SWEDEN'S MOST POWERFUL TRIO

AN EXCLUSIVE INTERVIEW WITH THE LEADERSHIP TRIO FOR THE WALLENBERG DYNASTY



Two cousins who are responsible for managing holdings. And a younger brother for balancing the power. In a unique meeting, Di Weekend's Ronald Fagerfjäll talked to the trio that currently runs Sweden's most powerful family dynasty: Marcus, Jacob and Peter "Poker" Wallenberg.

A COMFORTABLE SEAT FOR THE LEADERSHIP TROIKA

Caption: AT THE OFFICE. Marcus, Peter and Jacob Wallenberg in their shared workspace at the offices of the Wallenberg Foundations in Stockholm.

JACOB WALLENBERG

Age: 59. Board assignments: Chairman of Investor AB. Vice Chairman of Ericsson, SAS, ABB and FAM. Education: M.B.A. from the Wharton Business School, University of Pennsylvania, in the U.S. Reserve Officer in the Swedish Navy. Some of his previous positions during his career: Deputy CEO and CFO, Investor AB. President and CEO, SEB, 1997. Family relationship: Peter Wallenberg's son, Peter Wallenberg Jr's brother and Marcus Wallenberg's cousin.

JACOB WALLENBERG:

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The Wallenberg sphere has entered a new epoch with a troika for its leadership. Cousins Jacob and Marcus are continuing to administer the companies in the portfolio, just like they have already done for more than a decade, but now together with Jacob's younger brother, Peter Jr, as arbitrator. The latter fulfills this role in his capacity as new Chairman of the Wallenberg Foundations.

What distinguishes this family from other prominent capitalist dynasties is that the fortune is in foundations that annually distribute several billion kronor in research grants. The three Wallenbergs in the leadership should be considered more like "salaried employees" and their pay should be put in relation to the responsibility they carry as owners, and the value they can leverage from their international network of contacts.

However, belonging to the Wallenberg clan, which hundreds of people do in Sweden, is mostly about being invited to various exclusive family gatherings, and if you are a young Wallenberg, you have the chance to compete for membership in the next leadership duo, or leadership trio, for which the prize will be almost unimaginable power and an incomprehensibly strenuous – but exciting – life.

Thousands of other Swedes will amass large, personal fortunes, but no one – except maybe Fredrik Lundberg – can build influence, or create a network of contacts, that could come anywhere near what this leadership trinity has accomplished.

The Wallenberg Foundations have a controlling interest in two different holding companies that in turn control the ownership of global companies like ABB, Electrolux, SKF, Atlas Copco, Stora, Nasdaq, Mölnlycke and Wärtsilä. The ownership sphere also includes Astra Zeneca, Ericsson and SAS, where control is shared with others. The Nordic bank SEB is not as central to the empire as before but still weighs heavily in the portfolio.

All Wallenberg companies are distinguished by their goal to become world leaders within one or more defined niches, following pathways that have been staked out over a long period of time. At the end of the 1990s, their strategies fluttered for a while, when all investment companies were illustrated by dinosaurs or Stone Age men.

After a period of reorientation, the Wallenbergs and the sphere are currently sailing with a fair wind and performing well in the eyes of those who judge them. Academics and analysts are giving the Wallenbergs so much praise these days that Pirre Wallenberg is probably turning in his grave. "As soon as everything looks good, the next crisis will always be standing at your doorstep," he usually commented.

To gather all three Wallenbergs for an interview is one tough project. Once you have them all sitting in the same small conference room at the Foundations, it's just to turn on the tape recorder and use the time wisely. No one knows when you will get an opportunity like this again. The atmosphere feels a little lively because it is apparent that the three enjoy being together.

ROGER FAGERFJÄLL (RF): I would like to start with your first names. Everyone I have talked to, who has ever worked with Marcus, calls him "Husky", and if I mention Peter (pronounced the English way), everyone asks me if I mean the recently deceased "Pirre" or "Poker". Can you explain this to me? Is it really acceptable to call you by your nicknames in such an indiscriminate way?

MARCUS WALLENBERG (MW): We won't say what we call Jacob, but it's definitely not Curly (general laughter). Husky is too strange a name to use in British or American circles, so I usually use Marc, just like my Grandfather "Dodde" did.

RF: But wasn't he called Dodde by only a few people close to him?

PETER WALLENBERG JR (PW): That was probably true, but the use of nicknames is more acceptable in our generation. I'm only called Peter in very official contexts. Husky and I have learned to live with it. But sometimes it can lead to mistakes. For example, they called me "*Påke* Wallenberg" in one article, [spelling Poker phonetically in Swedish] (laughter).

RF: I was under the impression that the Wallenbergs always loved to joke and laugh, but found it difficult to talk about feelings. For example, Pirre had an unexplained relationship to his father, Dodde. What about you three, who work constantly together?

PW: We can really express what we think about each other. We have realized that we have to. But we still laugh and joke all the time. We enjoy being together.

RF: Well, it looks like you have quite a few things to be pleased with. The Wallenberg sphere has rarely run as smoothly as it is right now. When Pirre took over the power 33 years ago, no one could imagine that the assets called the Wallenberg Foundations today would actually increase 9 percent annually, and that your dividend capacity would increase to a few billion kronor a year. How do you explain your success?

JW: Competence! (general laughter).

MW: After the recession of 2002–2003, when I was CEO of Investor, I proudly stated that things "had started to get better". An Asian business associate then asked me this: 'Is that because of you, or because the tide has come in?'

We must not forget that we live in an every-changing world in which markets go up and markets go down. Depending on where you are, the glass looks either full or half-empty. Things look very good at the moment because the market has been strong.

RF: In situations like this, Pirre used to say, "you should be very worried when you have all your stars lined up".

JW: But over time, our success will depend on how well we manage our basic duties. Under the Foundations, we have the different market values of our holdings, which hopefully reflect how we contribute to developing these companies in an active and engaged manner, and how successful these companies are in relation to their competitors.

We also devote a lot of our time – especially Husky – to research, development and innovation issues. We try to be future-oriented and we take the long-term view. We also have our international network, which is really large today and not only covers the U.S. and Europe – like it did in our grandfather's time – but the entire world.

This means that we have coherent core values that the family and our closest colleagues have been working with for many years.

MW: We have benefited from a mix of talented employees, decent balance sheets, well-positioned companies and some good economic times. Our gut feeling is that we, and our companies, are well prepared for any future crises.

RF: Is the Wallenberg sphere in a better or worse position in some markets than others?

MW: Our founder, A. O. Wallenberg, said "you can really do good business in bad times". We're only human and some decisions will turn out bad while others will turn out good. I can't claim that we have been "better" than others in boom times or downturns. But there have always been situations in which the Wallenbergs have had more foresight and taken positions in companies that turned out to be really good deals. You have to be persistent and work strategically with companies in a far-sighted and long-term way. You have to be aware that you will need to invest much more time and money than you thought in the beginning.

JW: Over the past seven or eight years, when we had problems with financial crises and the recessions in their wake, our holdings and their managements did a good job. Balance sheets are really nice right now. Many companies have good cash positions and their efficiency has improved. But it is difficult to ascertain how well we have survived in one recession or another. The most important thing to us is to manage economic cycles effectively and support our holdings on a true, long-term basis.

There is a fundamental insight to having a long-term view and it doesn't mean taking a bunch of shortcuts. If you need to invest in R&D, you really have to do it. If you have to increase the efficiency of your operations, get it done. It's not an easy thing to accomplish when you are pressured to perform well each quarter, which makes short-term compromises attractive. You have to manage any setbacks, especially in listed holdings.

PW: From a board perspective, I can really point out the importance of taking a long-term view. Here's an example: in the Knut and Alice Wallenberg Foundation, research grants have risen from SEK 60 million in 1982,

when my father took over as Chairman, to SEK 1.7 billion last year. That's pretty incredible and being a long-term owner has helped achieve this.

RF: The Wallenberg dynasty experienced a number of major crises in the 1870s, the 1920s and the 1970s. In the first, the family bank almost went bankrupt. In the second, Investor AB was threatened, and in the third crisis, holdings in engineering companies were in jeopardy.

You always said that the Jacob the Elder was affected by the crisis in the 1920s, which made him a cautious man for the rest of his life. What about you? Two crises in the 1990s were your personal baptism of fire.

PW: During those times I managed only one of our holdings, Grand Hôtel. But the hotel's problems were similar to those in other industries. We had been living in some kind of bubble and it smacked us in the face when it burst. We had to encourage people to think differently. We stopped talking about quick, knee-jerk reactions and started to discuss long-term measures for renewal and improvement. At the same time, we had to work hard to turn a profit. Experiencing this was very exciting and educational. The challenge is to bring that experience with you and use it later in life.

JW: When I worked at SEB, I probably learned more than anything that things could change quickly. For several years we ran a bank that had been named the most profitable in the world, or one of the most profitable. We were incredibly proud of this. The situation was dramatically different just a few years later, which was very moralizing. We learned how something very close to us could expose us to powerful forces. We also discovered that some of our banking operations had not been managed very well, and that we had exposed ourselves to risks that our forbearers would not have applauded if they had been alive.

MW: But we were also close to failing during the big railway crisis in the 1880s. Yet, we rebounded and restructured our operations to become successful.

MARCUS WALLENBERG

Age: 58. Board assignments: Chairman of the holding company FAM, which is owned in turn by the three largest Wallenberg Foundations, and Chairman of SEB and the Saab AB defense systems group. Vice Chairman of Investor. Education: B.A. from Georgetown University, United States, 1980. Reserve officer in the Swedish Navy. Some of his previous positions during his career: Deputy CEO (1993-1999) and CEO (1999-2005) of Investor. Family relationship: Marc Wallenberg's son and Jacob Wallenberg's and Peter Wallenberg Jr's cousin.

Caption to photo of Jacob Wallenberg: Another side to the man: Jacob Wallenberg, a sailing enthusiast, was interviewed in Di Weekend's sailing supplement before this year's ÅF Offshore Race.

MARCUS WALLENBERG:

"You have to constantly remind yourself to act in time, and you have to realize that it is difficult to initiate changes on time."

JW: Business is about taking risks. We can't see into the future and nor can anyone else.

MW: I only experienced the first crisis in the 1990s from an outside perspective. I was working for Stora Feldmühle in Dusseldorf and was called back to Sweden one or two days a week to investigate what we might have to sell when the crisis culminated. Pirre was also very sick at the time. Our aim was to create a more secure position for the family. We could always use our hindsight and realized we should have reacted earlier. You have to constantly remind yourself to act in time and you have to realize that it is difficult to initiate changes on time.

JW: At the same time, I believe we have the insight to know how urgent it is to fix something as soon as we have determined that we have a problem.

Waiting to take action is often worse. The role of an executive and owner is to ensure that things are swiftly dealt with. You can easily become paralyzed and powerless to act."

RF: At the turn of the millennium, ABB plunged into a deep financial crisis triggered by asbestos claims, gas turbine problems and expensive share buybacks. Ericsson also suffered problems. The company was less successful than Nokia at catering to mobile phone consumers and it suffered later from 3G license purchases that turned out to be worthless.

Marcus – you were a rather young CEO at Investor when these crises broke out at Ericsson and ABB?

MW: ABB was extremely tough. The lesson I learned from this crisis was this: if you believe in something, send a very strong signal throughout the organization and build up the company's confidence from the inside. We were on a business trip and met some managers from a few of ABB's subsidiaries. They described their financial problems but also informed us that competitors were taking advantage of ABB's difficult situation to capture business from them. If this continued, the company would soon have a hard time recovering its business.

We proceeded to conduct an in-depth analysis of ABB's situation. After that, we requested Investor's board to give us the mandate to double our holding, which we did in 2002 when we increased our ownership from 4.8 percent to 10 percent. When we started to make our investment and it became public knowledge, other shareholders jumped on the bandwagon and the stock price rose. ABB got peace of mind to conduct its operations and the worst of the crisis was over.

JW: In practice, Investor led the new stock issue, and if I ask my board colleagues at ABB today, who weren't even board members back then, they feel we saved the company by daring to step up to the cause and take action.

MW: The employees really felt there was someone who actually believed in the company. That gave them the strength to restore the company to good health.

There were some parallels between ABB and what happened at Ericsson. The situation was terribly trying because of a combination of factors: the market collapsed and operators had been forced to invest gigantic sums in licenses and they made wrong moves with their mobile phone operations. In addition to issuing new shares, we needed to find a new structure for the mobile handset business, which was realized through the merger with Sony, enabling Ericsson to focus on mobile communications with great success.

I'll never forget the joint presentation we made with Sony. When we were right in the middle of it, some Japanese workers ran into the room to announce that an airplane had crashed into the World Trade Center. Sony had several thousand employees in Manhattan, but not in the Twin Towers.

It was a dramatic start to an important deal. For Michael Treschow (Chairman at the time) and Carl-Henric Svanberg (CEO then), it was all about rescuing the parts they believed in. There are good things to preserve in every crisis company.

Pirre was particularly pleased that Michael Treschow – his man from Atlas Copco – could take charge of Ericsson. Pirre had retired from Investor's board in 1997 and was no longer directly involved. We kept him constantly informed of developments, not to get his approval but because we were engaged in a dialogue to determine what was good and what was bad to do. Supporting ABB and Ericsson during their crises was his fundamental belief and a support for us as well.

JW: When we are main owner, we can help companies grow their business. This includes taking the consequences, and if the situation gets tough, you have to pitch in with your energy and capital, carry out new stock issues or do anything that is needed to break the deadlock. That is our basic role.

RF: Has your experience from these crises made you more cautious?

MW: When Börje Ekholm (at Investor since 1992, CEO from 2005 to 2015, and head of Patricia Industries today, a division for Investor's unlisted holdings) and I decided to acquire new companies, which we started to do

in the mid-1990s, we knew it would involve risks. Crises popped up then, just like they do from time to time. We know from the past that when you make venture capital investments, around one-third will be successful, that you will get your money back on another third, and one-third will fail. This type of business was based on something that Jacob, Poker and I had been talking about for a long while, already from the time we were studying in the U.S. We wanted to invest in new ventures. The entrepreneurial side of what our forbearers had done was something we wanted to carry on. Our ambitions were very much embodied in what was called Novare Kapital and gradually transformed to become Investor Growth Capital. The same belief was behind the establishment of EQT – to adopt new financing trends.

All investments were far from being "bad," as they were sometimes described. Some deals were highly successful, especially when we made the effort to retain our shareholdings beyond the crisis years. Our early investments in Medimmune and Alibaba are sufficient examples to illustrate this approach. There were five or six spectacular winners and we also invested in the mobile operator 3. For the latter, we were fortunate to have a solid partner in Hong Kong-based Hutchison Whampoa.

We probably haven't become cautious, but we are more realistic when it comes to our expectations. We know that substantial, new investments can take twice as long and require twice the capital we originally estimated, before the deal is actually sealed.

JW: I don't believe either that we have become more cautious. Look at what Poker is involved with – large, long-term research projects associated with risks. We still share the same basic ideas. We have to steadily invest and take risks because that's the way the world works.

RF: Marcus "Dodde" Wallenberg dreamed about a Swedish computer industry that could compete with IBM. In his last attempt to build such an industry, he let Ericsson take over computer-related projects from Saab-Scania and Facit.

Dodde pushed hard for establishing a viable computer business, but it still led to a huge crisis in Ericsson in the 1980s. If he had not taken this initiative, would Swedish companies be as good at IT as they are today?

MW: No, I don't think so. We made an investment in Spray, an IT company that turned out to be less successful. But people in general most likely believe that the major successes of today's gaming companies could never have been realized without Spray and a few other IT investments around the millennium shift, just to mention some examples. Just look at what many of these people have accomplished after these early investments. Today, we have a generation of successful entrepreneurs in this field. Good things emerge from bad situations.

RF: "Three kings and no ace": the Swedish business magazine "Affärsvärlden" joked about you with this headline on the cover of one of their issues. Just how well do you complement one another?

JW: "We have spent a lot of time discussing our individual roles. "You do this and you do that. You're good at this, but less good at that." This is probably our single greatest strength, compared to our forbearers.

PW: That's right - we constantly talk and discuss things."

RF: Two of you are constantly working in the public eye, while you, Peter Jr, can fly more under the radar. What does your day look like?

PW: The activities of the Foundations, which involve around 20 people, used to be handled by the bank (SEB). We started to run the Foundations ourselves towards the end of the 1980s, and by the beginning of the 1990s, they were completely under our administration.

We asked ourselves, "how can we become better at taking care of all foundation-related business?" The Foundations were not about "power" – they represented a major opportunity for our holdings and for Sweden as a country. We could handle their administration more effectively and ensure that our share portfolios were managed and developed in a more professional manner. Compared to outsourcing, the benefits would be much more than simple cost efficiency gains.

Today, we are in "Version 3.0" with Wallenberg Foundations AB, a company that administrates all of the Foundations' activities, works with assets management and building our network, and finds ways to leverage the Wallenberg name to the benefit of the holdings we are engaged in.

Husky is now Chairman of FAM, a privately held unlisted holding company that we own in addition to Investor and Patricia Industries. FAM manages the holdings in SKF, Stora, SAS and Höganäs. I am more involved in day-to-day foundation issues, which I manage with our two executive board members, Göran Sandberg and Ingrid Sundström. I also serve on Atlas Copco's board and the boards of a few other companies. My main task and responsibility is to ensure that the Foundations continue to grow, and that we provide funding for researchers and R&D projects of excellence. We also strive to create the right conditions for the next generation of our family to become involved in our activities one day.

RF: Would you call the entire system an "eco-cycle"? Dividends from companies like Ericsson, Mölnlycke and SKF flow to the holding companies, which distribute the funds to a foundations system, which supports basic research at universities with research grants, which benefits industry and society in the long run

PW: In Sweden in the 1960s, under Prime Minister Tage Erlander, a government system was created in which companies and research institutions closely collaborated to develop cutting-edge technology. In the political currents that flowed later in the 1970s, this successful marriage was given the political nickname of "commissioned research". This stigmatized this collaboration, putting an end to many research activities because politicians didn't like them. This was unfortunate.

Caption to photo on page 7: Another side of the man: In his role as Chairman of the Royal Lawn Tennis Club, Marcus Wallenberg inaugurated a new tennis park in Stockholm together with Prince Daniel of Sweden.

PETER WALLENBERG JR

Age: 56. Board assignments: Chairman of the Knut and Alice Wallenberg Foundation and The Grand Group. Board member, Scania, Atlas Copco, Aleris and EQT Holdings AB. Education: BSBA in Hotel Administration from the University of Denver in the U.S. Some of his previous positions during his career: CEO of Grand Hôtel in Stockholm, 1992–2006. Family relationship: Peter Wallenberg's son, Jacob Wallenberg's brother and Marcus Wallenberg's cousin.

PETER WALLENBERG JR:

"This is our calling and life choice, not just a job. But we should be paid for it, of course."

It is extremely important for us to increase our basic knowledge about the companies we work with. If we improve their performance, we improve the basis for carrying out research in Sweden because it will generate more funds that can be utilized for future grants.

We can see how the successes of companies held by the Foundations are generating new funds for research, which we might not have explained very well before. Our family isn't supposed to make money from our system – we work to serve the long-term interests of Swedish research. I sometimes feel that politicians in the country are having a difficult time managing such long-term engagements.

MW: Our molecular biology project with AstraZeneca in Gothenburg (Sweden) is an example. We have also launched a major initiative in collaboration with the academic community and representatives from various engineering companies to advance research in automation and digitalization. It's called the Wallenberg Autonomous Systems Program and we have seen how Silicon Valley has dramatically stepped up research in this area. For example, General Electric in the U.S. has 1,500 engineers working with it on a daily basis. So how far have we come in Sweden in this field? Mille Millnert, a well-known academic leader, who is Director General of

the Swedish Research Council and a member of Linköping University's staff, is involved in a project we just launched, in which KAW is investing SEK 1.3 billion.

PW: It really makes no difference whether we talk about Ericsson the telecom company or Aleris the healthcare provider – all types of companies will be impacted by digitalization.

The difference today is that we have our ear to the ground and broader competence. We have created a better structure together with Göran Sandberg, our executive board member. We have seen how Sweden risks losing an entire generation of researchers.

As a force of change for all of this, the Knut and Alice Wallenberg Foundation has established the Wallenberg Fellows program for young researchers in Sweden to give them the opportunity to research virtually any subject they want. We believe that excellent researchers become highly creative, and can conduct truly innovative research, when they are given the freedom to do so. Forty percent of these young researchers, who are nominated by universities, are to be active in countries outside Sweden, or they are to be foreign nationals working in Sweden who can be valuable to our research in Sweden. Today, we are funding 200 researchers. We have detected a big need for this and discovered that we took the wrong approach before by granting all our funds to established researchers.

It's all about finding broader connections between the business and research communities. This used to be Sweden's forte 40 to 50 years ago, but it later dissipated. We want to be part of this process and stimulate it.

MW: It's important to understand that researchers who lack results from their own research, or do not have a successful track record in high-level research, will not receive a strong recommendation by the people who advise us on candidates. We only exchange knowledge with the people who can give us something valuable in exchange.

PW: If we put the Wallenberg Fellows all in a room and ask everyone to make a five-minute presentation of their work, we can put the spotlight on all possible fields and there will immediately be a number of proposals for cross-border cooperation. "Can't we meet and talk? I have the solution to the piece of the puzzle you're missing for your particular research ..."

RF: A troika is now leading the Wallenberg dynasty. Jacob Wallenberg, Chairman of Investor, has a leading external role but collaborates and competes with Marcus Wallenberg, who leads the other investment project – FAM. Peter Wallenberg, who is responsible for research projects and the next generation, acts as the balancing power.

Jacob – as a spokesperson for the family, you are probably seen the most in the news media. But sometimes you describe yourself as "an operator"?

JW: I would have preferred to have the chance to deal with all the challenges I faced when I was CEO of SEB, but the merger with Trygg-Hansa and other business got in the way. I love dealing with day-to-day business operations. SAS has all the components for this. As vice Chairman of SAS, I can deal with real and specific problems that require a lot of adrenalin. Sure, there are a few unpleasant surprises now and then, but it's just to roll up your sleeves and get down to it. No other board assignment gives me such an adrenalin kick, or such a great desire to work.

RF: Pirre's closest colleagues thought he was intuitive and a good judge of people. If you read the transcriptions of previous interviews, even Dodde was described like that. In comparison, Jacob the Elder and Marc, who was nicknamed "Boy", were more intellectuals. Who is the most intuitive among you, in your opinion?

PW: I'm probably pretty quick at forming an opinion of people, for example, but whether it is the right opinion is another thing. You could say that I'm the type of person who relies on my gut feeling a lot.

MW: "You never get a second chance to make a first impression", as they say in England. You can't help it if that's your nature. I am driven by intuition, but I can't say that I am more or less intuitive than these two. The older you get, the more you rely on your intuition.

RF: Is that because you have more to compare with?

MW: I feel that I have more baggage with me today, but it doesn't mean that I will always be right. You have to analyze things, too.

JW: Our pluses and minuses are very different. You have to know exactly what they are and respect them, whether they are talents or shortcomings.

MW: We have devoted a lot of time to this.

RF: All legendary finance families have their trusted advisors – their consigliore. Who are yours and what qualifications should they have?

Everyone answers at the same time: "They should be wise and experienced"! (Laughter)

RF: But you are soon approaching 60. Aren't you all "wise and experienced" by now?

MW: You always need a sounding board. We have even formed an Investment Committee for the Foundations whose members are Michael Treschow, Claes Dahlbäck and Hans Wibom. They have known us for decades and they have known the members of previous generations. They put things in perspective without making history the landmark for the future. It's always important to remember how we got to where we are today, and that the past is something that matters. They understand how challenging it is for us to work as a group and they help us step-by-step.

JW: We have chosen to discuss basic things not just among ourselves, but also with a few persons we really trust. These persons are outside the family and they have our best wishes in mind. One of them, Michael Treschow, is Chairman of the Investment Committee for the Foundations.

RF: The Wallenberg sphere, which was reorganized into a foundation with independent holding companies during World War I, has evolved like a trust. A few individuals in each generation have single-handedly taken care of the estate's assets and increased their value at the same time as they built personal fortunes that were largely willed back to the trust. Peter was different because his wealth developed on a lesser scale than his predecessors, relatively speaking. But he was criticized more than anyone else by the outside world.

In transparent times, how do you reward and motivate the head of each generation without getting steadily involved in "label debates" that tarnish your brand?

PW: We don't "need" to be rewarded – I don't think you can look at it like that. The members of the family who take care of the family's business have to be interested in the task and have the passion for it. This is our calling and life choice, not just a job. But we should be paid for it, of course, and our compensation should reflect the level of responsibility and the complexity of the activities we work with.

RF: The Bonnier family has been active even longer, but there are few families in the world that can be compared to the five generations of Wallenbergs and the responsibility you have shouldered as owners of companies. To be very specific, you can count several different power shifts and some of you will naturally stay around longer than others. But what does the next generation look like?

PW: We started a few years ago to work with this in a more structured manner. We have been schooled the traditional way. Fathers and grandfathers told us how things would be done. Our own interests were taken into account in the big picture, of course, but our education and other things were staked out. This is why we didn't have any "history" of our own to use for educating our successors in a more professional and discerning way.

But we're a group of 30 descendants, from Sweden and the British side of the family, who meet regularly today, an idea that came from our grandmother on our father's side.

We try to create different ways to support the professional development of the next generation and build their understanding of our history, our heritage, the companies associated with the family, and what our predecessors have accomplished and why.

We are not an employment agency for the next generation. Our goal is to get them interested in the family's role so they can join the business over time. We hope, of course, that a few of them will want to focus whole-heartedly on what we do. But it's still early days.

JW: We are mentors and help them with their education, summer jobs and practical matters. We also make sure that we communicate the most important things that are happening in the family and our holdings. This is our way of putting the family in focus.

PW: I used to have a summer job, for example, at the Kvarnsveden paper mill, but those were other times. Finding a job like that, which gives you some broad experience, isn't easy today.

RF: Life in general is not simple for families, especially one that conducts a family business. In a family clan, you work together and attend board meetings and traditional events together. Isn't this tougher to do today?

MW: We have met and socialized since we were small. In the United States, Jacob and I didn't have so many family members to talk to. Overseas calls were expensive at the time and we talked to each other instead. We built up a close relationship and this is naturally something that we need to get the next generation to do - to share common ideas in the same way as we do.

But Dodde and Pirre did not decide what we were to do. The pressure wasn't on us until we actually became involved in family business.

PW: "It's your decision and your responsibility", they would say. And that was a very clear message.

RF: What about "likes" on Facebook and things like that?

MW: The times have definitely changed! The conditions are new and it's a global age. "Likes" in different media are maybe more important to some people than working 18 hours around the clock now and then, when problems surface and you have to take command of the situation. That's a task that needs to be respected. Roles and working methods have to be adapted to the times we live in.

RF: But you have a large pool of talent to tap?

MW: A group of 30 people usually has a few individuals who are really interested and engaged. We hope this will also be the case for us.

RF: Women are now managing several other Swedish dynasties with holdings, in particular the Johnsons and Stenbecks. What do you see in the mirror?

MW: I wouldn't be surprised if one woman has a leading role in the next generation.

PW: I agree completely.

JW: We have a very clear set of values when it comes to women as business leaders and we have driven major change programs in that direction within our foundations and holdings.

RF: You are sometimes referred to as "the boys", even when all three you are middle-aged. This reflects, of course, how much longer and healthier we live today, compared to the times when your founders lived. I would therefore assume that one or two of you will be around in 2030? What challenges will you have dealt with by then?

MW: Statistically speaking, five billion people have a low standard of living in the world today and it wouldn't be right if we don't try to turn that around. That's why we have to find sustainable ways to increase the welfare of people in many parts of the world. Growth has to be achieved by investing in sustainable and future-oriented ways. We also need extremely innovative and cost-efficient solutions to ensure that we have the ability to compete. We also need to take a long-term view and have the financial sustainability to accomplish this.

I think that we fall into the Anglo-Saxon way of thinking sometimes when we measure growth on a short-term basis. Countries like India and several others in Asia are also under short-term pressure, but they take a long-term strategic perspective when it comes to their growth. They are incredibly goal-driven to build a better future for coming generations. We have to match them to be competitive. The companies we are involved in must be permitted to compete with these new players in every way.

RF: Does the current political situation in Sweden trouble you in any way?

JW: There is a certain lack of understanding for the importance of enterprise to society. Successful enterprise is the basis for generating taxable income that in turn builds the platform for retaining and developing our welfare state. Because of naivety, confidence in the business community tends to be weak.

RF: Is this a learning process for inexperienced members of Parliament?

MW: I'm not so sure about that. Sweden is a small country with ten million inhabitants in a world with seven billion people, and to be relevant, Sweden needs a vision and a lot of knowledge about the rest of the world to build that vision. The problem is that a lot of the debate today is constantly focused on the present and "little Sweden."

We have accomplished a very high standard of living in because we started early and we have become accustomed to it and take this standard for granted. A large part of the world is below our level but strives to attain the same standard as ours. We have to base our vision on the belief that our country's development is fundamentally positive and something that we quite simply have to maintain.

I don't believe in thinking in an insular way when we only represent 0.1 percent of the global population.

Caption photo of Poker: Another side to "Poker": at the Grand Hôtel in Stockholm. The photo was taken for an interview in Di Weekend in 2006.