



ANNUAL REPORT

2013

INSTITUTE FOR SECURITY
AND DEVELOPMENT POLICY



Institute for Security &
Development Policy



Dear friends and colleagues,

During 2013, ISDP has continued to work towards our core mission of expanding understanding of international affairs. The Institute also hosted a significant number of guest researchers, visiting scholars and delegations, who with their knowledge and expertise have contributed to the ongoing policy debate both in Sweden and internationally. In 2013, ISDP initiated a number of new high quality recruitments to strengthen the organization and its research activities and we expect to further recruit some senior researchers during 2014.

In 2013, the Asia program continued its mission of bridging the gap between academia and policy and to provide timely information, analysis, and recommendations, with a focus on China, the Korean Peninsula and Myanmar. The Program monitors, amongst other things, the changing situation in Myanmar and the situation in the DPRK. The Program finished its project on rural development in Vietnam and continued its project on conflict management in Myanmar, which is funded by the European Union.

The Silk Road Studies Program's main focus remained on the South Caucasus and the Black Sea Region. The Program arranged successful activities and meetings in 2013 which are being carried into 2014. The Program focused on the political situation in the South Caucasus, especially Georgia, as well as in Turkey and Central Asia. The Program's activities on Georgia continued to be prominent, involving both publications and activities. Through its Joint Center with the Central Asia-Caucasus Institute at Johns Hopkins University's School of Advanced International Studies, the Silk Road Studies Program continued to publish the Central Asia-Caucasus Analyst and the Turkey Analyst, which remain widely read bi-weekly publications on the region.

ISDP's activities concerning organized crime aim to enhance understanding of transnational threats across national borders. In 2013, ISDP continued its projects on Drug Prevention and threats concerning transnational organized crime and started a new project in cooperation with the Swedish national Institute of Health aimed at looking at the linkage between drug abuse and the environment. The program further monitors the rise of Russian Speaking Organized Crime and its spread into Latin America.

ISDP greatly appreciates its partnerships in Sweden and around the world, and the support we received in 2013. We are looking forward to continuing and expanding on existing co-operation, as well as starting new initiatives, receiving your comments about our work, and meeting you at our events or in different contexts in the coming year.

*Svante E. Cornell and Niklas Swanström, Directors of ISDP
December 2013*

PROGRAMS AND INITIATIVES 3

ACTIVITIES 7

PUBLICATIONS 13

FINANCIAL REVIEW 18

ORGANISATION 23

ISDP Board

Roger Svensson
Senior Fellow (Chair)

Jan Nygren
Vice Chairman

Gunnar Hökmark
Member of European Parliament

Per Storm
CEO Kopparberg Mineral

Stein Tønnesson
Research Professor PRIO

Karlis Neretnieks
Fellow and Board Member
Royal Swedish Academy of War
Sciences

Directors

Svante E. Cornell
Svante E. Cornell heads the Institute's Silk Road Studies Program. He is a specialist in security issues and political development in Eastern Europe and Central Asia, particularly the Caucasus and Turkey.

Niklas L.P. Swanström
Niklas L.P. Swanström heads the Institute's Asia Program. He is a specialist in conflict management, security issues, and negotiations in Central and Northeast Asia, particularly Chinese foreign policy.

MANAGEMENT REPORT

The Institute for Security and Development Policy, a Stockholm-based independent and non-profit research and policy institute, was founded in 2007.

ISDP Board

The ISDP Board consists of high level professionals and convenes three to four times a year. Chairman of the Board is Roger Svensson, a Senior Research Fellow at ISDP. Jan Nygren is the Vice Chairman. The other members of the board include Gunnar Hökmark, a member of the European Parliament, Per Storm, Managing Director of Kopparberg Mineral AB, Stein Tønnesson, Research Professor at the Peace Research Institute, Oslo and Karlis Neretnieks, fellow and board member of the Royal Swedish Academy of War Sciences.

Auditor

The auditor of ISDP is Elisabeth Raun at Ernst & Young and its accountant is Wällstedts Revisionsbyrå AB.

ISDP Office

Niklas Swanström and Svante Cornell are Directors of the Institute. Malin Almqvist is the Chief Financial Officer.



MISSION

The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between conflict, security, and development.

The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between conflict, security, and development. The geographic focus of the Institute is Asia and Europe's neighborhood. Activities take place predominantly within three focus areas: the Asia Program, the Silk Road Studies Program, and the Transnational Threat Initiative. The Silk Road Studies Program constitutes a Joint Center with the Central Asia-Caucasus Institute at Johns Hopkins University's School of Advanced International Studies. ISDP engages in a wide range of disciplines in the social sciences and humanities, dealing primarily with issues of conflict, security, and development. Therefore thematic areas include: Conflict Management and Mediation; Security and Political Violence; State Building; Governance and Human Rights; Development; Narcotics and Organized Crime; Energy; and European and American Policies toward its focus areas. The Institute's geographical focus areas are: the Wider Black Sea Region, the Baltic Sea Area, and Asia. The Asia Program encompasses Northeast, Southeast, and South Asia, including the Korean Peninsula and Japan. The Silk Road Studies Program covers Turkey to Western China, including the Caucasus and the Black Sea-Caspian Sea basin. The Transnational Threat Initiative covers the Baltic Sea region and Europe's Neighborhood, including Russia.



PROGRAMS AND INITIATIVES

The Institute for Security and Development Policy

ISDP operates through two principal and constant Programs, the Asia Program and Silk Road Studies Program, which are the Institute's principal units. In turn, the Silk Road Studies Program operates a Joint Center in cooperation with the Central Asia-Caucasus Institute at Johns Hopkins University-SAIS.

Within the framework of these two principal Programs, work at ISDP is organized in Initiatives and Projects. Initiatives are created for the long term and focus on larger thematic units or key countries, which are central to the Institute's work. The Asia Program incorporates the China Initiative, while the Silk Road Program incorporates the Turkey Initiative. In addition, ISDP incorporates the cross-cutting Transnational Threat Initiative, which straddles the two principal Programs.

Within the Asia Program, Projects exist focusing on Korea, Southeast Asia, and South Asia. Within the Silk Road Program there are projects focusing on Georgia and the South Caucasus, Moldova, and Central Asia. The main office is situated in Stockholm, but ISDP also has local staff in Washington, Yangon and Beijing,

Stockholm



Washington



Yangon



Beijing

PROGRAMS AND INITIATIVES



Asia Program

The Asia Program undertakes research and analysis on security and development challenges in Asia, with an emphasis on active conflicts. The Program centers specifically on Northeast, Southeast, and South Asia. The Program has representatives working in Beijing and in Yangon.

"The main objectives of the Program are to bridge the gap between academia and policy as well as to provide timely information, analysis, and recommendations"

In 2013, the Program conducted several activities in Asia and had successful meetings, which are continuing into 2014. The Program has continued to monitor the situation in the DPRK and is currently running projects in Myanmar with the Myanmar Peace Centre (MPC) and the Myanmar Development Resource Institute (MDRI). It also runs projects on Energy and Security in Asia, and Conflict and Crisis Management in East Asia. During 2013, the Program signed a Memorandum of Understanding with the Mekong Development Research Institute in Vietnam and with the Ewha Institute of Unification Studies in the ROK. The Asia Program welcomed visits from Senior Colonel Chen Jianmin, Academy of Military Sciences (AMS) and Dr. Feng Yujun, China Institutes of Contemporary International Relations (CICIR), and sent several delegations to conduct high level meetings in Myanmar, Vietnam and China. The Program further held forums and roundtables with high level officials and successfully completed the 6th joint international conference in Beijing together with the Academy of Military Sciences, and is preparing for the 7th in Stockholm in 2014.

Silk Road Studies Program

Through its Silk Road Studies Program, ISDP runs a Joint Transatlantic Research and Policy Center with the Central-Asia Caucasus Institute at Johns Hopkins University's School of Advanced International Studies, Washington D.C. The Program focuses on the western part of Eurasia, Central Asia, the Caucasus, Turkey, and Eastern Europe.

"The main activities and research are on state-building and political development, security and conflict, as well as the relationships between the regions and the West"

The rapid change in the region stretching from Turkey and the Caucasus to China has left a knowledge gap in many Western countries that academia and government are quickly trying to correct.

The Program publishes books and conference reports as well as the *Central Asia-Caucasus Analyst*, the *Turkey Analyst*, and *Silk Road Papers series*. The Central Asia-Caucasus Analyst completed its fifteenth year of publication, and has in over 23 issues provided coverage on the deteriorating security situation in the North Caucasus; as well as on the emergence of continental transport and trade initiatives across the region. Its *Turkey Analyst* provided continued coverage of Turkey's contentious domestic politics, as well as the country's efforts to cope with the fallout from the Arab Awakening, especially the unfolding civil war in Syria.



The China Initiative



Understanding China, its domestic development and international role, is a prerequisite for any analysis of China as a rising power and its impact on developments in Asia and the world.

“The purpose of the China Initiative is to provide strong and independent analysis on recent developments in the country.”

It brings together the best analytical and policy expertise available to produce useful policy and operational recommendations. The Initiative was launched in response to this particular challenge and addresses issues in five major areas: foreign relations, military build-up, domestic development, human security, and Sino-European dialogue. Sub-projects of the China Initiative include: China’s Military Modernization, Cross-strait Relations, China’s Foreign Relations, and China’s Domestic Development.

The Transnational Threat Initiative



Transnational organized crime is regarded as one of the greatest global threats to human security and it undermines the development of open and democratic societies. Actors engaged in organized crime are able to use their profits from illegal activities to make re-investments into the legal economy. This has a serious impact on society and leads to the growth of corruption and public mistrust of political actors. ISDP has, over several years, built up a network of researchers and representatives of law enforcement agencies in the Baltic Sea region.

“The aim of the Initiative is to raise public awareness and stimulate a debate on the negative societal effects of transnational organized crime”.

This work is conducted in close cooperation with academics, practitioners, and policy-makers in the field and the results are disseminated in reports, articles, and open seminars.

The Turkey Initiative



“The main aim of the Turkey Initiative is to function as a nexus for expertise, knowledge, and information on Turkish politics, society, and foreign relations”

The main aim of the Turkey Initiative is to function as a nexus for expertise, knowledge, and information on Turkish politics, society, and foreign relations, which is published through the Turkey Analyst. Turkey is a country crucial to both Europe and the United States, as well as to the region. Through its analyses the Institute contributes to the understanding of political developments in Turkey. The Initiative also identifies processes for how to strengthen democratic forces and maps women’s active role and representation in the public sector/society at large.

Guest Researcher Program

ISDP regularly invites guest researchers to undertake research at the Institute. The Guest Researcher Program provides unique opportunities for professional development to scholars and other specialists and networking opportunities in Sweden. The aim of the program is to foster the exchange of ideas, enrich research and provide an opportunity to participate in activities. During the visit, the guest researcher conducts research on a topic related to the Institute’s core areas, produces a paper and presents the findings at a seminar. The paper is subsequently published either under the Asia Paper series or the Silk Road Paper series. By continuing to tie experts and distinguished researchers to its various endeavors, ISDP maintains its expertise on contemporary security issues.



“The Guest Researcher Program provides unique opportunities for professional development to scholars and other specialists as well as networking opportunities in Sweden”

Guest Researchers 2013

China

Dr. Gaye CHRISTOFFERSEN - Johns Hopkins University
Researched Energy Security

Major LI Xiang - AMS
Researched Development of Revolution in Military Affairs with Chinese Characteristics

Captain LIN Han - AMS
Researched Chinese Cultural Security

Lt.Colonel WANG Wenjuan - AMS
Researched the Implementation of the International Humanitarian Law in the PLA.

Senior Colonel WU Xiaoyan AMS
Researched China’s Maritime Security Strategy

Myanmar

Ms. Shwe Zin Mon AUNG - MDRI
Researched The Issue of Volunteerism in Myanmar

Ms. Naing Naing AYE - MDRI
Researched EU-Myanmar Bilateral Relations

Mr. Phyo Wai THAR MDRI
Researched the Connection Between Tourism and Security Issues in Myanmar

Mr. Thurain WIN MDRI
Researched Myanmar’s Development Policies.

Pakistan
Mr. Tahir M AZAD - National Defence University, Islamabad
Researched Nuclear Security, Nuclear Terrorism, South Asian Nuclear Politics and Nuclear Strategies

Republic of Korea
Dr. Mark Byung Moon SUH - Member of the Pugwash Council

Mr. Ju-Chang YI - Ministry of Environment South Korea - Researches EU and South Korean environmental policies in terms of risk management on air and water pollutions.

Turkey
Dr. Ozan SERDAROGLU - Researches political and economic development, collective action, regional integration, EU affairs and Euro-Turkish relations

United States of America
Dr. Robert BEDESKI - Professor Emeritus at the University of Victoria



ACTIVITIES

Conferences

Each year ISDP hosts a number of conferences that are both public and closed door. The conferences run for one to three days and are attended by policy-makers, government officials, academics and professionals.

The ISDP–Academy of Military Science Annual International Conference

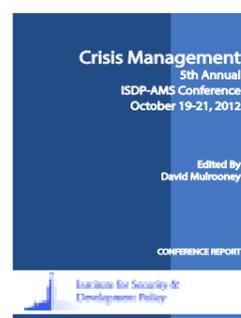
ISDP and the Academy of Military Science (AMS), China, hosted its first joint international conference in 2008. The conference is designed to bring together leading experts to discuss current security issues, and during which Western and international experts meet Chinese scholars, researchers and high-level military officers who are engaged in formulating Chinese policies. The annual conferences have proven to be very successful and receive a large number of participants and attention.

This year, the conference was held in Beijing on December 6-8. The theme for the sixth annual ISDP-AMS conference was “Security and Development in Afghanistan After 2014,” during which policy makers and experts from academic, military and government sectors discussed prospects for Afghanistan following the withdrawal of international forces in 2014. The participants discussed topics such as future prospects for China-US-India cooperation in Afghanistan, the ending of US military involvement and its implications for the future peace process and strengths and weaknesses of Afghan army training.

Freedom of Expression in Turkey

In March 2013, ISDP and Freedom House hosted a conference in Stockholm on the evolution of Freedom of Expression in Turkey. Participants included David Kramer, President of Freedom House, as well as Dunja Mijatović, OSCE representative on Freedom of Media, and Marc Pierini, former EU Ambassador to Turkey. From Turkey, a half-dozen senior analysts, journalists and academics participated. The participants discussed the advances as well as setbacks in freedom of expression in Turkey in the past two decades, but focused the discussion on policy prescriptions for the future.

Crisis Management - 5th Annual ISDP-AMS Conference



The conference report from the 5th Annual ISDP-AMS Conference, “Crisis Management” is freely available on www.isdp.eu

Policy Analysis Seminars

In 2013, ISDP introduced Policy Analysis Seminars, in order to review ongoing projects, stimulate debate and strengthen policy analysis at ISDP. Staff members are invited to present their policy projects to their peers and receive comments and suggestions in order to ensure that the highest quality is maintained.

At ISDP’s first Policy Analysis Seminar, Jan Rudengren, Lars Rylander and Ebba Mårtensson presented their ongoing paper *The Security-Development Nexus – Implications for International Development and Security Policy Development*. They presented the findings in the paper and used the seminar to reflect on the linkages between security and development and to debate the findings and outcomes presented in the paper.



The second Policy Analysis Seminar served the purpose of discussing Walter Kegö and Aissata Maïga’s forthcoming project *Preventing Drug Usage by Utilizing Environmental Arguments* which is funded by the Swedish National Institute of Public Health (Statens folkhälsoinstitut, FHI).

The project aims to give young people (between 16-20 years old) a comprehensive overview of the environmental consequences of drug production and use worldwide, which include deforestation, toxic waste, the destructive use of fungicides, and so on.

Forums

Each year ISDP hosts events to promote discussion and enhance knowledge and expertise on current security and development topics. The events are attended by policy-makers, researchers and representatives from civil society. This year, the Asia Program, Silk Road Studies Program, and the Transnational Threat Initiative have hosted over 20 forums. Guest speakers included leading policy-makers, academics, specialists, and in-house experts.

A selection of forums during 2013

1 Transnational Threat Forum on The Afghan Heroin Trade

Mr. Christer Brännerud discussed different aspects of the heroin trade emanating from Afghanistan. Mr. Brännerud used the Tajik case as a prime example of how drug trafficking affects society, the level of corruption and the people involved.



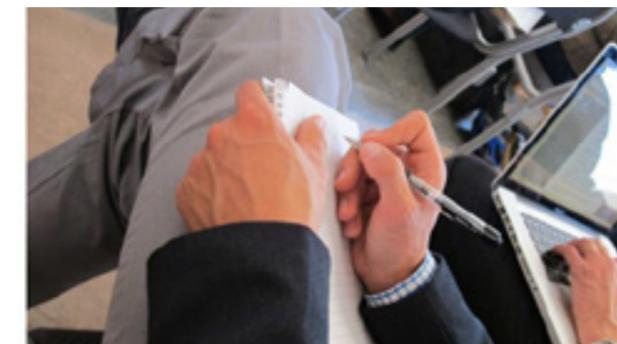
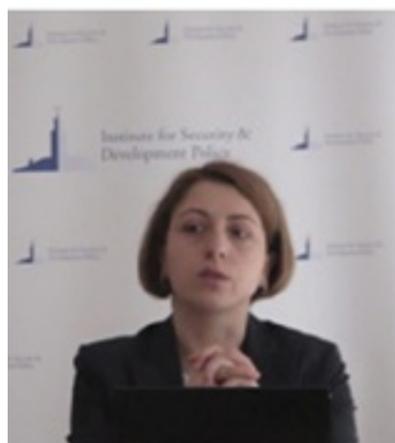
2 Challenges and Perspectives – Georgia after Elections

Mr. Alex Petriashvili, State Minister of Georgia for European and Euro-Atlantic Integration, outlined the developments and renewed interest in Georgian politics that transpired after the Georgian Elections in 2012.



3 Georgia's Euro-Atlantic Integration: Prospects and Perils

Eka Tkeshelashvili, President of the Georgian Institute for Strategic Studies visited ISDP and held a Silk Road Forum. Ms. Tkeshelashvili shared her views on the relationship between Georgia's domestic development and the government's continuous efforts toward Euro-Atlantic integration.



4 China's New Military Leadership and Implications for Regional Security

Roy Kamphausen, Senior Advisor for The National Bureau of Asian Research held an Asia Forum at ISDP. Mr. Kamphausen discussed different aspects of China's new military leadership and the implications it will have for civil-military relations.



5 When the East Goes South: China in Africa – a Reassessment

Dr. Henning Melber, Executive Director of The Dag Hammarskjöld Foundation, followed up on his seminar in 2012, China in Africa – the Debate Revisited. At the seminar Dr. Melber presented his views on the Chinese presence on the African continent and its implications.



6 Transboundary Water Resources – Why Are They Important And How Can They Best Be Addressed?

Dr. Anders Jägerskog, Director of Knowledge Services, Stockholm International Water Institute, held an Asia Forum, which dealt with transboundary water resources from a broad perspective, and in particular sought to highlight how interstate cooperation on transboundary water resources should be approached to ensure an optimal and sustainable use of limited water resources.



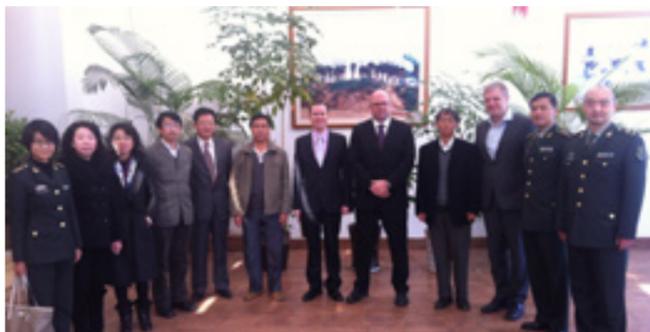
High-Level Delegation Meetings

ISDP arranged and participated in numerous high-level delegation meetings, lectures and presentations, hosted roundtable discussions and undertook various research trips in 2013. All these activities are part of ISDP's regular work and are undertaken in its different programs and initiatives.

ISDP visited Yangon and Nay Pyi Taw in Myanmar, where Dr. Swanström held a presentation on “International Lessons Learned on Peace-building” at the Myanmar Peace Center. Dr. Swanström was also the main speaker on the “Conflict Management Course” at the Myanmar Resource Development Institute (MDRI) and the Minerva Institute. ISDP also held high-level meetings with representatives of the Government of Myanmar, the diplomatic community, the Myanmar Peace Center, the Myanmar Police, civil society and local partners, and political parties.

In May 2013, ISDP received two high level delegations from China. The first, a delegation from CICIR, headed by Dr. Feng Yujun, Director of Russian Studies, visited ISDP to conduct research on Central Asia. The second, a working-level group from AMS led by Senior Colonel Chen Jianmin, visited ISDP to discuss Russian affairs with their Swedish counterparts, including the MFA.

Furthermore, Dr. Niklas Swanström led a delegation to China for meetings with leading research institutes in October 2013. The delegation met with the PLA Academy of Military Science, the China Strategy Culture Promotion Association, the Research Department of the International Department of the Central Committee of the CPC, China Institutes for Contemporary International Relations (CICIR), China Foreign Affairs University, the Institute of World Development (Development Research Center of the State Council) and the China Institute for International Strategic Studies (CIISS).



In December 2013, Dr. Niklas Swanström, joined by Mr. Bernt Berger and Mr. David Mulrooney, led a delegation to Chengdu Military Region (Chengdu and Kunming) for meetings with military regional command staff and civilian research institutes.

Meeting with researchers at Yunnan Academy of Social Sciences

Several research trips to Asia and the Caucasus Region were undertaken in 2013 to deepen understanding of the regions. In January, the Transnational Threats Initiative visited Yazan University in Saudi Arabia together with representatives from Uppsala University.

In March, the Silk Road Studies Program travelled to Moldova, including Transnistria, to conduct research on the Transnistria conflict as part of a project sponsored by the Swedish MFA/EC.

In April and May, ISDP and Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) undertook fieldtrips to Finland, Taiwan and China to conduct meetings with representatives of government and academia. In August, Dr. Niklas Swanström and Mr. Bernt Berger paid a visit to Pyongyang, followed by a weeklong visit to Seoul, where they were joined by Dr. Sangsoo Lee. This was the first ISDP trip to both the DPRK and ROK at the same time, which provided not only an overview of the two Koreas' domestic situations but also a good opportunity to understand the gap and different perceptions between the two Koreas on a number of security issues concerning the Korean Peninsula.

Lectures and Presentations

Each year ISDP's experts are asked to hold presentations at conferences, seminars, forums, and meetings around the world. This year ISDP's experts held over 30 presentations on topics of their expertise in countries such as China, Belgium, The United Kingdom, Georgia, Vietnam, Germany, Norway, the U.S. A., France, Denmark, Latvia,

The Asia Program held lectures and presentations on a wide range of subjects and in a number of countries around the world. Amongst other presentations, ISDP held a presentation at a seminar in Hanoi for the SIDA-sponsored Vietnam project. ISDP also attended a conference organized by the Asia Centre on “China's Foreign Policy at its Borders” in Paris where Dr. Sangsoo Lee presented his paper on the Development of Sino-Korean Relations.

In 2013, ISDP director Svante Cornell and the Silk Road Studies Program made presentations and participated in discussions on a number of occasions. Amongst other appearances, Dr. Cornell spoke on Turkish politics to the participants in the Diplomat Training Program, Swedish Ministry of Foreign Affairs, and held a keynote address to a Georgetown University Conference on “Iran and the Caucasus”.

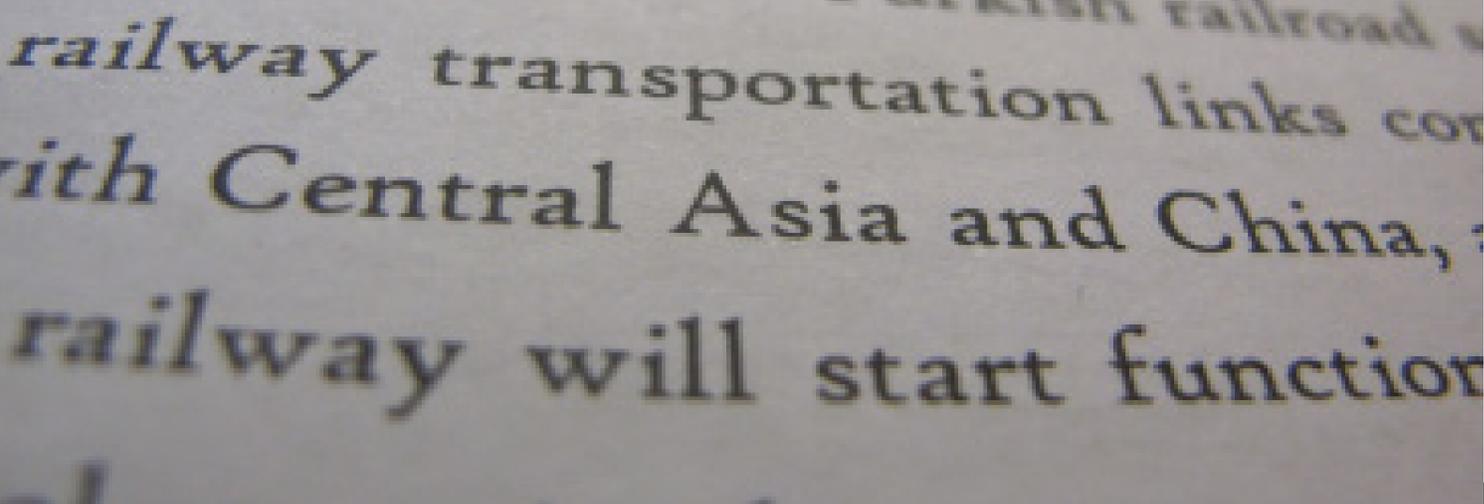
The Transnational Threats Initiative made a number of presentations on various subjects. Amongst other appearances the Initiative was invited to the international conference “Opium Geopolitics: Afghan Drug Traffic and the Fight Against It After 2014” in Sofia, Bulgaria where Mr. Walter Kegö also gave a presentation entitled “The drug trade and its consequences”.

ISDP Roundtables

In 2013, ISDP hosted several roundtables, amongst others the roundtable “Vietnam Development Dialogue”. The roundtable concerned an in-depth discussion on forestry in Sweden and possible applications of the Swedish model to Vietnam. Participants represented research organizations, such as the Institute for Security and Development Policy (ISDP), Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD), Lund University Nordic Institute for Asian Studies (NIAS), the Swedish University of Agricultural Sciences (SLU) and the Secretariat for International Forestry Issues (SIFI).

Furthermore, ISDP hosted several roundtables in Stockholm with the Academy of Military Science (AMS) and the China Institutes of Contemporary International Relations (CICIR), on regional security and Chinese foreign policy issues.

For the full list of ISDP's activities during 2013 please visit www.isdp.eu/news.



PUBLICATIONS

ISDP issues a wide range of publications, from shorter Policy Briefs to books and monographs. The Institute's paper series include Asia Papers, Silk Road Papers and Stockholm Papers on various topics. ISDP publishes fifteen to twenty papers in the Asia, Silk Road, and Stockholm Papers series per year. The Institute further publishes a policy brief every fortnight on current topics and events. In 2013, the Asia Program unveiled a new paper series, entitled Focus Asia, which provides accessible, insightful commentary and analysis of the contemporary challenges facing Asia in the twenty-first century. Apart from this, the Institute's experts also write opinion-editorials (op-eds), analyses, and commentaries in daily newspapers and journals. The Institute's experts are frequently invited to write chapters in external publications on topics of their expertise.

Books and Monographs



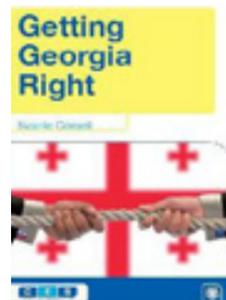
Dr. S. Frederick Starr published his book "Lost Enlightenment: Central Asia's Golden Age from the Arab Conquest to Tamerlane", which outlines Central Asia's medieval enlightenment through the lives and accomplishments of its greatest minds - remarkable figures who built a bridge to the modern world. Central Asia achieved signal breakthroughs in many areas of science in an early stage. Dr. Starr chronicles this forgotten age of achievement, seeks to explain its rise and explores the competing theories about the cause of its eventual demise.



Dr. Svante E. Cornell and Michael Jonsson published an edited volume entitled "Conflict, Crime and the State in Postcommunist Eurasia", published by the University of Pennsylvania Press. The volume provides a conceptual framework for understanding the inter-relationship of crime, conflict and state institutions from the Western Balkans to Afghanistan, and provides policy prescription for western governments on how to address the problem. The volume includes a number of case studies authored primarily by ISDP analysts, including chapters on Afghanistan, Uzbekistan, the North Caucasus and Moldova.



Dr. Johan Engvall published the Russian translation of his book *The State as Investment Market: Making Sense of Corruption in Kyrgyzstan*.



Svante Cornell published the monograph "Getting Georgia Right", published by the Center for European Studies in Brussels. The monograph discusses the achievements and shortcoming of Georgia since the 2003 Rose Revolution, and analyzes the transition of power in 2012, as well as the period of uneasy cohabitation that ensued between a president and prime minister of opposing political parties. The monograph explains the importance of Georgia to European security, and provides recommendations for European policy in the future.

PUBLICATIONS

ISDP Papers Series

The ISDP Paper Series consists of the Asia Papers, Silk Road Papers, and Stockholm Papers. These are research papers conducted by in-house staff, guest researchers and associated fellows. They provide an excellent overview for policy-makers, academics, and intellectuals on a specific topic or region.

For details please visit www.isdp.eu/publications.

Asia Papers

The Asia Paper series has in 2013 produced several reports on various topics, including:



The PLA and International Humanitarian Law: Achievements and Challenges
Wang Wenjuan traces the evolution and principles of International Humanitarian Law and how it has been incorporated into the teaching and practices of the People's Liberation Army. She notes that China and the PLA have a long humanitarian tradition, which should be further bolstered going into the future.



China's Risk Equation: Using Military Forces in International Humanitarian Assistance and Disaster Relief Activities
Athol Yates describes China's use of military forces in HADR since 2002. He argues that China can benefit from involving in HADR, but that it also can have significant risks.

Stockholm Papers

The Stockholm Paper series published the following reports in 2013:



The Threat of Russian Criminal Money: Reassessing EU Anti-Money Laundering Policy
Walter Kegö and Alexander Georgieff outlines the spread of Russian criminal networks in the EU. They argue that the crime groups thrive because the Eastern European member states of the EU continue to allow the illicit money from these groups to pass through their financial institutions and identify three steps to combat the continuing spread of money laundering in the EU.

Silk Road Papers

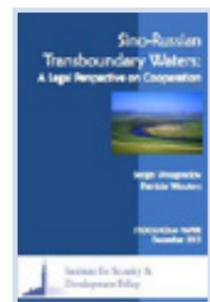
The Silk Road Paper series published papers on a range of topics: in 2013, including



Azerbaijan's Security and U.S. Interests: Time for a Reassessment
Stephen Blank examines the challenges to Azerbaijan's security and U.S. policy and interests regarding the latter, arguing that notwithstanding Azerbaijan's seemingly diminished significance for U.S. interests, it remains strategically important, necessitating on the part of Washington a more coherent regional security approach to the South Caucasus.



Azerbaijan and Georgia: Strategic Partnership for Stability in a Volatile Region
Mamuka Tsereteli examines the history of relations between Azerbaijan and Georgia to the present day. In spite of challenges both domestically and externally, he argues that both countries are destined to remain close strategic partners in an unstable region.



Sino-Russian Transboundary Waters: A Legal Perspective on Cooperation
Sergei Vinogradov and Patricia Wouters adopt a legal perspective to analyze cooperation on transboundary watercourses between Russia and China. Recognizing that conflict over water is one of the most pressing global issues in the 21st century Sergei Vinogradov and Patricia Wouters take stock of the water-related challenges that the two countries face and assess the measures taken toward their joint management.

Conference Reports

The ISDP Paper Series consists of the Asia Papers, Silk Road Papers, and Stockholm Papers. These are research papers conducted by in-house staff, guest researchers and associated fellows. They provide an excellent overview for policy-makers, academics, and intellectuals on a specific topic or region. ISDP published two conference reports in 2013.

The conference reports are available on ISDP's website and are free to download. You can find them here: www.isdp.eu/conference-reports.



[The Iranian Nuclear Issue: Perspectives and Challenges](#)

This report is the result of a half-day seminar organized by ISDP in Stockholm in 2012. ISDP invited policy analysts from the United States, Europe, as well as a (European) specialist living in Turkey to meet and discuss the Iranian nuclear issue. The seminar focused on U.S.,

European, and regional perspectives, and, in particular, the possibility of the U.S. and the EU finding a common policy strategy on the Iranian nuclear issue.



[Crisis Management - 5th Annual ISDP-AMS Conference](#)

The second report collects together a number of papers presented by the key speakers at the 5th Annual ISDP-AMS conference, which dealt with the topic of Crisis Management. This conference considered approaches to crisis management from a comprehensive point of view.

In addition to looking at crisis management in the traditional security area—in the Middle East and on the Korean Peninsula—the presentations also covered areas such as counter-terrorism, cyber security and the use of social media in disaster emergency response.

Policy Briefs

ISDP continues to publish its Policy Briefs every fortnight on current and hot topics. In 2013, ISDP had its Policy Briefs re-published in for example the Asia Times Online, World Affairs, Europe's World and China US Focus. Below is two examples of the topics covered by the Policy Brief series during 2013; for the full list please visit ISDP's website at: www.isdp.eu/policy-briefs.

[New Dawn or False Hope for the Korean Peninsula?](#)

POLICY BRIEF, No. 131

By **Niklas Swanström**

Niklas Swanström investigates how recent developments on the Korean Peninsula have sparked new hope for improved relations between North and South. He argues that the crux to negotiations continues to be denuclearization and that steps need to be taken in this regard if the reestablishment of lines of communication between the two Koreas is to be more than just a false hope.

[Bombings in Myanmar: New Impetus for Community](#)

[Engagement](#)

POLICY BRIEF, No. 135

By **Elliot Brennan** and **Stefan Döring**

Elliot Brennan and Stefan Döring take stock of the bombings in Myanmar. They outline steps to promote community engagement and ensure that the country's natural resources do not derail the peace process and jeopardize its democratic transition.

Focus Asia

Focus Asia is a new paper series that was unveiled in October 2013. The Series provides accessible, insightful commentary and analysis of the contemporary challenges facing Asia in the twenty-first century. It also serves as a forum for the Institute's visiting researchers to provide their viewpoints on the security and development issues affecting their countries, which add a much needed Asian perspective to the policy and research debate.



[A Tale of Two Koreas: Breaking the Vicious Circle](#)

FOCUS ASIA, No. 5

Dr. Mark Suh traces the history of inter-Korean relations in the past half-century, noting the failures to normalize relations. The paper offers some ideas on how to kick start a process toward normalization, pointing to the example of Germany, as well as outlines the main sticking-points that have thwarted previous attempts at rapprochement.



[Myanmar's Mineral Resources: Bane of Boon for the Peace Process?](#)

FOCUS ASIA, No. 2

Elliot Brennan explores the various issues faced by Myanmar's mineral resource sector and their impact on the peace process. He argues that new opportunities in Myanmar's resource and mining sectors risk undermining the fragile peace process and provoking tensions between the government and armed ethnic groups if not judiciously managed.

Articles, Commentaries & Op-Eds

ISDP's experts are frequently invited to contribute articles to various journals and to write commentaries and opinion-editorials, op-eds, in various newspapers. The articles and commentaries are usually longer and in-depth pieces on a current issue, while Op-Eds are generally a shorter contribution to an ongoing debate. In 2013, experts and staff members of the Institute saw their pieces published in amongst others The Diplomat, The New York Times, Asia Times, China Report, China US Focus, The Irrawaddy, the Jerusalem Post, Foreign Affairs, Asia Times Online, NRK Ytring and The National Interest.

For a full list, please go to <http://www.isdp.eu/publications/commentaries-a-op-eds.html> or <http://www.isdp.eu/publications/journal-articles.html>

Periodicals



Turkey Analyst

The Turkey Analyst is a publication of the Central Asia-Caucasus Institute & Silk Road Studies Joint Center, and is designed to bring authoritative analysis and news on the rapidly developing domestic and foreign policy issues in Turkey. It is published weekly, and includes a topical analysis, as well as translations and summaries of selected Turkish news reports. Its Managing Editor is Halil M. Karaveli.

For more information please visit: www.turkeyanalyst.org

Central Asia Caucasus Analyst

The Central Asia-Caucasus Analyst is an English-language global web journal devoted to the analysis of current issues facing the Central Asia-Caucasus region. It serves to link the business, governmental, journalistic and scholarly communities and is the global voice of the Central Asia-Caucasus Institute and the Silk Road Studies Program. Established in 1999, the Central Asia-Caucasus Analyst has established itself among the world's most authoritative sources of analysis and information on the region. The Central Asia-Caucasus Analyst is published on a fortnightly basis. Its Editor is Svante E. Cornell, with Niklas Nilsson serving as Associate Editor.

The Central Asia-Caucasus Analyst is freely available at: <http://www.cacianalyst.org>.

Financial Summary

The total revenue for 2013 amounted to 15 279 506 SEK. Throughout the year, ISDP focused on diversifying its fund-raising, partly through the employment of a new fundraiser. This is a long-term investment, which hopefully will bring a significant outcome during 2014.

Compared with previous years, the total costs have increased by almost 3 000 000 SEK, mainly due to this year's need for consultants. The new EU-funded Project in Myanmar has had consultancy costs of 1 800 000 SEK and the Georgia Project, funded by the Swedish Institute, has had consultancy costs of 190 000 SEK. The Institute's personnel costs have increased by approximately 650 000 SEK, as a result of the recruitment of an editor, a fundraiser and a Head of the Asia Program. There has also been two larger investments over the year; a new website for the Silk Road Studies Program and new computer servers.

Operations in 2013 ended up with a deficit of 1 178 579 SEK, for which there are primarily two reasons. The first reason lies in the fact that two of ISDP's multiannual projects which ended this year weren't accrued in 2011. The second reason is that ISDP had a much lower turnover than expected.

During 2013, the Institute has focused on improving its financial control and therefore introduced several new internal routines. This has led to better communication between the Institute's Project Managers, Financial Officer and Director and is also the reason why all projects, except the two multiannual projects mentioned above, stayed within their budgets.

Five Year Financial Overview

Below is an overview of the income and expenses over the past five years.

YEAR	2009	2010	2011	2012	2013
Income*	17 640 684	16 662 635	13 677 830	13 737 273	15 279 506
Expenses**	17 722 313	16 687 171	13 729 700	13 525 347	16 458 085
Reported Result	-81,629	-24,536	-51,870	211 926	-1 178 579

*Incoming Resources include Revenue, Government Grant and Other Grants

**Resources Expended include Result (EBIT), Financial Revenue and costs, Appropriations and Tax

Income Statement

	2013	2012
INCOME		
Revenue	63 932	1 079 558
Government grants	15 215 574	9 972 000
Other grants		2 685 715
TOTAL INCOME	15 279 506	13 737 273
COSTS	2013	2012
Personnel costs	8 027 487	7 385 567
Honorariums and Consultancy fees	2 937 212	738 888
Office Equipment	92 984	181 709
Office Premises	1 513 074	1 566 435
Computers and Supplies	218 895	319 491
Service and support	330 034	260 761
Telephone and Mobile phone solutions	207 820	260 532
Conferences	1 108 859	484 665
Representation	137 448	193 744
Guest Researchers	273 783	282 912
Publishing and Literature	179 561	165 651
Transportation	990 118	1 222 010
Hotel	302 766	334 644
Per Diem	44 703	80 699
Other costs (including bank fees)	90 437	32 821
TOTAL COSTS	16 455 181	13 510 529
RESULT (EBITDA)		226 744
Depreciation	0	0
RESULT (EBIT)		226 744
Interest, Interest costs etc.	-2904	-14 818
Appropriations	0	0
Tax	0	0
NET RESULT	-1 178 579	211 926

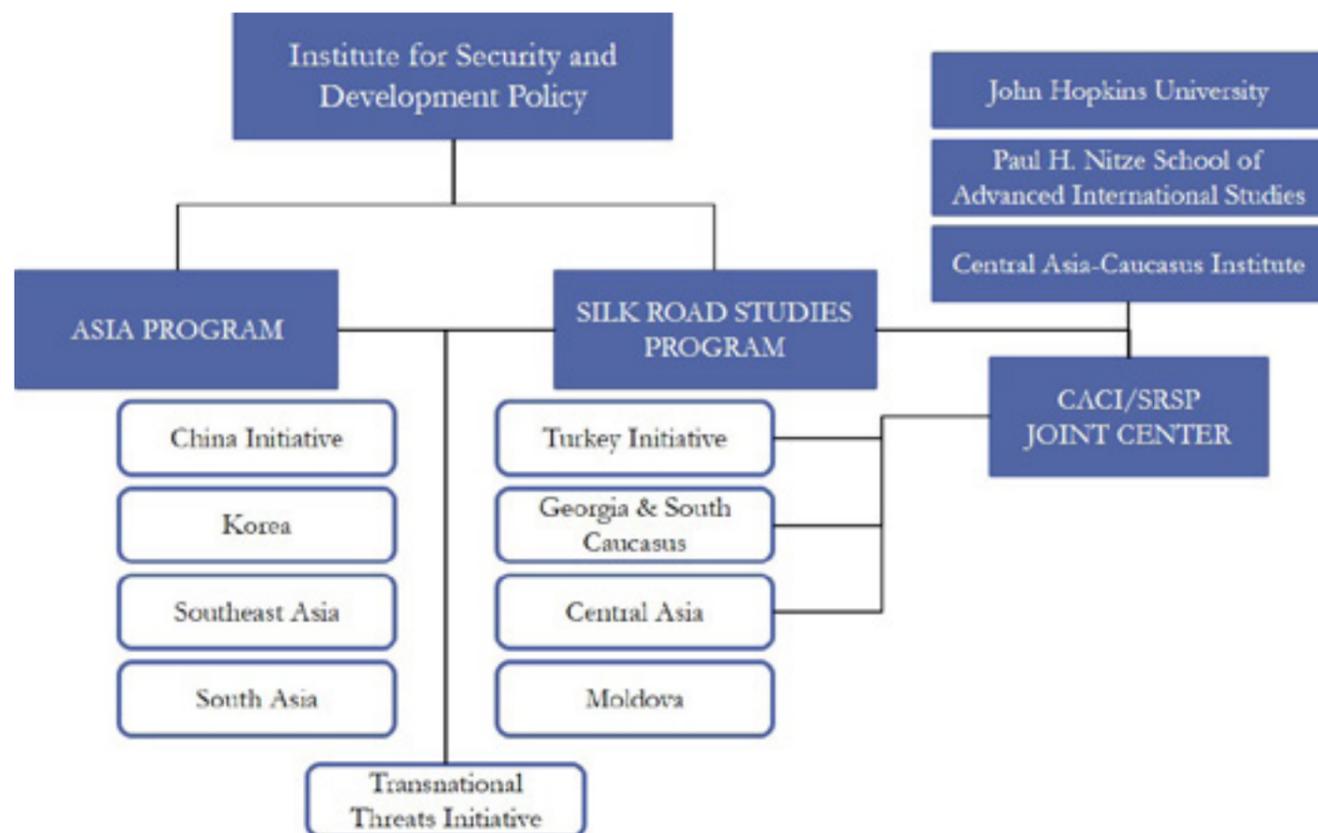
Balance sheet

	2013-12-31	2012-12-31
ASSETS		
<i>Fixed assets</i>		
Inventories	0,00	0,00
Total fixed assets	0,00	0,00
<i>Current assets</i>		
Account receivables	308 792	474 456
Other receivables	122 257	98 383
Prepaid expenses and accrued income	530 409	508 043
Liquid assets	1 477 522	3 900 376
Total current assets	2 438 980	4 981 258
TOTAL ASSETS	2 438 980	4 981 258
LIABILITIES AND EQUITY		
<i>Current Liabilities</i>		
Account Payables	467 590	140 629
Other liabilities	558 353	645 955
Accrued expenses and prepaid income	2 591 280	4 194 338
Total current liabilities	3 617 223	4 980 921
<i>Equity</i>		
Equity	-1 178 243	336
Total Equity		336
Untaxed reserves	0,00	0,00
Total untaxed reserves	0,00	0,00
TOTAL LIABILITIES AND EQUITY	2 438 980	4 981 258

Financial Summary – Joint Center

Through its Silk Road Studies Program, ISDP runs a Joint Transatlantic Research and Policy Center with Central-Asia Caucasus Institute at Johns Hopkins University's School of Advanced International Studies (SAIS). Even though ISDP and SAIS are two separate legal entities, our work is closely integrated in its joint center and it's therefore relevant to highlight our joined income. The joint center has an estimated revenue of 4 600 000 SEK. Together with ISDP's revenue on 15 279 506 SEK the total income amounts to 19 879 406 SEK. Out of that, approximately 50 percent was raised from the Swedish foreign ministry.

Organogram



Sponsors

Core Sponsor

Swedish Ministry for Foreign Affairs

Project Sponsors

British Embassy Beijing

Center for Strategic Studies

European Union –MIG

Embassy of South Korea in Stockholm

Embassy of Israel in Stockholm, Sweden

Higher Education Commission Pakistan

Paul H. Nitze School of Advanced International Studies (SAIS)

Swedish Institute (Svenska Institutet)

Swedish International Development Cooperation Center (SIDA)

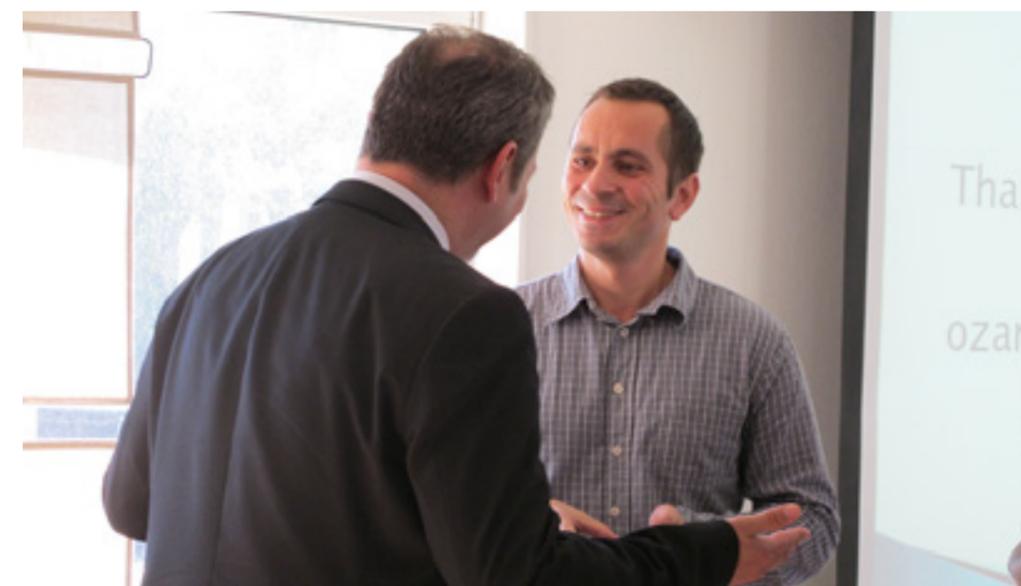
Swedish National Institute of Public Health (Statens Folkhälsoinstitut)

Swedish Ministry for Foreign Affairs – Department of Eastern Europe and Central Asia (UD EC)

New Research Cooperation

Ewha Institute of Unification Studies, South Korea

Mekong Development Research Institute Vietnam



Recruitments

Dr. Ramses Amer joined ISDP as an Associate Fellow. Dr. Amer is Associate Professor in Peace and Conflict Research at Uppsala University. His main areas of expertise are regional collaboration, security issues, and conflict resolution in East- and Southeast Asia, as well as the role of the United Nations in the international system.

Mr. Bernt Berger joined ISDP as a Research Fellow and the Head of Asia Program. Mr. Berger has almost two decades of work and study experience in China, including hands-on work in political development. He has combined his work on China with his expertise in security studies and East and Southeast Asia. During his work at SWP in Berlin he intensively engaged in policy advice among Ministries, Parliament and the Government. His recent work involves China's foreign and security policy in their neighboring countries, including Burma, Pakistan, India, Afghanistan and Central Asia. Furthermore he has focused on regional security in East Asia, EU-China relations and developments inside China.

Ms. Lisa Bäckman joined ISDP as Outreach Coordinator. Ms. Backman has studied Media and Communication with an International Perspective and English in Stockholm and Shanghai. She has also studied Web Design and Web Publishing. Her main interests include Social Media Marketing and Public Relations.

Mr. Alec Forss rejoined ISDP as Editor/Publications Manager. He holds an M.A. from the Department for Peace and Conflict Research at Uppsala University. Having lived in Kyrgyzstan, he has a particular interest in Central Asian society and culture, as well as writes about environmental and development-related issues. He has written for a number of publications including the Oxford International Encyclopedia of Peace, Transitions Online, and the World Security Network.

Ms. Maud Kahn joined ISDP as Office Manager. Ms Kahn has many years' experience working in finance and administration. She has previously worked for an accounting firm with a variety of clients delivering comprehensive services in finance, accounting and administration. Her education includes office administration, accounting and taxation. Prior to joining ISDP, she also worked under contract of the Swedish Armed Forces for a United Nations Peacekeeping operation.

Ms. Aïssata Maïga joined ISDP as a Project Coordinator for the Transnational Threat Initiative. Ms. Maïga holds a Master's degree in Economics and Languages from the University of Lyon III, France, and a Master's in Business Administration from the University of Poitiers, France. She has over eight years of experience working with international cooperation and global security, both in the non-profit and corporate sectors. Ms. Maïga has a keen interest in security affairs, languages, and gender issues.

Ms. Sophie Butcher joined ISDP as Fundraiser. Ms. Butcher holds a Masters of Development Studies from Uppsala University, Sweden and a Bachelor of Economics and Social Sciences from the University of Sydney, Australia. During her Bachelor degree she also studied at Helsinki University, Finland.

Upper row, from the left: Sophie Butcher, Maud Kaun, Aïssata Maïga

Lower row, from the left: Ramses Amer, Bernt Berger, Lisa Bäckman, Alec Forss



Interns

Each semester ISDP accepts four to eight interns to assist in the work of ISDP and with the aim of cultivating important contacts with young talented researchers within the field of security and development. The ISDP internship program offers the interns work experience in an international environment, encourages them to write and publish policy briefs with staff members, and shoulder progressive responsibilities within the organization. During 2013 the following individuals enrolled on the internship program:

Silk Road Studies Program

- **Mr. Bakhtiyar Aslanov** is Rotary Peace Fellow (2012-2014) and holds a Master's degree in International Relations, with a specialization in Peace and Conflict Studies at Uppsala University. He holds a Bachelor's degree in International Relations from Khazar University in Azerbaijan. His main area of interest is conflicts in post-Soviet countries.
- **Ms. Evelyne De Boeck** holds a Master's degree in International Relations and a Bachelor's degree in History from the University of Ghent, Belgium. During her Bachelor's she also studied in Sevilla, Spain. The internship is the final part of her Master's education in Political Science at Stockholm University. Her main field of interest and expertise is non-state actors, particularly in the field of environmental governance.
- **Ms. Carolin Funke** has a Master of Arts in European Union Studies from Leiden University and a Master of Science in International Relations and Diplomacy from Antwerp University. Her main research interests include democracy promotion, diplomacy, conflict prevention and European integration, with a regional focus on the South Caucasus.

Asia Program

- **Mr. Joel Ankar** holds a LL.M. degree from Stockholm University with a specialization in European Integration Law and International Business Law. During his Masters degree he also studied at Chulalongkorn University, Thailand. His interests include free trade, labor law, public international law and international security.
- **Mr. Stefan Döring** has a Bachelor's degree in Political Science and American Studies from the University of Rostock and the University of Helsinki. Currently, he is finishing the Master's program in Peace and Conflict Studies at Uppsala University. His research interests include post-war power sharing, resources in conflict, and post-war election processes.
- **Mr. András Megyeri** holds a Master's degree in International Political and Economic Studies from Charles University in Prague, Czech Republic, as well as a Bachelor's degree in International Relations from Corvinus University of Budapest, Hungary. During his Master program he also studied at Sogang University in Seoul, South Korea. His main interests are security issues on the Korean Peninsula and maritime security in the Asia Pacific region.
- **Ms. Claudia Rives Casanova** holds a Bachelor's degree with a specialization in Arabic and English Translation and Interpreting, and a Master's degree in International Relations, Security and Development from the Autonomous University of Barcelona, Spain. For her Bachelor's degree, Claudia studied at Southampton University in the UK and at Saint Joseph University of Beirut, Lebanon. Her interests include international security and conflict resolution. At ISDP, Claudia Rives Casanova worked for the Asia Program and the Publications Department.
- **Ms. Silvia Pastorelli** holds a Master degree in European Governance from the University of Kent and a Bachelor degree in International and Diplomatic Sciences from Trieste University. During her Master degree she also studied at King's College London and focused her studies on energy, environment and development related issues.
- **Mr. Terence Song** is a PhD candidate at Renmin University, China, majoring in International Relations. He earned his Master's degree in International Politics from the same university. He has also studied at the Free University of Berlin where he received a Master's degree in International Law. His main academic interest focuses on global governance and international political economy.
- **Mr. Jense Wiersma** holds a Bachelor's degree in International Relations and International Organization from the University of Groningen (the Netherlands) and is currently finishing his Master's degree in the same subject. During his studies he mainly focused on global governance, human rights, and conflict resolution. Related interests are whistle-blowing and anti-corruption efforts.
- **Mr. Olle Åström** started his internship at ISDP in August 2013. During his five years in the Swedish Armed Forces he completed a six-month mission to Afghanistan. Currently he is pursuing a Bachelor's degree in Economics at Uppsala University. Mr. Åström's fields of interest are Swedish involvement in developing countries, international trade, and trade policy.

Institute For Security and Development Policy

Västra Finnbodavägen 2
SE – 131 30 Nacka
Sweden

Tel: +46 – 8 410 569 60

Fax: +46 – 8 640 33 70

info@isdp.eu

www.isdp.eu

www.silkroadstudies.org



Institute for Security &
Development Policy