combining sovereignty, indigenous communities, resources and alliance defence. The May 2026 Arctic Allies statement included Sweden, Canada, the Nordic allies and the United States in a common security frame.

Canada's Arctic geography is far larger, but many policy problems are analogous: infrastructure scarcity, surveillance distance, climate change and the need to support remote communities. Cooperation can therefore include doctrine, sensors, training and procurement rather than only diplomatic statements.

The marginal gain comes from sharing fixed costs of Arctic awareness and learning. Watch joint exercises, space and surveillance cooperation, maritime commitments and whether Arctic security forums develop practical operational content.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H18. The United States technology ecosystem and Swedish dependency

Swedish defence and technology sectors are deeply linked to US components, software, cloud services, weapons and capital markets. This provides access to the world's most advanced ecosystem but exposes Sweden to US export controls and corporate concentration.

The strategic objective should be managed interdependence. Attempting to recreate every US technology domestically would be uneconomic; relying on one US provider for a mission-critical function can still be risky. European alternatives, escrow, source-code access, multi-cloud architecture and stockpiles can reduce tail risk without abandoning US partnerships.

Marginally, the question is which US dependency would be most damaging if delayed rather than permanently denied. That prioritises contingency planning around spare parts, munitions, cloud identity and semiconductors. Watch ITAR exposure, cloud contracts, weapons integration and Swedish participation in European substitute programmes.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H19. The commercial shipping system and shadow-fleet interaction

Sweden depends on maritime trade, while the Baltic has become a route for Russian energy exports using opaque or high-risk shipping structures commonly described as a shadow fleet. This mixes sanctions enforcement, environmental risk and security surveillance.

Aggressive enforcement can impose costs on Russia but must operate within maritime law and avoid unnecessary escalation. Poorly maintained vessels also create accident risks that can damage coasts or infrastructure without deliberate sabotage. The same ship can therefore be simultaneously a commercial, sanctions and security concern.

Guerra di margini values measures that raise the cost of sanctions evasion without disrupting legitimate trade: insurance scrutiny, ownership transparency, port-state controls and coordinated allied surveillance. Watch route changes, detentions, insurance status, incidents near cables and EU/NATO legal measures.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

H20. Sweden's strategic map in one sentence

Sweden is no longer best understood as a neutral northern state protected by distance. It is a central connective state in the NATO north: an Atlantic-to-Finland corridor, a Baltic maritime actor, an Arctic stakeholder, a defence-industrial producer, an EU market power and a highly digital society whose prosperity depends on open networks.

This connective role is the source of both power and vulnerability. Every network Sweden joins increases access to allies, markets and information, but also creates dependencies and obligations. The country's grand-strategic problem is therefore to maximise connectivity while preventing any single connection from becoming a veto point.

The Guerra di margini summary is simple: strategic strength is the number of credible substitutes Sweden retains when the cheapest peacetime route disappears. Watch whether policy continues to increase route diversity—in energy, trade, transport, alliances, skills and information—or merely increases the scale of existing dependencies.

Operational implication. This node should be included in national exercises with explicit failure assumptions rather than treated as a background constant. The exercise should ask what happens if the primary route, supplier, data connection or political arrangement is unavailable for days rather than minutes. Authorities and firms should identify the minimum package required to continue priority functions, the time to shift to an alternative, and the legal or contractual barriers that would slow substitution. This turns geographic and diplomatic analysis into measurable preparedness.

Source discipline. The assessment combines Swedish government and agency material with NATO/EU documentation, macroeconomic evidence and external analysis. Where the paragraph describes a likely strategic consequence rather than a published government position, it is an analytical inference. That distinction is important because geography constrains policy but does not dictate a single choice; different governments can accept different costs for the same degree of redundancy.

Annex I. Sector-by-sector marginal-cost ledger

The following ledger applies the core equations of Guerra di margini qualitatively. For each sector, the important variables are the marginal security value of one additional unit, the marginal fiscal and real-resource cost, the replacement time if the asset is lost, the degree of substitutability, and the opportunity cost imposed on the rest of the system. The purpose is not to pretend that unlike assets can be reduced to one cardinal score. It is to force explicit comparison of the variables that conventional strategic prose often leaves hidden.

I1. Defence spending

Marginal security value. The first increments above a low baseline buy neglected readiness and have very high value; later increments can encounter procurement and personnel saturation.

Marginal and opportunity cost. Fiscal cost is visible, but real cost appears in engineers, construction, imports and foregone civilian investment.

Lead time and reversibility. Budget can change annually; trained personnel and major platforms require years.

Substitutability. High if NATO can substitute selected capabilities; low for sovereign command, territorial knowledge and some specialised systems.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I2. Civil defence

Marginal security value. Reserve power, water, communications and health surge often have high value because they preserve many downstream functions.

Marginal and opportunity cost. Redundancy appears inefficient in peacetime and competes with service delivery.

Lead time and reversibility. Physical hardening and inventories can be built in years; institutional habits take longer.

Substitutability. Local substitution is often limited during a national crisis, increasing the value of pre-arranged mutual aid.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I3. Ammunition

Marginal security value. Value rises steeply below minimum war-reserve thresholds because every additional unit extends combat endurance.

Marginal and opportunity cost. Storage, ageing and capital tied in stocks; production capacity also requires long-term demand.

Lead time and reversibility. Existing rounds are immediately usable; new factories take years.

Substitutability. Allied stocks can substitute only if allies are willing and have surplus at the same moment.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I4. Air defence

Marginal security value. Highest around critical nodes whose survival preserves many capabilities; lower for diffuse low-value assets.

Marginal and opportunity cost. Interceptors and launchers are expensive and can be saturated by cheap threats.

Lead time and reversibility. Procurement lead time is long; passive protection can be quicker.

Substitutability. Alliance integration improves substitution but demand is highly correlated during war.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I5. Nuclear electricity

Marginal security value. High when firm power is scarce and industrial demand is large; lower when flexibility and grids are the actual bottleneck.

Marginal and opportunity cost. Large capital, state risk, construction resources and political commitment.

Lead time and reversibility. Very long; decisions are partially irreversible once construction advances.

Substitutability. Hydro, wind, imports, storage and demand response substitute imperfectly across hours and seasons.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I6. Transmission grids

Marginal security value. Often extremely high when a line unlocks several projects or removes a single contingency risk.

Marginal and opportunity cost. Permitting, construction, transformers and local acceptance.

Lead time and reversibility. Long but usually shorter than nuclear; route decisions create lock-in.

Substitutability. Some substitution through local generation and demand flexibility, but geography matters.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I7. Housing

Marginal security value. High near labour-constrained strategic clusters; modest where demand is already met.

Marginal and opportunity cost. Land, construction labour, finance and municipal infrastructure.

Lead time and reversibility. Several years; buildings are long lived.

Substitutability. Commuting and temporary accommodation substitute only partly.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I8. Skilled migration

Marginal security value. Potentially high in shortage occupations because it can add trained labour faster than domestic education.

Marginal and opportunity cost. Integration, verification, housing and political legitimacy costs.

Lead time and reversibility. Entry can be quick; integration varies; policy itself is reversible.

Substitutability. Domestic training substitutes with a longer lag.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I9. Education and training

Marginal security value. High for occupations that constrain multiple strategic sectors.

Marginal and opportunity cost. Teacher capacity, student time and delayed labour-market entry.

Lead time and reversibility. Long for advanced professions, shorter for targeted vocational conversion.

Substitutability. Migration and automation can substitute partially.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I10. Cyber resilience

Marginal security value. Very high where one identity, cloud or network failure can halt multiple services.

Marginal and opportunity cost. Ongoing operating cost, duplicate systems and specialist labour.

Lead time and reversibility. Some controls deploy quickly; architectural changes take years.

Substitutability. Manual workarounds and alternative providers can substitute if tested.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I11. Strategic stockpiles

Marginal security value. High for inputs with long resupply time and low unit cost relative to outage consequences.

Marginal and opportunity cost. Storage, rotation, obsolescence and working capital.

Lead time and reversibility. Immediate once acquired.

Substitutability. Imports and production can substitute only if routes and capacity survive.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I12. Defence exports

Marginal security value. High when they expand allied capability and finance scale; negative if they displace Swedish delivery without capacity growth.

Marginal and opportunity cost. Production slots, engineering attention and export-risk management.

Lead time and reversibility. Contracts lock capacity for years.

Substitutability. Allied industrial cooperation can create reciprocal substitution.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I13. Ukraine support

Marginal security value. Can be exceptionally high when equipment has immediate battlefield utility against the principal identified threat.

Marginal and opportunity cost. Inventory drawdown, replacement finance and training.

Lead time and reversibility. Donation immediate; replacement can take years.

Substitutability. Allied burden sharing changes the marginal Swedish cost.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I14. China de-risking

Marginal security value. High for irreplaceable strategic inputs or sensitive technology; low for competitive consumer markets.

Marginal and opportunity cost. Higher procurement cost, lost sales and retaliation risk.

Lead time and reversibility. Supplier qualification can take months or years.

Substitutability. EU-scale diversification raises substitution options.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I15. Ports and rail

Marginal security value. High when they shorten allied reinforcement time or provide a second route.

Marginal and opportunity cost. Heavy construction, maintenance and civilian disruption.

Lead time and reversibility. Long-lived; upgrades take years.

Substitutability. Road, alternative ports and pre-positioning can substitute partly.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I16. Psychological defence

Marginal security value. High when it preserves trust in authentic channels during crisis; low if it becomes generic messaging.

Marginal and opportunity cost. Specialist staff, monitoring and risk of perceived politicisation.

Lead time and reversibility. Institutional trust is slow to build and can be lost quickly.

Substitutability. Independent media and high social trust are powerful complements, not perfect substitutes.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what

time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I17. Police and financial-crime capacity

Marginal security value. High when it dismantles criminal revenue and recruitment systems rather than only displacing street violence.

Marginal and opportunity cost. Investigators, prosecutors, courts and privacy safeguards.

Lead time and reversibility. Institutional capability develops over years.

Substitutability. Private compliance and tax authorities can supplement but not replace coercive powers.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I18. Arctic infrastructure

Marginal security value. High when dual-use assets support communities, industry and NATO mobility simultaneously.

Marginal and opportunity cost. Remote construction cost, environment and indigenous rights impacts.

Lead time and reversibility. Long; climate changes may alter design assumptions.

Substitutability. Few alternative routes mean redundancy has high value.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I19. Space capability

Marginal security value. High for assured communications and sensing where commercial access may be denied or jammed.

Marginal and opportunity cost. Satellites, launch, ground stations and specialist talent.

Lead time and reversibility. Medium to long, though small satellites can shorten cycles.

Substitutability. Allied and commercial constellations provide substantial but politically conditional substitution.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

I20. Fiscal reserves

Marginal security value. High because they allow rapid response across unknown future shocks.

Marginal and opportunity cost. Foregone present investment if reserves are preserved excessively.

Lead time and reversibility. Highly reversible through borrowing, but credibility can erode slowly.

Substitutability. EU and allied financing can supplement but national fiscal authority remains central.

Analytical consequence. The sector should be expanded until the marginal increase in usable strategic options is no longer clearly greater than the resource and option value consumed elsewhere. This does not produce a mechanically calculable optimum, because security payoffs are probabilistic and political. It does impose discipline: a programme that cannot specify what additional failure it prevents, what time it saves, or what dependency it removes should not automatically receive priority merely because the sector is labelled strategic.

Annex J. 2026–2035 research agenda and indicators for future updates

A strategic country report is a dated snapshot. Sweden's trajectory should therefore be updated through a stable set of indicators rather than rewritten around each headline. The following research agenda identifies variables that can falsify the assessment. If defence expenditure rises but readiness does not, the conversion-capacity thesis strengthens. If industrial output expands rapidly without wage pressure or project delays, the thesis weakens. If crime violence falls while extortion and fraud continue, the criminal-economy model becomes more important. If fertility or labour participation changes materially, demographic constraints should be recalibrated.

Defence indicators should include appropriations, NATO-defined expenditure, actual procurement disbursement, platform availability, unit readiness, officer and NCO vacancy rates, conscript throughput, ammunition stocks, interceptor stocks, maintenance backlogs and delivery dates. The key ratio is delivered operational capacity per additional real krona, adjusted where possible for defence-sector inflation. Public data will remain incomplete, so trends and audit findings matter more than false precision.

Civil-defence indicators should include reserve-power endurance, municipal exercise results, water continuity, hospital surge capability, telecom recovery time, strategic food and medical reserves, repair-team numbers and public preparedness. These metrics should be geographically disaggregated. National averages can hide a weak corridor municipality or a single regional grid dependency whose failure has national consequences.

Economic indicators should combine GDP growth with productivity per hour, business investment, unemployment by skill, vacancy duration, residential construction, household debt service, commercial-real-estate refinancing, government interest expense and the krona. Sweden's challenge is not simply to grow but to grow in ways that expand the tax base and strategic labour pool faster than ageing and security commitments expand claims on them.

Energy indicators should include firm capacity, transmission congestion, connection queues, transformer lead times, north–south price differentials, nuclear project costs, wind permitting, hydro flexibility, black-start capability and backup generation at strategic sites. Installed megawatts alone are insufficient. The relevant system variable is the ability to deliver power to priority loads during a stressed hour after one or more components have failed.

Social indicators should include lethal violence, shootings, explosions, recruitment of minors, criminal asset recovery, welfare fraud, trust in institutions, foreign-born employment gaps, school completion and residential segregation. The analytical aim is to distinguish symptom reduction from system change. A fall in shootings is strategically durable only if recruitment, criminal finance and coercive control also decline.

External-security indicators should include Russian force regeneration in the Baltic and Arctic, NATO force posture, US presence in Europe, Nordic integrated planning, Chinese trade and technology pressure, undersea incidents, GPS interference, cyber attribution and sanctions-evasion routes. The baseline assumption of long-term confrontation with Russia should be revised only if behaviour and capability change, not because diplomatic language temporarily softens.

Finally, the Guerra di margini dashboard should track lead times. Lead time is the bridge between strategy and surprise. How long does Sweden need to train an officer, connect a factory, replace a donated weapon, repair a cable, qualify a new supplier, build a reactor, add a rail siding or clear a security background check? A system with large stocks but very long lead times can be fragile; a smaller system with rapid replenishment can be resilient. Sweden's grand strategy will increasingly be a competition to shorten its own replacement times while lengthening the adversary's.

Annex K. Institutional source dossiers and competing strategic narratives

This annex reads the principal source families as strategic actors in their own right. It asks what each institution is designed to observe, what it is likely to omit, and how its publications should be weighted. This matters because a Swedish government communiqué, a security-service warning, a Chinese diplomatic statement, a RAND study and an IMF report can all discuss the same country while answering entirely different questions. Treating them as interchangeable would create false certainty.

K1. Government Offices of Sweden: declared strategy versus implementation

The Government Offices provide the clearest evidence of declared Swedish priorities. The 2026 Statement of Foreign Policy identifies support to Ukraine as the foremost foreign-policy priority, describes Russia as a long-term challenge extending beyond Ukraine, argues that Europe must assume more responsibility inside NATO, and anchors China policy in a European framework. The Arctic Strategy connects security, trade, climate, resilient communities and strategic resources. Defence-budget pages quantify the sharp increase in military appropriations. These documents therefore establish what the government wants the Riksdag, allies, adversaries and domestic constituencies to understand about Swedish policy.

Their weakness is the implementation gap. Government statements can announce direction before agencies have converted it into personnel, procurement or infrastructure. The phrase "Sweden will contribute" can range from a politically authorised intention to a unit that is trained, equipped, deployed and sustained. The research method in this report therefore pairs policy statements with agency output, budgets, delivery contracts and infrastructure notices wherever possible. The difference between authorised capability and usable capability is one of the central themes of Guerra di margini.

Government documents also contain strategic signalling. Describing Russia as a long-term threat helps justify rearmament and signal alliance resolve. Calling the EU the most important foreign-policy platform signals a desire for geopolitical European capacity. These statements may be substantively accurate, but their communicative purpose means they should not be treated as independent confirmation of the threat. The correct use is to identify policy, then test assumptions against Säpo, MUST, NATO, EU, economic and observable evidence.

For future updates, the most useful government evidence will be appropriation changes, procurement decisions, regulatory amendments and implementation timetables. Speeches are early indicators; contracts and completed infrastructure are stronger evidence of realised strategy. A shift in government after the 2026 election should therefore be judged by changes in these instruments rather than by tonal differences alone.

K2. Säkerhetspolisen: counterintelligence and internal security

Säpo's public role is especially important because it sits at the boundary between domestic security and foreign-state activity. Its assessments identify Russia, China and Iran as major state threats and describe methods including intelligence collection, influence, technology acquisition and activities directed at critical functions. The August 2026 disclosure of an SVR-directed operation is unusually concrete: according to Säpo, the operation sought information on Swedish decision-making and aimed to influence polarising issues in ways that could discredit Sweden, NATO and the EU. That is stronger evidence than generic claims about information warfare because it describes a specific attributed operation.

Public counterintelligence reporting is nevertheless selective. Services protect sources, methods and ongoing cases. A lack of published cases does not mean lack of activity, and publication can itself be a tool of disruption. Conversely, security agencies have incentives to highlight threats within their mandates. Their claims deserve high evidentiary weight on attributed investigations but should still be

distinguished from judicial proof where no court case exists. Language such as "assesses", "has determined" and "has taken measures" matters.

Säpo is also useful for understanding the changing interface between foreign states and domestic criminal or extremist environments. The strategic concern is not that ordinary dissent is foreign-directed. It is that hostile services can exploit real grievances, recruit individuals, buy deniable services or target diaspora communities. This is a vulnerability model rather than a claim that controversial political debate is illegitimate. Preserving that distinction is essential to democratic resilience.

From a marginal-cost perspective, counterintelligence success should be measured by adversary access removed and rebuilding cost imposed. Public exposure can force a service to abandon a cultivated channel, change communications or withdraw an officer. Those costs may be more strategically important than the number of prosecutions. Future research should therefore track expulsions, disrupted networks, diplomatic staffing and repeated methods rather than simply count arrests.

K3. MUST and the Swedish Armed Forces: external military threat assessment

The Military Intelligence and Security Service is the principal Swedish source for military threat assessment. Its public reporting after Russia's invasion of Ukraine has emphasised the long-term deterioration of the regional security environment, Russia's willingness to use military force and hybrid methods, and the possibility that Russian capability can recover even if the war in Ukraine imposes major losses. It also monitors China's expanding global instruments and the interaction between military, economic and technological power.

MUST's perspective differs from Säpo's. It is concerned primarily with external military capabilities, intentions and threats to the Armed Forces, whereas Säpo has broader domestic counterintelligence and constitutional-security responsibilities. Convergence between the two on Russia is therefore analytically significant because it arises from different institutional vantage points. The report does not infer that every Russian action is coordinated or that war with Sweden is inevitable. The more defensible conclusion is that Swedish planning assumes a persistent capability and intent problem that cannot be solved by a short diplomatic cycle.

Military intelligence has a built-in worst-case function: it must warn against dangerous possibilities. Strategic analysis should therefore pay attention to probability and time horizon. A capability that Russia could regenerate in five to ten years matters to procurement even if it is unavailable today, because Swedish platforms and infrastructure have similar or longer lead times. This is where the intelligence and Guerra di margini perspectives converge: the relevant comparison is future replacement and regeneration time, not the present inventory snapshot.

For future monitoring, public force-structure evidence, satellite imagery, procurement, exercises and Russian budget decisions should be used to test whether the assumed regeneration is occurring. If Russia cannot restore selected capabilities, Swedish allocation can shift. If regeneration accelerates, the marginal value of early investment rises because European production queues will tighten.

K4. The Psychological Defence Agency: resilience without censorship

The Psychological Defence Agency represents a distinct Swedish institutional choice. Rather than treating every false claim as a security problem, its mandate focuses on foreign malign information influence and on strengthening society's ability to recognise manipulation. Around the 2026 election it monitored risks associated with disinformation, AI-generated content and foreign interference. Its post-election reporting indicated that Sweden had not experienced a major coordinated foreign information or cyber campaign that made the election a priority target.

That finding is strategically valuable because it prevents threat inflation. A society that expects an omnipotent adversary may begin to interpret ordinary political conflict as foreign manipulation, undermining democratic trust. Conversely, assuming that no visible campaign means no foreign interest

would be complacent. The agency's approach is best read as calibrated vigilance: source criticism, coordination and protection of authentic information channels rather than policing political opinions.

The hard analytical problem is effect measurement. Counting hostile posts or bot accounts says little about changed behaviour. A small campaign that reaches trusted intermediaries may matter more than millions of low-quality posts. Sweden should therefore focus on propagation into consequential networks, impersonation of authorities, changes in public confidence and attempts to affect decisions. AI will lower content-production costs, making credibility and distribution even more important bottlenecks.

Under Guerra di margini, psychological defence succeeds when it raises the attacker's cost per unit of real persuasion. Verified channels, fast attribution, media literacy and resilient public institutions force an adversary to invest in longer cultivation and more credible proxies. The objective is not to eliminate information disorder but to make manipulation expensive relative to its political effect.

K5. Statistics Sweden: demography as a constraint, not destiny

Statistics Sweden provides the most authoritative demographic baseline. Its 2026–2070 projection expects population to continue growing but more slowly, reaching about 11.8 million by 2070 under the central assumptions. The projection shows low fertility in the near term and a rising share of very old residents. Foreign-born residents remain an important component of population and labour-force development. These facts establish a long-horizon constraint on welfare and labour supply without implying demographic collapse.

Population projections are conditional. Migration assumptions can change quickly with policy and external events; fertility can shift; mortality and healthy life expectancy can surprise. The strategic value of the projection is therefore structural rather than numerically prophetic. It tells Sweden that the easy demographic dividend of a rapidly expanding native working-age population should not be assumed. Labour productivity, participation, integration, later retirement and automation become more important.

The projection also exposes a timing asymmetry. Family policy can affect births, but new births do not become workers for roughly two decades. By contrast, skilled migration, adult retraining and higher participation can affect labour supply within years. That does not make fertility irrelevant; it means different tools operate on different strategic clocks. Policy error occurs when a long-term lever is expected to solve a near-term bottleneck.

A Guerra di margini reading therefore asks which demographic intervention preserves the most options per unit of political and fiscal cost. Childcare that supports parental employment, training that moves people into shortage occupations and migration systems that select needed skills can simultaneously raise current capacity and future tax bases. Narrow cash incentives may matter less unless they change underlying constraints on family formation.

K6. Riksbank, IMF and European Commission: three views of the same macroeconomy

The Riksbank, IMF and European Commission share a broad diagnosis but operate on different time horizons and mandates. The Riksbank's August 2026 decision kept the policy rate at 1.75 per cent, noting improved sentiment, high unemployment and uncertainty around underlying inflation after supply shocks. The Commission's Spring 2026 forecast projected real growth of 1.8 per cent in 2026 and 2.2 per cent in 2027, with unemployment gradually easing and the budget deficit widening as defence spending increased. The IMF's Article IV described recovery from a position of strong macroeconomic buffers while emphasising productivity, housing, household debt, real-estate exposure and ageing.

These are not competing predictions so much as differently dated analytical frames. Small numerical discrepancies should not be overinterpreted. The robust signal is that Sweden has room to expand

fiscally but faces structural bottlenecks and financial sensitivities. Low sovereign debt coexists with high private household debt; innovation strength coexists with slow productivity; unemployment coexists with skill shortages. Strategic policy must therefore use disaggregated evidence rather than assume a single "strong" or "weak" economy.

The fiscal expansion associated with defence creates a novel monetary-policy interaction. If spending falls on internationally traded equipment with elastic supply, inflation effects may be limited. If it falls on already scarce Swedish engineers, construction capacity or housing, prices can rise. The central bank may then lean against demand even though the government is trying to mobilise resources. That tension is manageable but should be anticipated.

The Guerra di margini contribution is to shift from aggregate affordability to conversion. Sweden can afford more investment financially than it can necessarily implement physically. The policy question is which sequence expands absorptive capacity first. Training, permitting reform, grid equipment and production lines may have higher early return than simply appropriating the final programme budget.

K7. RAND: external benchmark on Swedish defence planning

RAND's comparative research is valuable because it places Sweden beside other European defence systems rather than accepting national self-description. Its 2024 work on resourcing defence cooperation highlights Swedish strengths in total defence, transparent multi-year budgeting, political coordination and links between civil and military planning. It also notes weaknesses in measurement, programme follow-up and aspects of long-term capability planning. These observations fit the broader thesis that Sweden's challenge has shifted from deciding to rearm toward converting decisions into sustained output.

RAND's earlier analysis of Baltic defence and Gotland remains useful for geography but needs temporal qualification. Finland and Sweden are now NATO members, force structures have changed, and allied plans have evolved. Historical documents are most useful when they identify durable physical constraints—distance, ports, islands, reinforcement routes—rather than when they provide outdated force counts.

External research can also suffer from information limitations. RAND relies heavily on public material and interviews and cannot substitute for classified Swedish planning. It should therefore be used to identify questions: Are readiness metrics adequate? Does procurement follow-up capture delays? Can budgeting adapt to a faster threat? Those questions can then be tested against Swedish audit and implementation evidence.

For Guerra di margini, RAND's emphasis on planning process is especially relevant. When money is increasing rapidly, governance quality has higher marginal value. A weak procurement process wastes more absolute resources when budgets double. Reforming decision and feedback loops can therefore create capability without an equivalent increase in spending.

K8. ENISA and the EU hybrid-threat framework

ENISA's 2025 Threat Landscape provides a broad European cyber baseline: 4,875 incidents analysed, DDoS dominant by count, ransomware dominant by impact, hacktivism highly prevalent and state-linked espionage continuing. The EEAS hybrid-threat framework adds the political context of drones, cyber operations, foreign information manipulation, sabotage, undersea infrastructure damage and weaponised migration. Together they show why Sweden's resilience policy spans technical and societal domains.

The limitation is geographic aggregation. EU-wide incident shares are not Swedish incident rates. Sweden can be more exposed in some sectors and less in others. The correct use is comparative threat taxonomy: identify attack methods likely to affect Sweden, then rely on Swedish agencies and operators

for national exposure. Similarly, the EEAS attribution of a broader pattern to increasingly aggressive Russian behaviour establishes EU policy framing but does not attribute every individual incident.

The public EU framework is nevertheless strategically important because many defences are continental. NIS2 raises common cybersecurity standards; the Cyber Solidarity mechanisms can share assistance; sanctions and maritime initiatives pool leverage. The EU can reduce the marginal cost of resilience for a medium-sized state by spreading fixed costs and creating a larger regulatory market.

The main future research question is implementation. Compliance indicators are insufficient if recovery remains slow. Sweden should measure actual restoration after incidents, shared exercises, vendor concentration and cross-border support. The EU's strategic value becomes real when common rules translate into interchangeable assistance and faster recovery.

K9. Chinese official material: diplomacy, economic signalling and what it does not prove

Chinese Ministry of Foreign Affairs statements during 2026 engagement with Sweden stress historical bilateral ties, Sweden's one-China policy, objective and rational perceptions of China, mutual respect and win-win cooperation. Chinese diplomatic messaging also warns against protectionism and the politicisation of economic relations. These statements are important as signalling because they identify the policy frame Beijing prefers Sweden to adopt.

They are not a transparent window into Chinese intelligence assessments. The Ministry of State Security does not publish a public country estimate on Sweden that can be independently audited. Therefore this report does not label diplomatic communiqués "Chinese intelligence". They are state narratives that can be compared with Swedish counterintelligence findings, business evidence and observable Chinese investment or technology behaviour.

The narrative reveals a recurring strategic disagreement. China tends to argue that economic cooperation should be insulated from security rivalry, while Sweden and the EU increasingly see selected economic dependencies as security risks. Beijing benefits when the economic cost of a Swedish security decision is sufficiently high to deter it. Sweden benefits when trade can continue without creating such veto points. The contest is therefore about the elasticity of Swedish alternatives.

The appropriate analytical response is neither credulity nor automatic hostility. Chinese commerce can create real value; Chinese state objectives can also conflict with Swedish interests. Sectoral de-risking is superior to undifferentiated decoupling when it identifies the specific technologies, infrastructure and supply chains where coercion or intelligence risk is material.

K10. Russian public narratives versus observable Russian behaviour

Russian official and state-media narratives frequently portray Sweden's NATO accession and rearmament as evidence that Stockholm abandoned neutrality and contributed to bloc confrontation. Such narratives serve Moscow's diplomatic and domestic messaging and cannot be treated as neutral strategic analysis. They are nevertheless useful for identifying themes likely to be used in influence activity: sovereignty, nuclear risk, economic cost, alleged subordination to Washington and the claim that NATO enlargement itself creates insecurity.

Observable behaviour provides a stronger basis for assessment. Russia's war against Ukraine, military posture in the Baltic and Arctic, intelligence activity, hybrid methods and Swedish attribution of the 2026 SVR operation are concrete evidence that Stockholm must plan against Russian pressure. At the same time, not every accident, cyberattack or political controversy should be labelled Russian without evidence. Over-attribution would reduce Swedish credibility and make genuine cases easier to dismiss.

The intelligence problem is dynamic because Russian capability can decline in one domain while remaining strong in another. Ground-force losses in Ukraine do not automatically remove missile, submarine, intelligence, cyber or nuclear capacity. Force regeneration may also be uneven. Swedish

procurement must therefore be based on a portfolio of plausible Russian capabilities over the life of the system rather than a single present-day snapshot.

Guerra di margini suggests measuring Russian pressure by cost-effectiveness from Moscow's perspective. Hybrid actions are attractive when they are cheap, deniable and impose expensive Swedish responses. Sweden should reverse that ratio: cheap repair, resilient services, disciplined attribution and coordinated sanctions make harassment less profitable. The goal is to force Russia to spend more for every unit of disruption achieved.

K11. Business Sweden and the corporate view of China

Business Sweden's 2025 mainland China survey is a useful counterweight to purely security-focused analysis. It found the business climate for Swedish firms at a decade low while a majority remained committed to China. The result captures the dual reality: Swedish companies face difficult competitive and political conditions but still see China as a major market, manufacturing base and innovation environment. Strategic policy that assumes firms can exit without cost would therefore be unrealistic.

Corporate exposure is heterogeneous. A company selling consumer brands faces different security risks from a supplier of sensors, communications equipment or advanced industrial software. Revenue dependence can also differ from supply dependence. A firm may sell heavily in China but source little there, or source critical inputs while earning little Chinese revenue. De-risking analysis should therefore map both sides of the balance sheet.

The state and firms can also have different risk appetites. A company may rationally accept a dependency if the expected private loss is small relative to profit. The national-security loss from the same dependency can be larger if it affects critical infrastructure or alliance obligations. Regulation is justified where such externalities are material, but blunt intervention can destroy value without improving security.

The marginal framework asks how much switching capacity one additional investment buys. Qualifying a second supplier, redesigning a component or diversifying sales can reduce coercive exposure. The objective is not a politically pure supply chain; it is a commercially viable chain in which no single political decision can stop a critical Swedish function at low cost.

K12. NATO documentation: collective plans and the credibility problem

NATO sources establish Sweden's formal alliance position and the regional logic of collective defence. Sweden's contributions to Latvia, framework responsibilities in Finland, air operations in the High North and participation in alliance exercises demonstrate that membership is operational rather than symbolic. NATO also provides the institutional framework through which Swedish geography becomes available to allied reinforcement and allied capability becomes available to Sweden.

Public NATO material cannot reveal detailed war plans or readiness shortfalls. Alliance declarations also have a deterrent purpose and therefore emphasise unity and capability. The analytical question is whether commitments are physically credible. That requires examining transport, stockpiles, unit availability, command integration and exercise performance. Article 5 is politically decisive, but deterrence depends on the adversary believing the alliance can act fast enough.

The enlargement to Finland and Sweden improves northern coherence while creating new obligations. NATO must defend more territory, but it also gains Swedish and Finnish forces, bases and depth. The net effect cannot be captured by counting border kilometres. It depends on integrated planning and the speed at which Atlantic reinforcements can move through Scandinavia.

Guerra di margini interprets NATO as a substitution network. Sweden does not need to duplicate every capability if allies can supply it credibly, but correlated wartime demand reduces the reliability of some substitutes. National stocks remain necessary where every ally will need the same scarce item

simultaneously. Alliance planning should therefore distinguish shareable capabilities from crisis-scarce goods such as air defence and munitions.

K13. Swedish Armed Forces public information: readiness signals and necessary caution

The Armed Forces publish information on exercises, NATO contributions, organisational growth and total-defence cooperation. This material is useful for tracking whether policy decisions are entering military practice. Repeated exercises in the same corridor or mission can indicate institutional learning and the normalisation of allied integration. Announced unit growth provides a map of priorities.

Public military communication cannot disclose exact readiness, stock levels or vulnerabilities. It may also highlight successful activities for recruitment and deterrence. The absence of public detail should not be filled with speculation. Independent audits, procurement delivery, personnel statistics and allied exercise observations are therefore important complements.

One useful distinction is between episodic and persistent capability. A high-profile exercise can demonstrate that a movement is possible once; sustained readiness requires maintenance, trained replacements, stocks and routine funding. Sweden's rapid rearmament should be judged by whether exceptional exercises become ordinary institutional capacity.

The marginal test is repeatability. If an additional exercise exposes a bottleneck and leads to repair, it has high value. If exercises become ceremonial demonstrations without feedback, marginal value falls. The defence system needs a closed loop from exercise failure to procurement, training or infrastructure correction.

K14. Brå and crime statistics: avoiding sensationalism and complacency

Brå's confirmed lethal-violence statistics provide a disciplined baseline for a debate often dominated by spectacular events. In 2025 Sweden recorded 84 confirmed cases of lethal violence and firearms were used in 42. These numbers are serious but do not by themselves describe the whole organised-crime ecosystem. Trends in shootings, explosions, extortion, fraud, recruitment and network structure need to be analysed separately.

The strategic risk of sensationalism is policy distortion. If every violent incident is treated as evidence of state collapse, resources may flow toward visible enforcement while financial infrastructure and prevention remain weak. The risk of complacency is the opposite: a fall in homicide can be celebrated while criminal markets adapt to less visible methods. The correct measure is whether the state increases the cost and reduces the replacement rate of criminal capability.

Comparisons across countries also require care because legal definitions, reporting practices and population structure differ. Sweden's crime problem should be benchmarked with harmonised measures where possible, but policy should be designed around Swedish mechanisms rather than league-table position. Local concentration matters because national averages can hide neighbourhood-level coercion.

Guerra di margini treats the criminal network as an adaptive competitor. Removing one individual has limited value if replacement is immediate. Asset seizure, identity integrity, witness protection and disruption of recruitment can raise replacement cost. This framework therefore directs attention from event counts to the economics of criminal regeneration.

K15. Svenska kraftnät: infrastructure notices as strategic evidence

Svenska kraftnät's March 2026 decision on Gotland is a good example of how technical infrastructure documents reveal strategic change. The agency explicitly linked stronger electricity resilience to Gotland's total-defence importance and planned new 220 kV connections. This is more than an energy story: it shows security criteria entering grid planning and the recognition that normal N-1 style reliability is not always sufficient for elevated preparedness.

Grid operators provide unusually concrete evidence because projects have physical routes, capacities and dates. They therefore help test political rhetoric. If industry and defence plans expand while transmission schedules slip, the mismatch becomes visible. Conversely, completed reinforcement can create real options long before it receives political attention.

The limitation is that security-sensitive vulnerabilities may not be public. A published grid map can show topology but not every contingency or protection measure. Analysts should avoid converting public technical data into targeteering-like detail. Strategic assessment needs system-level vulnerability without operational instructions that would aid sabotage.

The marginal metric for the grid is the amount of critical load or industrial investment released by one additional reinforcement and the reduction in restoration time after a major failure. Gotland is a high-leverage case because security and commercial reliability overlap strongly.

K16. Reuters and election reporting: current politics as a moving baseline

Because the 2026 election occurred only days before this report's cut-off, contemporaneous wire reporting is necessary to bridge the gap between the vote count and slower official publications. Reuters reported on 17 September that all ballots had been counted, producing 176 seats for the centre-left grouping and 173 for the outgoing right grouping, while formal certification remained pending. Kristersson then requested to be discharged from office; the following day the Speaker asked Magdalena Andersson to explore the possibilities of forming a government. These are dated political facts, not a forecast of the final coalition.

The distinction matters because Sweden's government-formation process can take time and support arrangements may be complex. Strategic analysis should therefore freeze the political baseline at 19 September 2026 and avoid assigning policies to a government that has not yet taken office. Existing laws, appropriations and international commitments remain the operational baseline until changed.

Election reporting also illustrates the danger of excessive immediacy. A three-seat bloc difference can dominate headlines while long-term defence programmes continue with broad institutional momentum. Political change matters most where choices remain open: budget composition, migration, climate, welfare and the pace of selected investments. The report therefore separates structural continuity from partisan discretion.

Future updates should replace preliminary or contemporaneous reporting with official Riksdag and Election Authority records once the cabinet and parliamentary agreements are settled. This is a methodological rule: current sources are necessary for current events, but they should not remain the preferred citation once a more authoritative record exists.

Annex L. Red-team interpretations: where the assessment could be wrong

A strategic assessment is most useful when it identifies the assumptions that could fail. The following red-team propositions deliberately challenge the main thesis. They are not predictions or preferred political positions. They are alternative hypotheses that should remain alive until evidence falsifies them. The Guerra di margini method is particularly compatible with red-teaming because marginal values change when the environment changes; a capability that is optimal under one threat distribution can be wasteful under another.

L1. Russia may regenerate more slowly than Swedish planning assumes

The central Swedish security assumption is that Russia will remain a long-term threat and that its military capability in Sweden's neighbourhood can increase over coming years. A contrary hypothesis is that the fiscal, demographic, technological and equipment losses associated with the Ukraine war constrain Russian regeneration for longer than current Swedish planning assumes. If so, very rapid procurement could encounter lower near-term military risk than expected while paying peak European rearmament prices.

The implication would not be to abandon deterrence. It would be to shift some marginal spending from immediately available but expensive platforms toward production capacity, infrastructure and technologies whose value persists across a longer horizon. The falsification indicators are Russian unit regeneration, training quality, inventories, defence-industrial output, force posture in the northwest and the share of resources absorbed by Ukraine. Sweden should avoid treating either rapid Russian recovery or permanent Russian weakness as predetermined.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L2. The United States may remain more engaged in Europe than European autonomy narratives assume

Swedish policy correctly prepares for greater European burden-sharing, but a second hypothesis is that US strategic interests continue to produce a substantial European presence even while Washington increases attention to Asia. If European planners assume too sharp a US retrenchment, they could duplicate expensive capabilities that remain reliably available through NATO.

The decision rule is therefore selective insurance rather than complete substitution. Europe should replace the most politically vulnerable or quantity-constrained US dependencies while preserving transatlantic specialisation where it remains efficient. Evidence should include US basing, munitions stocks, exercises, budget allocations and political commitments over multiple administrations, not one election cycle.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L3. Swedish defence spending could outrun military absorptive capacity

The government's path toward 3.5 per cent of GDP creates a risk that appropriations grow faster than the Armed Forces and industry can convert them. If procurement queues, skilled-labour shortages and training bottlenecks dominate, additional money can raise prices and advance payments rather than readiness. A large nominal defence ratio could then overstate real capability.

The appropriate correction would be to invest heavily in the conversion machinery itself: procurement staff, instructors, industrial capacity, maintenance, testing, ranges and permitting. The hypothesis can be tested through delivery delays, unused appropriations, unit readiness, wage inflation and the share of spending devoted to imported versus domestic bottleneck sectors.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L4. Nuclear expansion could crowd out faster electricity solutions

The state's decision to take a major role in new nuclear power reflects concern about future firm capacity. A contrary hypothesis is that construction risk, capital cost and long lead times make some nuclear projects arrive too late to solve the binding 2030s grid and industrial constraints. In that case, excessive state commitment could crowd out transmission, flexibility, wind, hydro upgrades or demand response that deliver earlier.

The rational response is technology-neutral system analysis rather than ideological support or opposition. Nuclear retains value if it provides firm capacity at a competitive system cost and credible date. The indicators are final investment cost, financing terms, schedule, grid needs, industrial electricity demand and the cost of alternative portfolios.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L5. Migration restriction could create a larger strategic labour shortage than anticipated

Stricter migration can reduce pressures associated with weak integration, but a red-team hypothesis is that rules become too blunt and deter the very engineers, technicians, researchers, medical workers and entrepreneurs Sweden needs. With low fertility and ageing, the economic effect could emerge first in project delays rather than in aggregate population figures.

The test is occupational. If shortage vacancies lengthen while qualified foreign recruitment falls, policy may be consuming more productive capacity than it saves in integration costs. A sophisticated system should therefore remain restrictive where compliance risks are high while becoming faster and more predictable for verified shortage skills.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves

priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L6. Crime reduction may be more durable than the report assumes

The main analysis warns that shootings can fall while criminal finance persists. An alternative hypothesis is that intensified enforcement, legal reform and prevention are beginning to reduce the reproduction rate of violent networks in a durable way. If recruitment, shootings, explosives and extortion all fall together, Sweden's internal-security burden could improve faster than expected.

This matters because strategic resources should move when constraints move. Permanent emergency expansion of coercive capacity would have diminishing returns if the threat declines. The relevant evidence is multi-year youth recruitment, network fragmentation, asset recovery, witness cooperation and geographic spread—not a single year of homicide data.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L7. China exposure may be more substitutable than security debate suggests

Some public discussion treats China as a uniquely difficult dependency. A contrary hypothesis is that many Swedish firms can diversify suppliers and sales faster than assumed because global markets, India, Southeast Asia, the EU and North America offer alternatives. If switching costs are moderate, broad state intervention may be unnecessary and could reduce competitiveness.

This is precisely why de-risking should be granular. Strategic policy should intervene where switching time is long and security consequence high, and allow firms to adjust normally elsewhere. Evidence should focus on actual supplier qualification times, price differences, revenue diversification and technological uniqueness rather than aggregate trade shares.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L8. China exposure may be less substitutable than business planning assumes

The mirror hypothesis is that dependence is hidden several tiers down supply chains. Swedish companies may believe they are diversified because direct suppliers are European while upstream chemicals, magnets, electronics or manufacturing tools remain concentrated in China. A crisis could therefore create larger disruption than bilateral trade data indicate.

The response is supply-chain mapping and stress testing. Firms should identify the first non-substitutable upstream node and the time needed to qualify an alternative. Government should focus on national-security externalities rather than demand complete transparency for every low-risk input.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if

this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L9. NATO integration may reduce rather than increase national flexibility in some niches

The report presents alliance integration as a net strategic multiplier. A red-team concern is that standardisation, force commitments and joint procurement can constrain distinctive Swedish solutions that were optimised for local geography. Alliance demand can also pull scarce forces abroad during periods when Stockholm would prefer to retain them.

This does not challenge the political value of collective defence; it identifies an optimisation problem inside it. Sweden should preserve niche national advantages—dispersed air operations, Baltic submarine competence, total-defence practices—while integrating interfaces. The evidence is whether NATO requirements improve or erode readiness for Swedish geography and whether national exceptions are available when justified.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L10. Social trust may be less resilient than historical reputation implies

Sweden is often described as a high-trust society. The red-team hypothesis is that national averages conceal widening differences by age, neighbourhood, origin or political identity, and that repeated service failures can erode compliance faster than institutions expect. Total-defence assumptions based on past trust may then overestimate voluntary cooperation during crisis.

The response is empirical rather than rhetorical. Preparedness exercises should measure behaviour, not rely on survey pride. Authorities should monitor trust gaps, response to warnings, willingness to share resources and perceptions of fairness. Trust is a stock that can depreciate; it should be maintained through competence and transparent burden-sharing.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L11. The energy transition may increase security faster than it creates new vulnerabilities

The main analysis emphasises that electrification increases dependence on the grid. An alternative interpretation is that replacing imported fossil fuels with domestic electricity, even when variable, may reduce Sweden's exposure to maritime fuel disruption and global price coercion more quickly than it creates electric vulnerability. Electric vehicles, heat pumps and industrial electrification can diversify final-energy inputs when the power mix itself is diversified.

The strategic answer is to compare system-wide dependence, not individual technologies. Electrification is beneficial when grid resilience, firm capacity, storage and repair keep pace. The

indicators are imported fossil-energy share, outage consequences, reserve power and the ability to island critical loads.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L12. The real grand strategy may remain reactive rather than coherent

This report infers a grand strategy of networked sovereignty from converging policies. A stricter interpretation is that Sweden is pursuing several rational but only partially coordinated responses to shocks: NATO after Russia's invasion, nuclear support after energy concerns, stricter migration after domestic politics, Arctic policy after alliance enlargement, and industrial policy after European rearmament. Coherence may be retrospective rather than designed.

The distinction matters because an emergent strategy can still work, but it may lack mechanisms for resolving conflicts between programmes. Evidence of genuine grand strategy would include explicit cross-sector prioritisation, common lead-time analysis, integrated manpower planning and willingness to cancel lower-value programmes when bottlenecks appear. If ministries continue to optimise separately, the "networked sovereignty" label should be treated as an analytic description rather than a state doctrine.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L13. Fiscal room could disappear faster than debt ratios imply

Low public debt supports the report's positive view of Swedish fiscal options. The red-team case is that large contingent liabilities—nuclear guarantees, financial-system support, defence contracts, ageing costs and infrastructure commitments—could become correlated during a severe shock. Markets can reprice even a low-debt sovereign if growth falls and guarantees crystallise simultaneously.

Sweden should therefore track contingent exposure and real-resource scarcity alongside Maastricht-style debt. Stress tests should combine recession, currency weakness, higher rates and security spending. Fiscal space is not a fixed amount; it is credibility plus taxable capacity plus the political ability to prioritise.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L14. Industrial policy may protect incumbents instead of creating resilience

Security arguments can weaken normal competitive discipline. Once a firm or technology is labelled strategic, government may find it difficult to withdraw support even if performance deteriorates. Sweden's strong industrial champions are assets, but they can become rent-seeking centres if procurement and state aid lack exit rules.

The test is additionality. Public support should create capacity, innovation or supply-chain security that would not otherwise exist. If it merely raises margins or preserves obsolete production, the strategic return is low. Milestones, open architecture and competition for subcomponents can preserve discipline while recognising genuine national-security needs.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L15. Arctic economic expectations may be overstated

The Arctic's geopolitical importance is rising, but some commercial expectations may be exaggerated by high costs, environmental constraints, volatile commodity markets and difficult infrastructure. Strategic rhetoric can cause governments to subsidise projects whose economic basis remains weak.

Sweden should separate assets required for sovereignty and defence from projects justified mainly by optimistic resource scenarios. Dual-use infrastructure should still pass a multi-scenario test: does it remain useful if a mine, factory or trade route underperforms? The more uses an asset retains, the stronger its option value.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

L16. Hybrid-threat framing could become too broad

The EU and Swedish security vocabulary increasingly groups cyberattacks, sabotage, information manipulation, criminal proxies and infrastructure incidents under the hybrid-threat concept. The red-team concern is that an overly broad category can blur causation and encourage political attribution before evidence is mature.

Analytical discipline requires separate probabilities for actor, intent and mechanism. An undersea cable break can be strategically important before sabotage is proved. Sweden can improve resilience and investigation without prematurely assigning responsibility. Credible restraint increases the weight of later attribution when evidence is strong.

Guerra di margini test. The alternative hypothesis should be retained until the marginal data move decisively against it. The practical question is which policy decision would become clearly inefficient if this hypothesis were true. Where a decision is robust under both the main and red-team cases—such as improving repair capacity, skills, infrastructure redundancy or supplier transparency—it deserves priority because it purchases options rather than betting on one forecast. Where policy is highly

sensitive to the hypothesis, staged commitment and review points are preferable to irreversible expenditure.

Annex M. Executive synthesis for decision-makers

Sweden in September 2026 is simultaneously stronger and more exposed than it was a decade earlier. It is stronger because NATO membership removes strategic isolation, Finland's membership makes Nordic defence coherent, defence spending is rising, the country retains advanced military industry, public debt is low, the energy base is comparatively diversified, and institutions remain capable. It is more exposed because alliance geography turns Swedish ports, airfields, railways, Gotland, northern corridors and digital systems into operational infrastructure for a wider theatre. Connectivity multiplies value and targetability at the same time.

The single most important analytical conclusion is that money is no longer the only—or even always the primary—constraint. Sweden can authorise more spending faster than it can train engineers, build grids, produce interceptors, expand shipyards, connect factories, construct housing or create experienced officers. Strategy therefore has to migrate from budget mobilisation to bottleneck management. A target of 3.5 per cent of GDP is meaningful politically and within NATO, but the national-security return depends on how many ready units, stocked magazines, resilient networks and reinforced corridors emerge from it.

The second conclusion is that Sweden's grand strategy is best understood as networked sovereignty. The country is not seeking autonomy through isolation. It is seeking freedom of action by combining selected sovereign capabilities with a dense portfolio of NATO, EU, Nordic, Baltic, British, Polish and transatlantic relationships. The portfolio is rational because different institutions supply different goods: NATO supplies military deterrence; the EU supplies market, regulatory and sanctions power; Nordic cooperation supplies geography and speed; bilateral industrial ties create production depth. The risk is coordination overload and hidden dependence on common inputs.

The third conclusion is that Russia remains the organising security problem but should not become the explanation for every anomaly. Swedish government, Säpo and MUST assessments all identify Russia as the principal long-term military or state-security threat, and the August 2026 SVR case provides direct evidence of intelligence and influence activity. Yet disciplined attribution is itself a strategic asset. Sweden gains credibility when it distinguishes accident, crime, opportunistic hacktivism and state direction instead of compressing them into one threat narrative.

The fourth conclusion is that China is a problem of selective dependence rather than a binary alignment choice. Swedish companies remain commercially engaged even as the government and security services treat technology, infrastructure and Chinese support for Russia as security concerns. The rational solution is to map switching costs. De-risk what cannot be replaced quickly and what creates coercive leverage; do not destroy profitable, substitutable trade simply to produce a lower aggregate China number. EU scale makes this strategy more credible and less costly.

The fifth conclusion is domestic. Demography, labour-market mismatch, housing, organised crime and institutional trust are not secondary to defence. They determine how much military and industrial ambition Sweden can sustain. Low fertility and ageing operate slowly but predictably; migration and integration affect the nearer-term labour pool; organised crime tests state capacity; household debt affects shock absorption; housing determines where workers can move. A total-defence state that neglects these variables can increase military appropriations while reducing the social and economic base that supports them.

The sixth conclusion is about infrastructure. Gotland's grid, the west-coast ports, Öresund, northern railways, telecom repair, hospitals, food distribution, data services and space infrastructure are strategic because they connect military power to society. The highest-return investments are frequently mundane. A spare transformer, fuel contract, rail siding, alternate fibre route, qualified welder or municipal emergency planner may create more usable security at the margin than a high-profile platform whose support chain is already constrained.

The seventh conclusion is temporal. Sweden's strategic competition is increasingly about lead times. Russia seeks to regenerate forces; Europe seeks to expand industry; Sweden seeks to build units, reactors and grids; companies seek alternative suppliers. Whoever shortens replacement time improves resilience. Stockpiles buy time, production buys replenishment, alliances buy substitutes and fiscal credibility buys emergency choice. Guerra di margini therefore treats time itself as a strategic resource and assigns unusually high value to measures that compress the interval between loss and restoration.

The eighth conclusion is that the post-election political transition is important but should not be confused with strategic discontinuity. The September 2026 count changed the parliamentary balance and initiated a government-formation process, yet NATO membership, the defence resolution, existing contracts and institutional commitments persist until changed. The next government's strategic significance will be visible primarily in marginal choices: the composition of fiscal expansion, migration and labour policy, energy investment, climate policy, civil-defence funding and the pace of infrastructure programmes.

For a decision-maker, the practical recommendation of this research is methodological rather than partisan: require every major strategic programme to state the bottleneck it relieves, the substitute it creates, the lead time it shortens, the common-mode failure it removes and the opportunity cost it imposes. Require a review date and a red-team condition under which the programme should be slowed, redesigned or cancelled. This converts national strategy from an accumulation of worthy objectives into a sequence of choices under scarcity—the exact domain in which Sweden's next decade will be decided.

Research cut-off, confidence scale and final caveat

Research cut-off: 19 September 2026. High-confidence findings in this report are those supported by enacted law, official budget decisions, confirmed statistical releases, completed vote counts with their procedural status clearly stated, official parliamentary actions, named agency assessments, signed agreements or directly observable infrastructure and procurement decisions. Medium-confidence findings are analytical interpretations supported by several independent source families but dependent on assumptions about implementation, future threat development or political continuity. Low-confidence questions are explicitly framed as scenarios, red-team hypotheses or watch indicators. This hierarchy is essential because Sweden is in the middle of several transitions at once: government formation after the September election, rapid NATO integration, defence-industrial expansion, nuclear financing, a cyclical economic recovery and a changing European security environment. The report therefore avoids presenting plans as completed capabilities and avoids presenting adversary narratives as intelligence.

The most important uncertainty is temporal. Swedish rearmament, Russian force regeneration, European production expansion, nuclear construction, grid reinforcement and demographic change all operate on different clocks. A snapshot can make a slow process look static or a temporary surge look structural. Future editions should therefore preserve the same indicators and compare realised delivery against the 2026 baseline. In particular, they should distinguish nominal defence expenditure from deployable readiness, announced industrial investment from operating capacity, approved energy projects from connected firm power, and migration rules from actual labour-market outcomes.

The Guerra di margini lens is intentionally demanding. It does not ask whether a programme is desirable in isolation. It asks what is forgone, how quickly the asset can be replaced, whether alternatives exist, whether the investment removes a system bottleneck, and whether it preserves future choice. This approach can produce conclusions that differ from conventional strategic accounting. A small repair capability can outrank a large platform purchase if the platform is already support-constrained; a housing project can become a defence enabler if it unlocks scarce labour; a commercial export can increase national security if it finances additional production capacity rather than consuming a fixed

production slot. The framework should therefore be updated whenever marginal conditions change rather than converted into a permanent ranking of sectors.

Finally, open-source work has hard limits. Classified Swedish, NATO, EU, Russian and Chinese assessments are not available for independent review. EU INTCEN does not provide a public Sweden dossier; China's intelligence services do not publish a transparent national estimate; Russian official material is politically instrumental; and intelligence agencies necessarily withhold operational detail. The report compensates through triangulation—official Swedish agencies, NATO and EU documentation, macroeconomic institutions, independent research, corporate evidence and OSINT—but it cannot eliminate uncertainty. Where evidence is incomplete, the correct strategic posture is not to fill the gap with confidence. It is to identify which decision remains robust across several plausible interpretations.

Bibliography

- Black, J., Dee, S., McKernan, M., Young, S., Jouan, N., Sommerfeld Antoniou, M., Le Gargasson, C., Slapakova, L., Ogden, T., Silfversten, E., Eken, M., Kleberg, C. and Godges, J.P. (2024) Resourcing Defense Cooperation in Europe Amidst Russia's War in Ukraine. Santa Monica: RAND Corporation.
- Black, J., Kleberg, C. and Silfversten, E. (2024) NATO Enlargement Amidst Russia's War in Ukraine: How Finland and Sweden Bolster the Transatlantic Alliance. Santa Monica: RAND Corporation.
- Business Sweden (2025) Mainland China Business Climate Survey 2025. Stockholm: Business Sweden.
- European Commission (2026a) Country Report: Sweden 2026. Brussels: European Commission.
- European Commission (2026b) Economic Forecast for Sweden, Spring 2026. Brussels: Directorate-General for Economic and Financial Affairs.
- European External Action Service (2026) EU Action on Countering Hybrid Threats, 19 March. Brussels: EEAS.
- European Union Agency for Cybersecurity (ENISA) (2025a) ENISA Threat Landscape 2025. Athens/Heraklion: ENISA.
- European Union Agency for Cybersecurity (ENISA) (2025b) Sectorial Threat Landscape: Public Administration 2024. Athens/Heraklion: ENISA.
- Government Offices of Sweden (2024) New Total Defence Resolution for a Stronger Sweden. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2025a) Defence Industry Strategy for a Stronger Sweden. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2025b) The Role of Space in a New Security Situation: Sweden's Defence and Security Strategy for Space. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2025c) Sweden Signs Memorandum of Understanding on the Protection of Critical Undersea Infrastructure. Stockholm: Ministry for Foreign Affairs/Ministry of Defence.
- Government Offices of Sweden (2026a) Military Budget. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2026b) Nuclear Financing. Stockholm: Ministry of Finance.
- Government Offices of Sweden (2026c) Statement of Foreign Policy 2026. Stockholm: Ministry for Foreign Affairs.
- Government Offices of Sweden (2026d) Sweden's Strategy for a Peaceful, Secure and Sustainable Arctic, Government Communication 2025/26:268. Stockholm: Ministry for Foreign Affairs.
- Government Offices of Sweden (2026e) Defence Resolution 2025–2030. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2026f) Joint Declaration from Leaders Meeting in Gdansk, 25 June. Stockholm: Prime Minister's Office.
- Government Offices of Sweden (2026g) Joint Statement on Arctic Security from the Arctic Allies, 22 May. Stockholm: Government Offices.
- Government Offices of Sweden (2026h) Poland Signs Agreement to Procure Submarines from Saab and Deepen Strategic Cooperation with Sweden. Stockholm: Prime Minister's Office/Ministry of Defence/Ministry for Foreign Affairs.
- Government Offices of Sweden (2026i) Strategic Export Controls in 2025 – Military Equipment and Dual-Use Items, Government Communication 2025/26:114. Stockholm: Ministry for Foreign Affairs.
- Government Offices of Sweden (2026j) Sweden Contributes to NATO Operation Arctic Sentry, 12 February. Stockholm: Ministry of Defence.
- Government Offices of Sweden (2026k) Sweden Takes Next Major Step towards New Nuclear Power, 26 June. Stockholm: Ministry of Finance.

- International Monetary Fund (2026) Sweden: 2026 Article IV Consultation – Press Release and Staff Report. IMF Staff Country Report 2026/182. Washington, DC: IMF.
- Ministry of Foreign Affairs of the People's Republic of China (2026a) Swedish Prime Minister Ulf Kristersson Meets with Wang Yi. Beijing: MFA PRC.
- Ministry of Foreign Affairs of the People's Republic of China (2026b) Wang Yi Holds Talks with Swedish Foreign Minister Maria Malmer Stenergard, 4 July. Beijing: MFA PRC.
- NATO (2025) The Hague Summit Declaration, 25 June. Brussels: North Atlantic Treaty Organization.
- NATO (2026a) Defence Investment and NATO's 5% Commitment. Brussels: North Atlantic Treaty Organization.
- NATO (2026b) Meeting of NATO Ministers of Foreign Affairs, Helsingborg, 21–22 May 2026. Brussels: North Atlantic Treaty Organization.
- Palombi, M. (2025) Storie di futuri possibili: dinamiche della permacrisi globale, tra blocchi, scenari e strategie d'adattamento nel XXI secolo.
- Polismyndigheten (2026) Sprängningar och skjutningar: statistik och lägesbild över skjutningar och sprängningar i Sverige, January–August 2026. Stockholm: Swedish Police Authority.
- Psychological Defence Agency (2026a) Information Influence and Elections. Karlstad/Solna: Myndigheten för psykologiskt försvar.
- Psychological Defence Agency (2026b) No Major Information or Cyber Attacks Against the Swedish Election. Karlstad/Solna: Myndigheten för psykologiskt försvar.
- RAND Corporation (2019) America's Strategy-Resource Mismatch: Addressing the Gaps Between U.S. National Strategy and Military Capacity. Santa Monica: RAND Corporation.
- Reuters (2026a) Sweden's prime minister steps down after losing election, 17 September. London: Reuters.
- Reuters (2026b) Swedish parliament speaker asks opposition leader to form government, 18 September. London: Reuters.
- Säkerhetspolisen (2026a) Russian Intelligence Operation Thwarted, 10 August. Stockholm: Swedish Security Service.
- Säkerhetspolisen (2026b) The Swedish Security Service 2025–2026: Situation Assessment. Stockholm: Swedish Security Service.
- Statistics Sweden (SCB) (2025) The Future Population of Sweden 2025–2070. Stockholm: Statistics Sweden.
- Statistics Sweden (SCB) (2026) The Future Population of Sweden 2026–2070. Stockholm: Statistics Sweden.
- Swedish Armed Forces (2026) Sweden in NATO. Stockholm: Swedish Armed Forces.
- Swedish Armed Forces, Military Intelligence and Security Service (MUST) (2026) MUST Annual Report 2025. Stockholm: Swedish Armed Forces.
- Swedish Election Authority (2026) Election Results 2026 – Riksdag, Regional and Municipal Elections. Stockholm: Valmyndigheten.
- Swedish National Council for Crime Prevention (Brå) (2026) Statistics from the Judicial System: Confirmed Cases of Lethal Violence 2025. Stockholm: Brå.
- Svenska kraftnät (2026a) New Strategic Direction for Electricity Supply to Gotland, 17 March. Sundbyberg: Svenska kraftnät.
- Svenska kraftnät (2026b) Svenska kraftnät enables electrification transition through intensified effort to connect mature projects, 18 June. Sundbyberg: Svenska kraftnät.
- Sveriges Riksbank (2026a) Monetary Policy Decision, August 2026. Stockholm: Sveriges Riksbank.
- Sveriges Riksbank (2026b) Monetary Policy Update, August 2026. Stockholm: Sveriges Riksbank.
- Sveriges Riksdag (2026) The Speaker gives Magdalena Andersson the task of exploring the possibilities of forming a government, 18 September. Stockholm: Sveriges Riksdag.

Annex N. Sweden 2035: attractors, vectors and a possible future

Aforethinking and Aforebeing applied to the 2026 strategic baseline

N.1 Purpose, method and epistemic status

This annex converts the descriptive and marginal analysis of the main Sweden assessment into a structured futures exercise for the period 2026–2035. It follows the method set out in Marco Palombi's Storie di futuri possibili: first identify the vectors that are acquiring systemic force; then identify the attractors, understood not as declared objectives but as latent configurations toward which several vectors may jointly pull the system; construct a limited set of internally coherent futures; and finally use Aforebeing to reason backwards from a selected 2035 configuration to the decisions, non-decisions, bottlenecks and external events that would have had to occur for that future to exist. The exercise is therefore not an extrapolation of trend lines and is not a claim that the future can be forecast with statistical precision. It is a disciplined attempt to narrow the field of plausible paths while preserving the possibility of discontinuity.

The source book treats permacrisis as a condition in which no single response permanently closes the problem because solutions create new tensions and multiple vectors continue to interact. That concept is particularly relevant to Sweden. Rearmament can reduce military vulnerability while increasing labour scarcity; grid expansion can enable electrification while raising capital and permitting demands; tighter migration rules can reduce some integration pressures while constraining specialist labour supply; deeper alliance integration can raise deterrence while increasing the strategic value of Swedish infrastructure as a target. The future to 2035 is thus unlikely to be a simple movement from insecurity to security. It is more plausibly a movement from one configuration of trade-offs to another.

The analytical baseline remains 19 September 2026. By 17 September all ballots had been counted, with formal certification still pending; Ulf Kristersson had requested to be discharged from office, and Speaker Andreas Norlén had asked Magdalena Andersson to explore the possibilities of forming a government. The government-formation process was therefore not complete. This appendix does not forecast the coalition outcome. It assumes only the higher-confidence structural commitments already embedded in NATO membership, the Total Defence Resolution, agency plans, contracts and infrastructure programmes. Where domestic policy choices could change materially with a new cabinet – migration, taxation, criminal justice, nuclear financing, climate implementation and parts of social policy – the analysis treats those areas as branching variables rather than settled facts (Sveriges Riksdag, 2026; Reuters, 2026a).

The method is also explicitly compatible with Guerra di margini. Vector strength is not equated with spending, media attention or political salience. A vector is strategically powerful when it changes the marginal value of choices across several domains, lengthens or shortens lead times, removes or creates substitutes, consumes stocks that are difficult to replenish, or changes the opportunity cost of future action. This is why demography and grid capacity receive weights comparable with military pressure: neither produces daily strategic drama, but both can become binding constraints on every other programme.

N.2 Operationalising the Storie di futuri possibili method for Sweden

Storie di futuri possibili assigns high weights to the principal vectors in each system and then studies their interaction with attractors. For this appendix, the qualitative method is operationalised through an explicit scoring framework designed to make assumptions visible and comparable. It is not independently reproducible in the statistical sense, because the component scores and compatibility coefficients remain structured analyst judgments rather than observed measurements. The procedure is an operationalisation for the Sweden case, not a claim that the source book prescribes these exact coefficients. Each vector is scored from 0 to 1000 on five dimensions: persistence, cross-system reach,

irreversibility or lead-time, observed momentum at the 2026 cut-off, and trigger sensitivity. The composite weight is calculated as follows:

$$W(i) = 0.25\ Persistence + 0.25\ Cross\text{-}system\ reach + 0.20\ Irreversibility/lead\text{-}time + 0.20\ 2026\ momentum + 0.10\ Trigger\ sensitivity.$$

The first two dimensions receive the largest weights because an important futures vector must endure and must influence more than one policy silo. Irreversibility matters because a slow variable with long lead times can dominate a decade even when its annual change looks small. Current momentum keeps the model tied to the 2026 evidence rather than to abstract theory. Trigger sensitivity is given the smallest coefficient because it can create volatility without necessarily creating a durable direction.

Attractor pull is then estimated by assigning each vector a compatibility coefficient between 0 and 1 for each attractor. A coefficient of 1 means that the vector strongly pushes Sweden toward that configuration; 0.5 means the vector is compatible but not decisive; 0 means it works against the configuration. The attractor score is the vector-weighted mean of those coefficients, rescaled to 1000. This produces a measure of structural pull, not a probability. A high attractor score means that many strong vectors can be reconciled inside that state of the system.

$$A(j) = [sum\ of\ W(i) \times C(i,j)] \ / \ [sum\ of\ W(i)] \times 1000.$$

Finally, five scenarios are constructed from combinations of attractors. Each scenario receives a coherence modifier reflecting path dependence, the number of independent triggers required, and the degree to which the scenario demands simultaneous favourable or adverse conditions. The resulting values are normalised to 100 and reported as relative model weights. They are a comparative weighting device inside this model at this cut-off, not event probabilities or forecasts. The ranges around the central weights are judgemental sensitivity ranges rather than statistical confidence intervals.

Scoring dimension	Meaning in the Sweden case	Weight
Persistence	Likelihood that the force remains operative through most of 2026–2035 rather than appearing as a short-lived shock.	25%
Cross-system reach	Ability to affect security, economy, society, infrastructure and political capacity simultaneously.	25%
Irreversibility / lead-time	Difficulty of reversing the effect quickly once a choice, shortage or demographic condition is embedded.	20%
2026 momentum	Strength of observable policy, market, institutional or security movement at the research cut-off.	20%
Trigger sensitivity	Capacity for a discrete event to accelerate the vector non-linearly.	10%

N.3 The 2026 state: a system with strong assets and narrowing conversion margins

Sweden enters the 2026–2035 period with more strategic optionality than many European states. Public debt remains low by European standards; fiscal credibility is high; the industrial base contains defence, automotive, telecommunications, mining, energy, engineering and life-science capabilities; electricity generation is comparatively low-carbon; institutions are capable; and NATO membership embeds Swedish geography in a much larger deterrence system. RAND's analysis of Swedish accession stressed that Swedish territory adds strategic depth, east-west ground lines of communication, logistics, air and maritime access, and the ability to support reinforcement of Finland and the Baltic states. The value of Sweden to the alliance therefore exceeds what population or GDP alone would suggest (Black, Kleberg and Silfversten, 2024).

The same starting position contains the seeds of constraint. The 2026 military appropriation is SEK 175 billion and the government trajectory envisages NATO-defined defence expenditure of 2.8 per cent of GDP in 2026, 3.1 per cent from 2028 and a path toward 3.5 per cent by 2030. NATO's Hague commitment adds a wider 2035 envelope: at least 3.5 per cent for core defence and up to 1.5 per cent

for security-related infrastructure, networks, civil preparedness, innovation and industrial capacity. Sweden is therefore not merely buying military platforms; it is entering a decade in which defence, civil preparedness, grids, ports, railways, cyber systems, munitions, energy and industrial capacity are all competing for engineers, technicians, construction capacity and administrative attention (Government Offices of Sweden, 2026a; NATO, 2025; NATO, 2026a).

Energy demonstrates the conversion problem clearly. Svenska kraftnät plans roughly SEK 215 billion of transmission-grid investment over the coming decade and reports that it has halved the connection queue while reducing preliminary-assessment lead time by close to 30 per cent. These improvements are important, but the scale of demand from industrial electrification, new generation, data infrastructure and strategic industry means that connection capacity remains a system variable rather than a background utility issue. Nuclear financing can add long-duration supply, but it also consumes fiscal guarantees, project-management capacity and time. In marginal terms, a reactor that arrives after the relevant industrial investment window has lower strategic value than its nameplate capacity implies (Svenska kraftnät, 2026; Government Offices of Sweden, 2026b).

Demography is slower and still more difficult to substitute. Statistics Sweden projects a population of about 10.8 million in 2035, only around 170,000 above the current level. Over the coming decade deaths are expected to exceed births by roughly 30,000, net migration to account for about 200,000 of the demographic increase, the school-age population to fall by around 165,000 and the population aged 85 or above to rise by roughly 179,000. This is not demographic collapse, but it changes the composition of national demand. More care, health and pension-related labour is required just as defence, energy and industry seek additional specialised workers. Migration therefore becomes simultaneously an integration issue, a labour-market instrument and a strategic-capacity variable (Statistics Sweden, 2026).

The social baseline is likewise mixed rather than simply deteriorating. Police data for January-August 2026 record 53 shootings compared with 114 in the same period of 2025 and 75 detonations compared with 139. That improvement argues against treating organised violence as an autonomous vector of inevitable social breakdown. At the same time, strategic violence, recruitment into criminal networks, local segregation, welfare fraud and coercion remain state-capacity problems. The relevant future variable is whether reduced lethality is converted into durable dismantling of criminal ecosystems and improved local legitimacy, or whether violence migrates into less visible financial, digital and coercive forms (Polismyndigheten, 2026).

This starting condition produces the central paradox of the decade: Sweden is financially able to choose more than it can necessarily execute at the same time. The strategic problem is therefore one of sequencing. Money can authorise a programme immediately; a trained engineer, an ammunition production line, a transmission corridor, a reactor, a hardened port, a reserve officer or a deep stock of spare parts may require years. The value of policy consequently depends less on the announced ambition than on whether the next unit of spending relaxes the bottleneck that is actually binding.

N.4 Vector map, 2026–2035

The twelve vectors below are ranked by systemic force. The scale follows the convention used in Storie di futuri possibili: a value close to 1000 denotes a force with high persistence, broad cross-domain effects and limited reversibility; a lower score does not mean the issue is unimportant, only that it exerts less continuous gravitational pressure on the 2035 configuration. The arithmetic mean of the three strongest vectors is 931/1000. That is an unusually high vectorial density and supports treating Sweden's 2026–2035 environment as a national permacrisis in the technical sense: several strong forces operate at the same time and no single policy closes them.

Rank	Vector	Weight	Direction	Why it matters
1	Russian military and hybrid pressure	942	Rising / persistent	Official Swedish services continue to treat Russia as the principal state-security threat; the vector also reaches cyber, sabotage, intelligence, Baltic infrastructure and defence demand.
2	NATO, Nordic-Baltic integration and European burden shift	934	Rising	Accession has become operational: reinforcement, Forward Land Forces, Baltic and Arctic cooperation, capability targets and the 2035 NATO investment commitment make integration path-dependent.
3	Defence-industrial mobilisation and absorptive capacity	918	Rising sharply	Orders, Ukraine support, national inventories and allied demand compete for the same factories, skilled workers, components, test capacity and procurement management.
4	Energy-grid-industrial transition	898	Rising	Electrification, defence production, data infrastructure, northern industry and new generation raise the strategic value of grid connections, power balance and project lead-times.

Rank	Vector	Weight	Direction	Why it matters
5	Critical infrastructure, cyber and repair resilience	897	Rising	Undersea links, telecoms, ports, rail, electricity, cloud and municipal continuity create many targets but also high-return opportunities for redundancy and repair capacity.
6	Demography, migration and skilled labour	893	Slowly intensifying	Ageing and low births are highly persistent; net migration becomes the main source of population growth while strategic sectors compete for scarce skills.
7	Social cohesion, integration, organised crime and trust	847	Mixed	2026 violence indicators improved materially, but segregation, recruitment networks and uneven integration continue to affect legitimacy, policing and mobilisation capacity.
8	AI and strategic technology acceleration	826	Rising	AI, autonomy, cyber, sensing and dual-use technologies shorten decision cycles and change the productivity of both military and civilian systems.

Rank	Vector	Weight	Direction	Why it matters
9	Productivity, fiscal and financial resilience	824	Mixed / constraining	Low sovereign debt provides room, but slow productivity, household leverage, real-estate exposure, ageing and multiple investment demands raise the opportunity cost of capital and labour.
10	China, global trade and technology fragmentation	795	Rising selectively	Commercial exposure remains valuable while technology security, export controls, EU de-risking and China-Russia relations increase switching and compliance costs.
11	Arctic, High North, space and strategic resources	774	Rising from lower base	Northern geography, Esrange, minerals, energy and routes gain strategic value as NATO integrates the High North and climate change alters access and infrastructure conditions.
12	Political continuity and administrative state capacity	747	Stable but tested	Strong institutions reduce discontinuity, but narrow parliamentary arithmetic and simultaneous reforms can increase transaction costs and implementation delays.

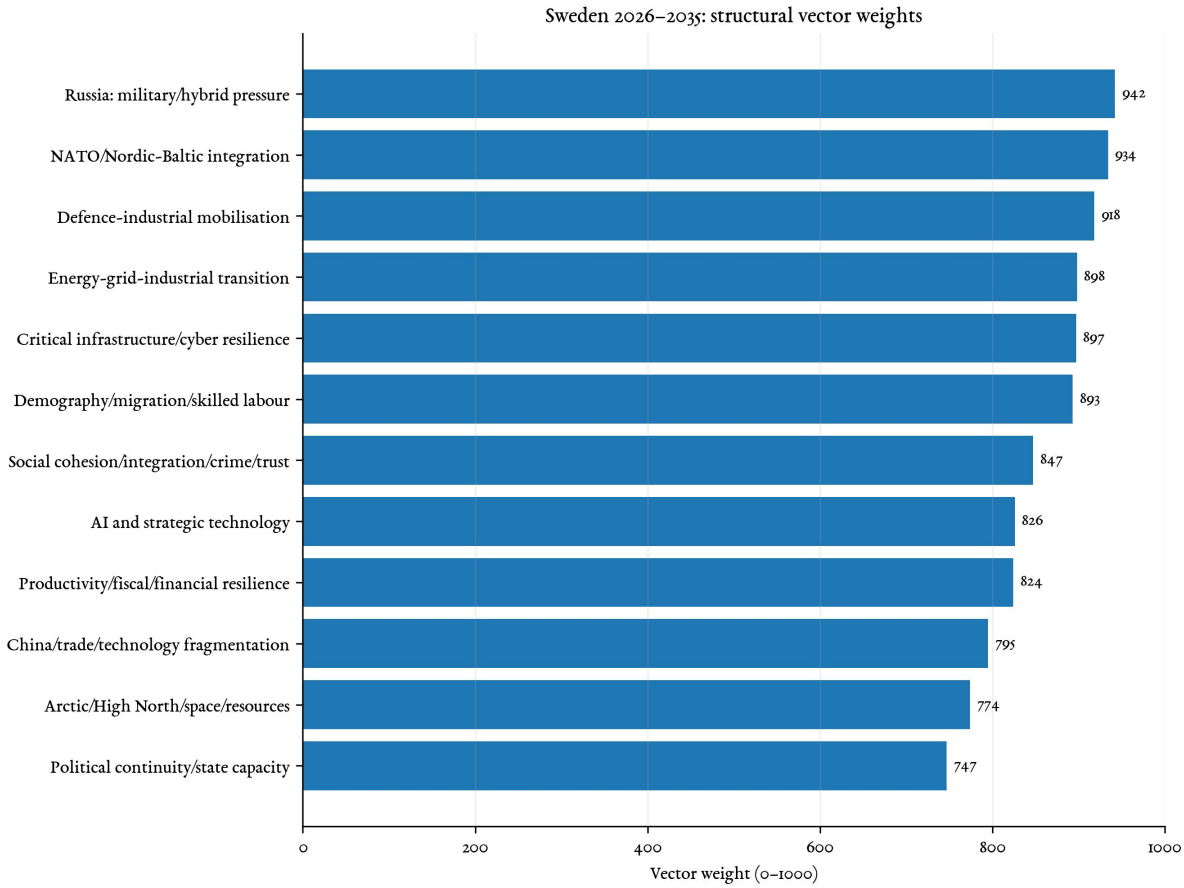

Figure N.1. Structural vector weights. Scores are analytical weights, not empirical probabilities.

N.5 How the vectors interact: six feedback loops

The ranking is less important than the interaction. Aforethinking asks which vectors amplify one another, which provide substitutes, and which create bifurcations. Sweden's 2035 path is dominated by six feedback loops.

The first is the security-capacity loop. Russian pressure and NATO integration increase demand for Swedish forces, munitions, logistics and infrastructure. Higher demand raises orders and supports industrial investment, but it also competes for engineers, metals, electronics and energy. If capacity expands, the loop is virtuous: allied demand finances scale and lowers unit costs. If capacity does not expand, the loop becomes extractive: national stocks, labour and production slots are consumed faster

than they are replenished. This is the core Guerra di margini distinction between converting a stock into a flow and renewing the stock that generates future flows.

The second is the alliance-infrastructure loop. NATO membership increases the marginal military value of Swedish ports, air bases, rail lines, roads, telecoms, data links, Gotland and northern corridors. That encourages investment and redundancy. Yet the same improvement also increases their operational relevance and therefore their attractiveness as targets for surveillance, cyber operations, sabotage or coercive signalling. Security investment does not remove the contest; it moves the point at which the contest occurs, from access to resilience and repair.

The third is the energy-industry loop. Defence production, electrification, mining, advanced manufacturing, data centres and transport all raise demand for dependable electricity and network capacity. Grid and generation investment can then crowd in industrial activity, which broadens the tax base and helps finance security. But long lead-times create a sequencing risk: firms can delay or relocate projects if connection capacity, permitting or generation certainty arrives too late. The strategic unit is therefore not the terawatt-hour in isolation but the combination of power, location, connection date, price stability and labour availability.

The fourth is the demographic-labour loop. Ageing raises demand for labour in health and care while defence, construction, energy and advanced industry require many of the same technical and managerial skills. Lower school cohorts may eventually reduce education demand, but those gains arrive after a period in which the older population expands quickly. Migration can partially substitute for missing labour, yet the fiscal and strategic return depends on employment, skills recognition, language, housing and integration. A migration policy judged only by gross inflow or gross restriction therefore misses the relevant margin: the speed with which a person becomes a productive and socially integrated participant in sectors where scarcity is binding.

The fifth is the trust-total-defence loop. Total defence assumes that citizens, firms, municipalities and state agencies will cooperate under stress. Effective public services, credible communication and visible competence raise willingness to comply and contribute. Organised crime, local exclusion, corruption or repeated administrative failure increase the cost of mobilisation because the state must spend more on enforcement and compensation. Conversely, excessive securitisation can itself damage trust if every disagreement is framed as foreign influence. The equilibrium requires resilience without treating openness as vulnerability in itself.

The sixth is the de-risking-competitiveness loop. Reducing single-source dependence on China or other external suppliers can create strategic substitutes and lower coercive leverage. But indiscriminate separation raises input costs, shrinks market access and can weaken the firms that finance Sweden's technological base. The stable path is granular de-risking: identify components, technologies and infrastructures where switching times are long or security consequences large, while preserving trade where substitution is easy and the strategic externality small. Chinese official diplomacy in 2026 emphasised mutual economic benefit and the separation of commercial ties from geopolitical securitisation; Swedish policy and EU policy are likely to continue testing how far that compartmentalisation can be maintained (Ministry of Foreign Affairs of the People's Republic of China, 2026a, 2026b).

N.6 Attractors: the latent configurations pulling Sweden toward 2035

Attractors are not policy goals. They are system states that can absorb multiple vectors at once. Several can coexist, and a scenario may combine two or three. Six attractors are visible in the Swedish case. The strongest is not a pure military state but a capacity-constrained total-defence permacrisis: a Sweden that remains institutionally stable and economically advanced while living with permanently elevated security requirements, infrastructure investment, labour scarcity and difficult sequencing. The next strongest is networked sovereignty: Sweden becomes an indispensable northern alliance node and

gains freedom of action through dense interdependence rather than through neutrality. The difference matters. One describes the system's internal operating condition; the other describes its external strategic position.

ID	Attractor	Pull	System meaning	Main supporting vectors
A1	Capacity-constrained total-defence permacrisis	840	High security and resilience demand becomes normal; the central problem is execution capacity rather than political recognition of threats.	V1, V3, V4, V5, V6, V7
A2	Networked sovereignty / northern alliance node	795	Sweden becomes difficult to coerce because NATO, EU, Nordic, Baltic, bilateral and industrial networks multiply substitutes and raise the cost of isolating it.	V1, V2, V3, V6, V11
A3	Industrial-energy strategic renaissance	775	Defence, power, grid, mining, space and advanced manufacturing reinforce one another and create a new investment cycle.	V3, V4, V8, V11

ID	Attractor	Pull	System meaning	Main supporting vectors
A4	Baltic-Arctic crisis frontier	762	Swedish geography is increasingly valued as a forward logistics, sensing, maritime and air-space node in a harder northern security environment.	V1, V2, V6, V11
A5	Selective de-risking / open but screened economy	714	Trade remains open, but security screening, supplier diversification and allied technology controls reshape investment and value chains.	V2, V6, V8, V10
A6	Demographic-social compression	649	Ageing, low fertility, labour mismatch and uneven integration increase the cost of sustaining welfare, defence and industrial ambition simultaneously.	V5, V7, V9, V12

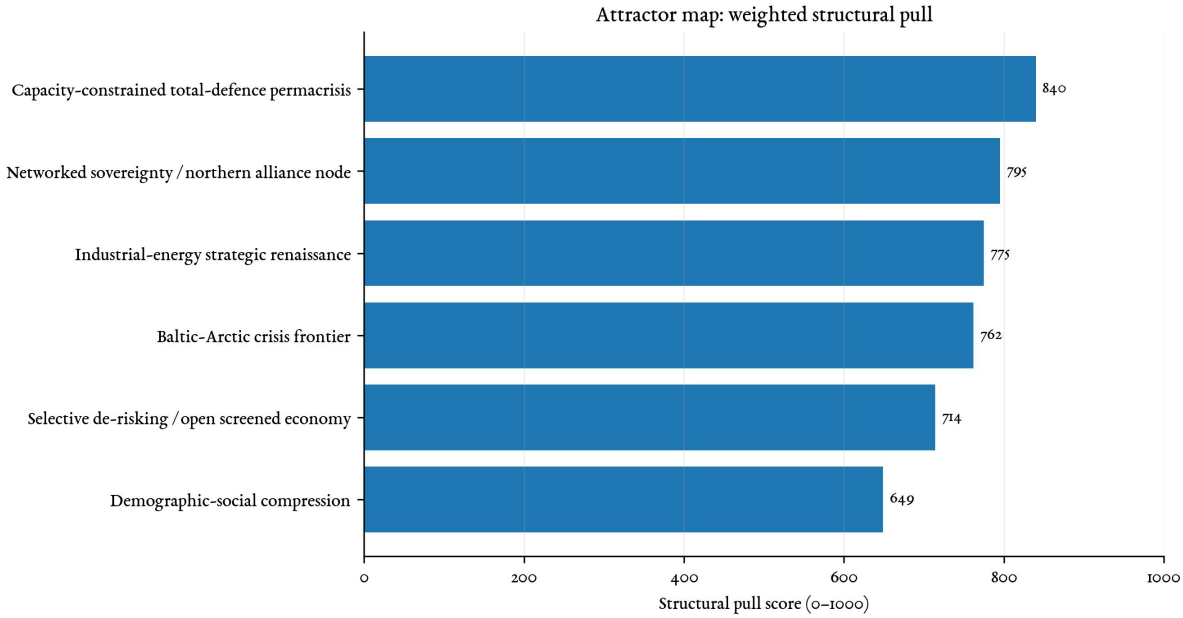

Figure N.2. Attractor pull scores derived from the weighted compatibility of the twelve vectors.

The ordering should not be read as a ladder from best to worst. A1 and A2 are likely to coexist. A3 could reduce the costs of A1 by expanding the productive base. A6 could coexist with A2 and weaken it from within. A4 can be latent for years and then become dominant after a single external shock. The scenario task is therefore to identify which combinations can plausibly become the organising logic of the system.

N.7 Five scenarios: comparative model weights at the 2026 cut-off

The five scenarios are built from combinations of the attractors above. Their central values are model-derived relative weights normalised to 100. The ranges are judgemental sensitivity bands. They are not election forecasts, event probabilities or claims of decimal-point precision. Whole-number values are used to avoid false precision; their purpose is to make the assumptions explicit and to compare the internal coherence of alternative paths.

#	*Scenario*	*Model weight*	*Range*	*Attractor mix*	*Signature*
1	Fortified network under managed scarcity	38%	34–41%	A1 + A2 + A5, with partial A3	Sweden becomes an indispensable NATO/EU/Nordic node while living with chronic labour, grid, procurement and fiscal sequencing constraints.
2	Industrial-energy take-off	22%	18–25%	A2 + A3 + A5	Grid expansion, power investment, defence orders and technology productivity reinforce one another strongly enough to enlarge the national resource base.
3	Hard-security Europe with reduced US routine burden	20%	16–24%	A1 + A2 + A4	Europe assumes more conventional responsibility, Russia regenerates selected capabilities and Sweden carries a heavier Baltic-Arctic role without a direct war on Swedish territory.
4	Demographic-social compression	13%	10–17%	A1 + A6	Ageing, skills shortages, housing and uneven integration raise the cost of defence and industrial ambition; policy remains functional but increasingly redistributive and contested.
5	Acute Baltic-Arctic systemic shock	7%	4–10%	A4 activated by discrete crisis	A military or severe hybrid crisis forces rapid mobilisation, disrupts infrastructure and compresses years of adaptation into months. Low relative plausibility, very high consequence.

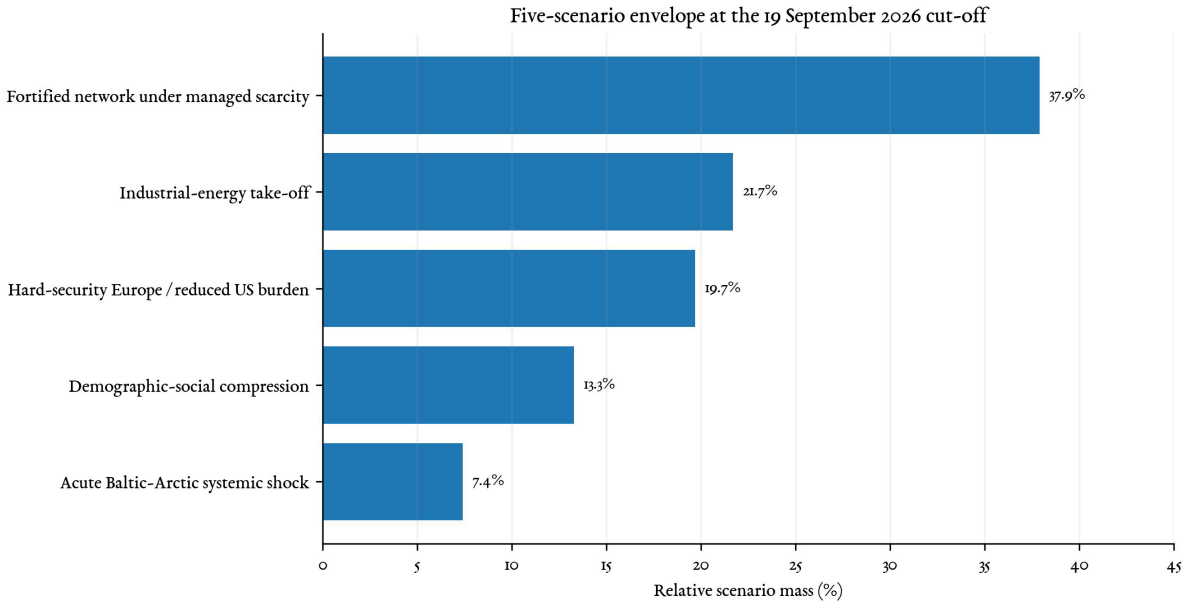

Figure N.3. Relative scenario weights. The values compare paths inside the model; they are not statistical event probabilities.

Scenario 1 receives the largest relative weight because it requires the fewest additional assumptions. NATO integration, defence expansion, civil-resilience investment and de-risking are already under way. The principal uncertainty is not whether those directions exist but whether the state can convert them into capability quickly enough. Scenario 2 requires a more favourable conjunction: grid delivery, energy investment, skills supply, productivity and industrial execution must improve together. Scenario 3 requires a harder external environment and a greater European burden shift. Scenario 4 requires persistent domestic bottlenecks to outweigh Sweden's institutional ability to adapt. Scenario 5 depends on a discrete strategic rupture and therefore receives the smallest model weight, despite its high consequence.

N.8 Reference future: Sweden 2035 as a fortified network with tight margins

For the reverse-causal exercise, Scenario 1 is used as the reference configuration because it requires the fewest additional assumptions within the model. It is not a prediction that this future will occur. The reference configuration is a fortified network operating under managed scarcity. By 2035 Sweden is more militarily embedded, more infrastructure-conscious and more strategically useful than in 2026. It is also more expensive to govern. Security has become a permanent budgetary and organisational layer rather than a temporary response to the Ukraine war. Many of the associated costs buy dual-use options: a stronger grid supports industry and resilience; deeper ports support trade and reinforcement; rail redundancy supports civilians and military mobility; cyber hardening protects firms and government; defence factories create exports as well as inventories. The constraint is that these programmes compete for the same scarce implementation resources.

In this 2035 world, Sweden's old doctrine of strategic distance has been fully replaced by strategic centrality. The country is not the largest military power in Northern Europe, but it is difficult to bypass. Norwegian Atlantic access, Finnish land geography, Baltic defence, Swedish air and maritime infrastructure, Gotland, northern airfields, space assets and industrial supply chains form one operational system. The Swedish contribution is therefore partly geographical and partly connective. NATO plans assume Swedish territory as a reception, staging, sustainment and manoeuvre area. This raises deterrence because an adversary can no longer isolate the Baltic states from the rest of the Nordic region as easily. It also means that the resilience of Swedish logistics is a collective rather than merely national concern.

Defence spending in this future is structurally higher than before 2022. The precise annual number varies with growth, government and NATO definitions, but the 2035 system is organised around the Hague framework: at least 3.5 per cent of GDP for core defence across the alliance and up to another 1.5 per cent for security-related resilience. Sweden uses the broader category heavily because its comparative advantage is not just military mass. Ports, rail, grid redundancy, civil protection, cyber, industrial production and repair capacity produce alliance value. The decisive policy innovation of the 2030s is accounting discipline: Sweden increasingly distinguishes money that merely qualifies as security spending from investment that actually shortens replacement time or adds a substitute.

The Armed Forces are larger and more routinely integrated into NATO than in 2026, but the transformation is uneven. Personnel, air defence, ammunition, unmanned systems, logistics, command networks and maintenance grow faster than the most capital-intensive platforms because the wars and exercises of the late 2020s reveal the importance of replenishment and survivability. Gripen, submarines, sensors, artillery and advanced munitions preserve national industrial niches, while Swedish production is increasingly embedded in allied supply chains. The 2026 submarine agreement with Poland develops into a long-duration ecosystem of training, maintenance and industrial cooperation. The tension between national stockpiles and exports never disappears; it is managed through capacity expansion, framework orders and allied production agreements rather than by attempting autarky.

The energy system is stronger in 2035 but not unconstrained. Much of the SEK 215 billion transmission programme planned in 2026 has been implemented or committed, reducing some regional bottlenecks. New generation and flexibility have been added. Nuclear policy has moved from political intent into physical projects, but long construction and financing cycles mean that not all planned capacity is necessarily operating by 2035. Sweden therefore enters the mid-2030s with a hybrid energy-security model: existing nuclear and hydropower remain crucial, wind and other generation expand where economically viable, grid capacity improves, and strategic industrial projects increasingly pay attention to location and connection timing. Energy abundance exists at the national level more often than at the precise place and time demanded by industry; the margin is network capacity.

Demography becomes more visible in strategic planning. Sweden's population is around 10.8 million, broadly consistent with the 2026 Statistics Sweden projection. The country is older: the 85-plus population is much larger, while school-age cohorts are smaller. The politics of migration have changed vocabulary. The central argument is less about whether migration is high or low in aggregate and more about composition, employment, integration speed and security screening. Defence, health, construction, nuclear, grid engineering and advanced manufacturing compete for workers. Sweden responds through higher labour-force participation, automation, technical education, recognition of foreign qualifications and selective skilled immigration. None is sufficient alone. The result is a labour market in which strategically scarce skills command a premium and housing supply near growth clusters becomes part of national-security economics.

Social order is neither restored to an idealised pre-crime baseline nor in collapse. The reduction in shootings visible in 2026 proves durable enough to lower the political temperature around lethal gang violence, but criminal networks adapt. Financial crime, coercion, procurement fraud, digital fraud, infiltration, drug distribution and intimidation remain persistent. The state becomes better at integrating tax, customs, police, municipal, financial and intelligence data, and it treats criminal economies partly as resilience problems because they can be exploited by hostile state actors. The key 2035 distinction is spatial: aggregate Swedish trust remains comparatively strong, but trust and state presence vary materially between municipalities and neighbourhoods. Total defence planning therefore becomes more local and more empirical.

China remains economically important in 2035, but the relationship is more screened. Sweden does not decouple from China in ordinary commerce. Instead, the EU and national authorities have created thicker controls around critical infrastructure, sensitive research, dual-use technology, data, advanced components and investments with coercive potential. Swedish firms continue to sell and produce in China where commercially rational, but boards price geopolitical interruption more explicitly and maintain alternative suppliers or inventories for critical inputs. This reduces efficiency at the margin but buys option value. The result is not two completely separate economic blocs; it is a world of partial interoperability, more compliance friction and a premium on substitutability.

The United States remains indispensable to high-end NATO deterrence, intelligence and technology, but Europe carries more routine conventional weight than in 2026. Sweden's dense regional network is partly an insurance policy against variation in US political attention. Nordic-Baltic integration, JEF links, EU industrial tools and bilateral arrangements with Germany, Poland, the United Kingdom, France and others do not replace the United States. They reduce the marginal damage if US availability changes in a particular theatre or function. This is the mature form of networked sovereignty: not freedom from dependence, but a portfolio of dependencies that prevents any single relationship from becoming absolute.

The Sweden of 2035 is therefore more secure in aggregate and more constrained at the margin. It possesses more military capability, stronger alliances, better infrastructure redundancy and deeper industrial links, yet almost every additional security objective is expensive because the easy capacity has already been used. The strategic question has migrated from mobilisation to productivity: how much additional resilience can Sweden obtain from the next krona, engineer, megawatt, rail slot, production shift or training cycle? This is the defining Guerra di margini question of the decade.

N.9 Aforethinking: the path from 2026 to 2035

2026–2027: commitment becomes implementation

The first phase is dominated by conversion. Sweden already possesses political recognition of the security problem, alliance membership and budgetary commitments. The scarce commodity is

implementation speed. Defence agencies convert multi-year appropriations into orders, training and infrastructure. Industry decides which temporary demand is durable enough to justify new production lines. Municipalities and infrastructure operators determine which roads, ports, shelters, data routes and reserve-power systems matter most under total-defence planning. The grid operator continues to reduce connection queues while committing large capital to transmission. The strategic value of 2026–2027 lies in decisions with long lead times; a wrong platform mix can be corrected later more easily than a missing workforce or an unstarted grid corridor.

Government formation after the September 2026 election affects the composition of this effort but probably not its existence. The critical test is whether a new cabinet treats implementation capacity as a strategic asset. A government can alter migration rules, nuclear financing, tax incentives and justice policy, but NATO force planning, signed contracts, agency budgets and external threat perceptions create strong path dependence. The first bifurcation is therefore administrative rather than ideological: whether Sweden can reduce the transaction time between decision, permit, procurement, construction, training and operational use.

2028–2029: alliance demand meets national bottlenecks

By 2028 the previous government's planning assumption of around 3.1 per cent of GDP for NATO-defined defence expenditure becomes a useful benchmark even if exact budgets change. The material question is what the additional spending has produced. If unit readiness, ammunition, maintenance, air defence, logistics, reserve stocks and training throughput rise proportionately, the defence vector begins to reinforce industrial productivity. If expenditure rises faster than delivery, Sweden enters procurement inflation: more money chases the same engineers, components and production slots. The opportunity cost then increases sharply.

The 2029 review embedded in NATO's Hague investment plan becomes an important external checkpoint. Allies examine the trajectory toward 2035 and updated capability targets. For Sweden, this review exposes whether the broad 5 per cent security envelope is being used to remove bottlenecks or to relabel existing expenditure. Infrastructure that genuinely supports military mobility and civilian continuity scores highly under both NATO and Guerra di margini because it creates multiple options. Accounting creativity without added capacity has almost no marginal strategic return.

This period is also when social and demographic policy begins to intersect visibly with strategic industry. Defence firms, utilities, construction companies and municipalities face the same skilled-labour pool. If housing supply near expansion sites is slow, wages must compensate or projects are delayed. If migration rules exclude specialised workers faster than domestic training replaces them, security policy unintentionally taxes itself. Conversely, if labour-market integration improves, Sweden can convert part of its existing unemployment and immigrant population into strategic capacity without relying entirely on new migration.

2030–2031: the 3.5 per cent threshold and the test of productive depth

Around 2030 the question is no longer whether Sweden can reach a high defence-spending ratio. The question is whether the underlying economy, grid, labour force and industrial base have grown enough that high security expenditure is sustainable without progressively crowding out the welfare state and civilian investment. The path announced in 2026 aims at 3.5 per cent by 2030. If output and tax capacity grow with security demand, the ratio is manageable. If productivity is weak, the same ratio represents a larger political sacrifice.

The energy-industrial nexus reaches a comparable test. New nuclear projects, if proceeding, are still shaped by financing, permitting, supply chains and construction lead-times. Grid projects are delivering capacity unevenly. Northern industrial plans have been sorted into viable, delayed and abandoned projects. This is an important cleansing mechanism rather than a simple failure: in a capital- and labour-

constrained system, cancelling low-return projects can improve resilience by releasing scarce inputs for higher-value uses. The relevant metric is not the number of announced projects preserved but the option value of the portfolio that remains.

2032–2033: demographic arithmetic becomes strategic arithmetic

The demographic vector becomes harder to hide in the early 2030s. The rise of the very old population translates into staffing and fiscal pressure, while smaller child cohorts alter schools and local public services. Sweden can reallocate some resources geographically and across sectors, but care intensity is difficult to automate fully. The state therefore confronts a labour allocation problem between human services and strategic industry. Wage competition alone cannot solve it because all sectors can become more expensive without increasing total labour supply.

This is the phase in which automation and AI matter most. Their strategic value is not the number of pilot projects but the labour they actually release, the error rates they reduce and the decision cycles they shorten. Administrative automation can free staff for higher-value tasks; predictive maintenance can reduce technicians required per asset; autonomous and remotely operated military systems can change personnel ratios; health technology can raise productivity in care. The technology vector becomes a substitute for demography only where institutions redesign processes rather than simply add software to old workflows.

2034–2035: a mature network, still living inside the permacrisis

By 2034–2035 the strategic conversion is mature enough to judge. The best evidence is not the quantity of plans but the shortening of recovery and replacement times. How quickly can Sweden restore a severed telecom route, replace a transformer, reload air defence, repair a runway, move allied units from west coast ports to Finland, surge hospital capacity, qualify an alternative component or replenish artillery stocks? The state has moved from measuring preparedness as inventory to measuring it as dynamic recovery.

At the same time, strategic centrality is now irreversible without high cost. Sweden has reorganised forces, infrastructure, industrial contracts and diplomatic relations around collective defence. Neutrality is no longer an inexpensive option that could simply be reactivated. This is a point of no return in the Aforebeing sense: even if the external threat fell, the networked system would remain because its economic, technological and institutional links have become sunk capital. The political debate shifts from whether Sweden should belong to the Western security architecture to how much national capacity should be retained inside that architecture and how its costs should be distributed.

N.10 Aforebeing 2035: reverse causal reconstruction

Aforebeing begins by inhabiting the selected 2035 state and asking what had to be true for it to exist. The test is stricter than a forward narrative because each earlier condition must be necessary or at least strongly enabling. The chain below is written backwards. If one link fails, the scenario does not necessarily disappear, but it requires a substitute and therefore becomes less plausible.

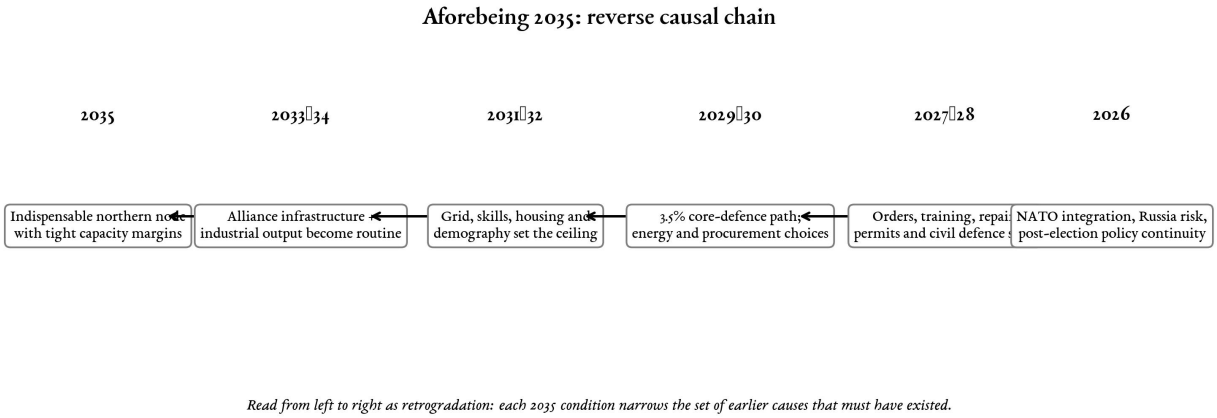

Figure N.4. Aforebeing: reverse causal chain from the selected 2035 configuration to the 2026 starting point.

Reverse step	*Condition that must exist*	*What had to precede it*
2035 outcome	Sweden is an indispensable northern NATO/EU node, with higher defence and resilience capacity but tight labour, energy and fiscal margins.	Requires sustained alliance cohesion, functional Swedish institutions and no direct war that destroys the capital stock.
2033-2034	Military mobility, repair, cyber resilience and defence production are routinised; alliance demand is planned rather than improvised.	Requires contracts, standardisation, stock policies, training and infrastructure delivery during 2028-2032.
2031-2032	Skills, housing, grid access and ageing are treated as security constraints; automation and selective labour inflows partly offset scarcity.	Requires policy to recognise non-military bottlenecks before they become binding and to preserve social legitimacy.
2029–2030	Sweden converts high defence spending into deployable capabilities while energy and grid programmes sort viable from non-viable projects.	Requires procurement reform, predictable orders, permitting capacity, production investment and NATO demand visibility.
2027–2028	Industry expands lines; the Armed Forces expand training and sustainment; municipalities and utilities operationalise civil defence.	Requires long-lead decisions before the crisis premium on inputs becomes extreme.
2026	NATO integration, Russian pressure, the Total Defence Resolution, fiscal room and infrastructure investment create the initial vector field.	Requires strategic continuity across the government transition even where domestic policy emphasis changes.

N.11 The reverse PEST test

The source method requires a reverse PEST test: political, economic, social and technological conditions in the imagined future must be traceable to the original vector field rather than introduced as convenient novelties. The selected Swedish future passes that test only under a specific set of conditions.

Politically, the scenario does not require a permanent left or right majority. It requires continuity in the security architecture and sufficient administrative capacity to execute multi-year programmes. This is plausible because NATO membership, defence planning, infrastructure projects and contracts create institutional path dependence. Domestic policy can still oscillate, especially on migration, tax, climate and criminal justice. The scenario fails the political test if coalition fragmentation repeatedly prevents budgets, permitting reform or force-generation decisions from being sustained for long enough to produce physical capacity.

Economically, the scenario requires modest positive growth, continued fiscal credibility and enough productivity to prevent security spending from becoming a purely redistributive burden. It does not require a boom. The IMF's 2026 assessment emphasised recovery but also slower productivity and ageing as medium-term constraints. The key is that defence, grid and industrial investment must add productive capacity rather than merely raise costs. A decade of weak productivity combined with large contingent liabilities would push Sweden toward the demographic-social compression scenario instead (International Monetary Fund, 2026).

Socially, the scenario requires that organised crime remain containable and that integration outcomes improve enough to preserve the legitimacy of a high-tax, high-mobilisation state. It does not require elimination of social conflict. The 2026 fall in shootings and detonations provides evidence that trends can improve, but the relevant 2035 test is whether recruitment networks, fraud, coercion and segregation also decline. Total defence is ultimately a collective-action system; chronic local non-cooperation would raise its marginal cost.

Technologically, the scenario requires steady rather than revolutionary gains. AI, autonomy, advanced sensing, cyber defence, industrial automation and digital public administration must raise output per scarce worker and reduce repair and decision times. A dramatic technological breakthrough is not necessary. What would invalidate the scenario is a failure to diffuse technology beyond pilot projects, or a supply-chain rupture that makes Sweden dependent on components it cannot substitute within strategically relevant time frames.

N.12 Guerra di margini: what the 2035 scenario says about Swedish power

The decisive implication of the combined method is that Swedish power in 2035 depends less on aggregate wealth than on the elasticity of strategic options. A state is resilient when it can substitute quickly: another port if one is closed, another fibre route if a cable is cut, another supplier if a component is sanctioned, another crew if personnel are unavailable, another financing channel if markets reprice, another alliance framework if one forum is politically blocked. The highest-value investments are therefore often those that appear redundant in normal conditions.

This changes how defence spending should be interpreted. The first additional billions allocated after a period of underinvestment can have high marginal returns because they repair obvious shortages. Later increments encounter bottlenecks. If ammunition factories, air-defence crews, ranges, technicians and maintenance depots are full, an additional appropriation may generate price inflation or delivery delays rather than immediate capability. The marginal return rises again only when the state invests in the bottleneck itself. The optimum sequence is therefore enabling capacity first or in parallel with headline platforms.

The same logic applies to nuclear and grid policy. Generation capacity is useful only if it arrives on time, can connect where demand exists and does not consume so much fiscal or engineering capacity that higher-return projects are postponed. A transmission reinforcement can have greater near-term strategic value than a distant reactor if it unlocks multiple industrial and military sites. Conversely, a long-lived nuclear asset can have high option value if it expands firm power and reduces future exposure to volatile imports. The relevant comparison is not technology against technology but marginal option value per unit of scarce capital, time and execution capacity.

Demography is the most unforgiving margin because time is a poor substitute. A person who will be an experienced nuclear engineer, physician, officer or industrial electrician in 2035 must generally already be in education, training or the labour market years earlier. Sweden can buy equipment abroad more rapidly than it can buy accumulated human capital. Policies that improve retention, skills conversion, labour mobility, housing and integration therefore function as strategic stock preservation. They may have a lower political visibility than a weapons contract but a higher effect on the capacity frontier.

Alliance density is another form of option value. Sweden gives up the theoretical option of neutrality but gains a much larger menu of operational, industrial, financial and diplomatic substitutes. This trade remains favourable while the network is reciprocal and while Swedish contributions buy access to capabilities that would be uneconomic to reproduce nationally. The margin becomes unfavourable if commitments become asymmetric or if coordination costs grow so large that the network cannot act at crisis speed. The strategic metric is therefore not the number of alliances but the number of usable alternatives they provide under stress.

Domain	*Binding margin*	*Diminishing-return mechanism*	*High-option-value response*
Defence production	Production lines, skilled labour, test and repair capacity	More money raises prices and queues if throughput is fixed.	Capacity expansion, multi-year orders, allied standardisation, repair depth.
Energy and grid	Connection capacity, firm power, permitting, transformers	Generation without connection or timing misses the industrial window.	Grid reinforcement, storage/flexibility, location choices, diversified generation.
Human capital	Engineers, technicians, officers, health and care workers	All programmes bid for the same scarce people.	Training, retention, automation, labour mobility, selective skilled migration.
Infrastructure resilience	Repair time and alternate routes	Hardening every node is prohibitively expensive.	Redundancy, spares, rapid repair, distributed routing, dual-use investment.

Domain	*Binding margin*	*Diminishing-return mechanism*	*High-option-value response*
Fiscal capacity	Credibility plus real resources, not debt ratio alone	Guarantees and projects can become correlated in a shock.	Contingent-liability limits, sequencing, cancellation rules, productivity growth.
Social cohesion	Trust, compliance, local state presence	Enforcement costs rise as legitimacy falls.	Competent services, integration, crime suppression, transparent communication.
Trade and technology	Switching time for critical inputs and markets	Blanket de-risking can destroy competitiveness.	Granular screening, supplier qualification, inventories, EU scale.

N.13 Critical bifurcations, 2026–2035

A scenario becomes strategically useful when it identifies bifurcations before they are obvious. Seven deserve particular attention because they can shift Sweden from the reference scenario toward one of the alternatives.

First, Russian regeneration. The speed and composition of Russian military recovery after the Ukraine war matters more than headline defence spending. A rapid recovery in long-range strike, air defence, electronic warfare, submarines and forces relevant to the Baltic and High North raises the weight of A4, the Baltic-Arctic crisis frontier. A slower recovery buys Sweden time and raises the return to capacity-building before inputs become scarce.

Second, the US-European burden split. The reference scenario assumes variation in US attention but continued high-end American participation. A much sharper reduction in routine European presence would push scenario 3 upward even if Article 5 remains intact. The warning indicators are not campaign rhetoric but persistent changes in force posture, munitions allocation, command arrangements, intelligence sharing and enabling capabilities.

Third, industrial conversion. If Swedish defence output, maintenance capacity and skilled employment expand faster than procurement demand, Sweden moves toward scenario 2. If order books grow while deliveries slip and unit costs rise, A1 becomes more constraining. The correct indicator is throughput per worker and delivery time, not only the value of contracts.

Fourth, the grid-energy sequence. By the end of the 2020s it should be possible to distinguish projects that materially shorten connection times from plans that remain trapped in permitting or financing. If power and grid delivery support industrial clusters, Sweden gains a productive-security multiplier. If not, energy becomes a rationing mechanism among competing projects.

Fifth, demographic conversion. Statistics Sweden's population projection is not destiny because migration and participation can change. The important indicator is the employed skilled population, especially in engineering, construction, health, defence and energy, rather than total population. A country can grow demographically and still become strategically labour-scarce if employment and skills do not match demand.

Sixth, criminal adaptation and trust. Continued declines in shootings are strategically positive only if violence is not replaced by more effective infiltration, coercion, fraud or youth recruitment. The leading indicators should therefore include extortion, public-procurement fraud, threats against officials, recruitment age, witness intimidation and geographic concentration of crime, not shootings alone.

Seventh, China-West fragmentation. A Taiwan crisis, major sanctions confrontation or technology-control escalation would affect Sweden through components, shipping, export demand and compliance regimes. The key bifurcation is whether Sweden and the EU have built qualified substitutes before the

shock. Diversification undertaken after interruption is much more expensive than diversification undertaken when markets are still functioning.

N.14 Early-warning dashboard

Indicator	*What to measure*	*Warning threshold*	*Scenario meaning*
Russian force regeneration	Baltic/High North-relevant units, long-range strike, naval activity, exercises	Sustained acceleration above Swedish/NATO planning assumptions	Raises S3/S5; increases value of air defence, dispersal, stocks and mobility.
US European enabling role	ISR, logistics, air/missile defence, force posture, munitions allocation	Persistent reduction not offset by European substitutes	Raises S3; tests networked sovereignty rather than ending it.
Defence delivery	Delivery times, ammunition output, repair backlog, trained personnel	Spending rises while physical throughput stagnates	Raises S1 constraint component and S4; lowers marginal return of new appropriations.

Indicator	*What to measure*	*Warning threshold*	*Scenario meaning*
Grid connections	Queue, lead time, commissioned transmission, regional constraints	Lead times stop falling or strategic projects repeatedly miss connection windows	Raises A1 capacity squeeze; weakens S2.
Nuclear projects	Permits, financing, construction milestones, supply-chain localisation	Major cost/time slippage before irreversible capital commitment	Raises fiscal opportunity cost; increases importance of alternatives.
Skilled labour	Vacancies, training completions, retention, foreign qualification recognition	Scarcity persists simultaneously in defence, energy, construction and care	Raises S4 and the cost of every other vector.

Indicator	*What to measure*	*Warning threshold*	*Scenario meaning*
Demography	Births, net migration, 85+ population, employment by origin/skill	Working-age effective labour supply grows slower than dependency and strategic demand	Raises A6 structural pull.
Organised crime	Shootings plus extortion, explosives, recruitment, fraud, infiltration	Lethal violence falls but coercive economic networks expand	Raises S4 even if headline violence improves.
Public trust	Institutional trust, preparedness compliance, local service performance	Large geographic divergence or repeated public-service failure	Weakens total defence and raises mobilisation costs.

Indicator	What to measure	Warning threshold	Scenario meaning
China exposure	Critical-input concentration, export dependency, alternative suppliers	Switching time remains multi-year in sensitive sectors	Raises S3 trade-shock channel and A5.
Fiscal real resources	Debt, guarantees, construction inflation, wage pressure, current account	Contingent liabilities crystallise while productivity weakens	Moves constraint from physical bottlenecks to fiscal credibility.
NATO 2029 review	Swedish plan toward 2035 targets, infrastructure eligibility, capability gaps	Targets expand faster than execution capacity	Raises S1/S3 unless enabling capacity is accelerated.

N.15 What would falsify the reference scenario?

A futures model should contain its own failure conditions. The reference scenario would be falsified or materially weakened by any of the following developments. The first is a durable strategic relaxation

in Europe: a Russia that remains conventionally constrained, a stable security settlement around Ukraine and reduced hybrid pressure for several years would lower V1 and reduce the gravitational pull of the total-defence permacrisis. Sweden would still remain in NATO, but defence growth could flatten and more fiscal space would return to welfare, tax reduction or climate investment.

The second is an unexpectedly strong industrial and productivity cycle. If grid expansion, new generation, defence demand, automation, mining and advanced manufacturing combine to raise productivity and labour-force participation materially, scenario 2 could overtake scenario 1. In that future, higher security spending is less of a trade-off because the denominator - real productive capacity - grows faster. Sweden would still face ageing and security pressure, but the margins would loosen rather than tighten.

The third is a severe external rupture. A direct NATO-Russia conflict in the Baltic, a sustained blockade-level disruption of trade, or a major attack on Swedish territory would invalidate the 'managed' element of the reference scenario and move the system toward scenario 5. The analysis would then need wartime mobilisation assumptions rather than peacetime marginal allocation.

The fourth is internal institutional degradation. The scenario assumes that Swedish agencies remain capable, that corruption stays limited enough not to undermine procurement, and that government changes do not repeatedly reverse long-lead programmes. A sustained deterioration in administrative competence or public trust would make the bottlenecks self-reinforcing and could turn demographic-social compression from a secondary attractor into the organising one.

The fifth is a decisive technological discontinuity. Cheap abundant storage, a breakthrough in modular nuclear construction, large productivity gains from AI, or autonomous military systems with much lower personnel requirements could relax several binding margins simultaneously. Conversely, a technology shock that sharply increases cyber vulnerability or dependence on a few foreign suppliers could tighten them. Technology is therefore the vector most capable of changing the slope of the other vectors rather than simply adding another pressure.

N.16 Strategic implications of the reference future

The first implication is temporal: the highest-value decisions are front-loaded. A 2032 shortage of instructors, grid connections, ammunition components or nuclear engineers cannot be solved efficiently by allocating money in 2032. The option must be purchased earlier. This gives 2026–2029 disproportionate importance even though the scenario horizon extends to 2035.

The second is that Sweden's decisive security investments are partly civilian. NATO's 2035 framework already recognises this by allowing up to 1.5 per cent of GDP for security-related infrastructure, networks, civil preparedness, innovation and industrial capacity. In Sweden's case, the marginal return may be particularly high because military geography depends on civilian systems. A port crane, railway siding, reserve-power unit, transformer stock, alternative fibre route or municipal continuity plan can create military effects without being a weapons system.

The third is that national autonomy should be defined selectively. Sweden cannot and need not reproduce every supply chain nationally. It should retain sovereign or tightly allied capacity where switching time is long, failure would paralyse several systems, or foreign control creates coercive leverage. Elsewhere, diversified imports may be more resilient than domestic concentration. The relevant criterion is substitutability under stress, not the nationality of the supplier in normal times.

The fourth is that demographic and integration policy are security economics. A high-security state with a shrinking effective labour pool eventually purchases less capability for every krona because wages and project delays absorb the budget. The strategic objective is not a particular migration number but a larger pool of productive, trusted and mobile human capital. Education, qualification recognition, language, housing and labour participation are therefore part of the capability-generation system.

The fifth is that Sweden should preserve reversible choices until uncertainty resolves. Aforethinking does not reward maximal commitment; it rewards option value. Modular infrastructure, open technical architectures, dual-use assets, multiple suppliers and staged investment allow policy to adapt when the relative weights of Russia, China, demography, technology and energy change. Guerra di margini reaches the same conclusion from another route: a reversible option is often more valuable than an apparently optimal but irreversible solution when the future vector field is unstable.

The sixth is analytical discipline. The most serious danger in a security-focused decade is to interpret every anomaly through the strongest vector. Russia is the principal security threat in official Swedish assessments, but not every cable failure is sabotage; China is a strategic technology concern, but not every commercial tie is coercive; organised crime damages state capacity, but falling shootings are real evidence of improvement. The model should be updated by marginal evidence, not protected from disconfirmation. A vector that weakens should lose weight.

N.17 Final synthesis: a possible Sweden in 2035

The Sweden that emerges from this exercise is neither a return to the Cold War nor a simple continuation of the liberal-globalisation period. It is a more strategically central, more networked and more security-intensive state whose freedom of action is produced through alliances and selected domestic capabilities. Its grand strategy remains recognisably Swedish in one important respect: preserve room for manoeuvre by combining industrial competence, institutional reliability and carefully chosen external relationships. What changes is the mechanism. The old system sought room for manoeuvre by standing between blocs; the new system seeks it by becoming indispensable inside a bloc while retaining enough national capacity that membership does not become helpless dependence.

The principal attractor is a capacity-constrained total-defence permacrisis, not because Sweden is expected to fail, but because success itself creates demand. Every additional NATO role, industrial order, grid connection, civil-resilience standard and ageing-related service requirement consumes scarce people, capital and time. The most plausible 2035 is therefore one in which Sweden has more resources devoted to security and more capability, yet still debates scarcity. The critical difference from 2026 is that bottleneck management has become an explicit part of strategy rather than an implementation detail.

The reference scenario can be summarised in one sentence: by 2035 Sweden is an indispensable northern node whose strategic power is high, whose social and economic model remains intact, and whose main vulnerability is no longer lack of money or alliances but the marginal productivity of the systems that convert money, people, energy and networks into usable options. That is where Storie di futuri possibili and Guerra di margini converge. Attractors describe the state toward which the system is pulled; vectors explain the forces doing the pulling; Aforebeing reconstructs the chain that makes the future coherent; and marginal analysis identifies which choices preserve the largest number of alternatives before the chain becomes irreversible.

N.18 Source note

The sources used in Annex N are consolidated in the report's general bibliography in Annex M. The futures exercise relies particularly on the 2024 RAND accession study; the 2026 Swedish military-budget and nuclear-financing material; the 2025 Hague Summit Declaration and NATO's 2026 investment guidance; Statistics Sweden's 2026 population projection; Svenska kraftnät's 2026 grid-investment data; Polismyndigheten's January–August 2026 violence statistics; the 2026 IMF Article IV report; and the official Swedish election and government-formation record. Storie di futuri possibili supplies the methodological vocabulary of vectors, attractors and Aforebeing; the numerical scoring used here remains a Sweden-specific analytical operationalisation rather than an empirical forecasting model.