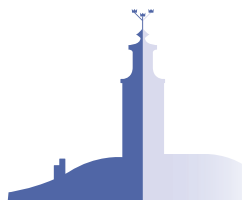




ANNUAL REPORT

2014

INSTITUTE FOR SECURITY
AND DEVELOPMENT POLICY



Institute for Security &
Development Policy

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Dear friends and colleagues,

In 2014, ISDP continued working towards its core mission of contributing to peace, security and stability in its focus regions and to expand understanding of international affairs. In order to strengthen the organization and its research activities, the Institute recruited key new associates. The Institute hosted a significant number of guest researchers, visiting scholars and delegations, who with their knowledge and expertise contributed to ongoing policy debate both in Sweden and internationally, and conducted a range of activities, both in Stockholm and in the Institute's focus countries.

The Asia Program maintains a strong focus on China, Myanmar and the Korean Peninsula. The Myanmar Project will be of increasingly large focus in the year to come, thanks to increased funding from the European Union. The program as a whole has continued working towards its mission of bridging the gap between academia and policy and to provide timely information, analysis and recommendations to the international policy community. Additionally, the Sino-Nordic Arctic Policy Program (SNAPP) was initiated in the spring of 2014 and will be headed by Professor Michael Goodsite. In the fall of 2014, the Asia Program initiated an organizational cooperation with Sichuan University, China.

The Silk Road Studies Program maintained the focus of its activities on Eastern Europe and the Black Sea Region. The program monitored the changing political realities in the Caucasus, Central Asia, Turkey and their surrounding regions and will continue to closely observe and assess local developments and their implications with the ambition to remain at the forefront of analysis on international affairs. The program's analyses have been published in leading analytical outlets in international affairs around the world, where they have been highly sought after and widely read.

The Transnational Threat Initiative continued to monitor organized crime in the Baltic Sea Region, and finalized the first stage of a project examining linkages between drug production and environmental damages, funded by the Public Health Agency of Sweden. The project culminated in the publishing of a brochure aimed to educate the general public, with focus on people between 16-20 years of age, educators and parents.

ISDP greatly appreciates its partnerships in Sweden and around the world, and the support we received in 2014. 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 2014*

ISDP Board

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Senior Fellow, ISDP

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Board Member
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Sciences

Directors

Niklas Swanström

Niklas L.P. Swanström is the Executive Director and 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.

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.

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 and Former founding Director of the Swedish Foundation for the Internationalization of Higher Education and Research. The other members of the board include Gunnar Hökmark, member of the European Parliament, Per Storm, Managing Director of Kopparberg Mineral AB., Stein Tønnesson, Professor at Uppsala University and the former Director of the Oslo Peace Research Institute and Karlis Neretnieks, Board member of the Royal Swedish Academy of War Sciences and former Rector of the National Defense University.

Auditor

The auditor of ISDP is Elisabeth Raun at Ernst & Young.

ISDP Office

Niklas Swanström is Executive Director and Svante Cornell is Director of the Institute. Malin Almquist is the Chief Financial Officer. Timjan Neander is the Financial Officer.



MISSION

The Institute for Security and Development Policy is a Stockholm-based non-profit and non-partisan research and policy organization. ISDP's mission is to expand understanding of international affairs in its areas of focus, concentrating on the inter-relationship between security, conflict and development, and to work to further security and development through analytical work as well as practical activities to promote dialogue.

Since 2007, the Institute has worked towards its goal of providing independent analysis to policy makers and the analytical community on questions regarding security, conflict, and development. The Institute functions as a focal point for academic, policy, and public discussion of its focus areas through applied research, publications, research cooperation, public lectures, and seminars. ISDP strives to work closely with governments and independent organizations located in the regions of study and to pursue extensive collaborative projects, such as through exchanges of researchers and the organizing of joint conferences.

“ISDP holds firm to the conviction that an understanding of international affairs requires a deep and comprehensive knowledge of the culture and history of regions and countries under study, and continuous interaction with a broad cross-section of these societies”

ISDP's work aims at providing strategic analysis and practical solutions to assist decision-makers in both public and private sectors to achieve their goals. ISDP holds firm to the conviction that an understanding of international affairs requires a deep and comprehensive knowledge of the culture and history of regions and countries under study, and continuous interaction with a broad cross-section of these societies. ISDP seeks to achieve its aims through the publication of its research and analysis in formats accessible to a broad audience, as well as through practical steps to promote dialogue.



PROGRAMS AND INITIATIVES

The Institute for Security and Development Policy

ISDP operates through two principal and permanent Programs, the Asia Program and the Silk Road Studies Program, which are the Institute's primary 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 areas 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 Northeast Asia, Southeast Asia and South Asia, with countries of focus including Japan, China, Myanmar and the Korean Peninsula to mention but a few. Within the Silk Road Program there are projects focusing on Georgia and the South Caucasus, Turkey, and Central Asia. ISDP's main office is situated in Stockholm, but ISDP also has local staff in Washington, Beijing, Yangon and Tbilisi.

Stockholm

⋮

Washington

⋮

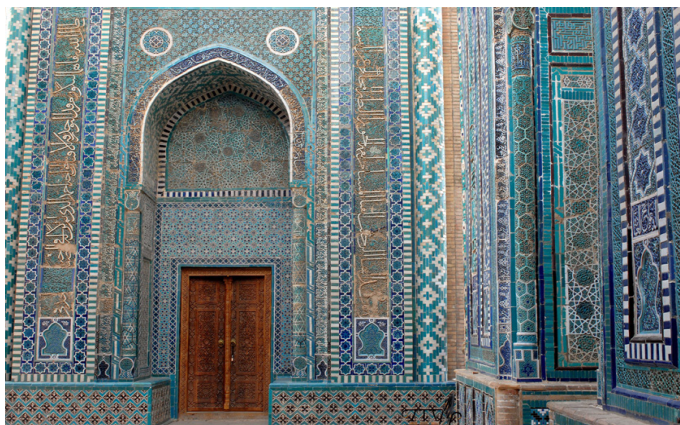
Yangon

⋮

Tbilisi

⋮

Beijing



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 main activities and research focus 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 sixteenth year of publication, and has over 24 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. The Turkey Analyst provided continued coverage of Turkey's contentious domestic politics, especially the growing rift within the Islamic conservative movement, as well as the country's efforts to manage its relationship with the Middle East.

Asia Program

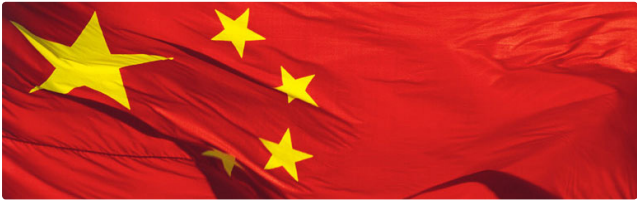
The Asia Program conducts research designed to guide and inform about the current issues of various conflicts, complex security and development challenges in the Asian region focusing on Northeast, Southeast and South Asia. As such, it carries out policy-oriented and practical research as well as confidence building exercises.

“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”.

The main objectives are not only to be a bridge between academia and policy but also to provide strategic insights and policy recommendations to decision-makers in governments, international institutions and the private sector through five main channels: Impartial research; publications and newsletters; workshops and conferences; teaching and training; and formal and informal discussions. The program has local offices in Yangon, Myanmar and Beijing, China. In 2014, the Asia Program initiated the project Sino-Nordic Arctic Policy Program (SNAPP) headed by Professor Goodsite, as well as an institutional cooperation with Sichuan University.



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 China Initiative brings together the best analytical and policy expertise available to produce useful policy and operational recommendations.

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

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 investments into the legal economy. This has a serious impact on society and leads to the growth of corruption and public mistrust in political actors. ISDP has, over several years, built up a network of researchers and representatives of law enforcement agencies.

“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 completed in close cooperation with academics, practitioners, and policy-makers in the field. The results of the Initiative are then disseminated to the public in reports, articles, and open seminars. In 2014, the Transnational Threat Initiative completed a project on the worldwide environmental damages linked to drug production.

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, the results of which are 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 and society at large. The Turkey Initiative’s main experts also work closely with the Bipartisan Policy Center in Washington DC, on the framework of its Task Force on U.S.-Turkish Relations.

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 the research and 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, Focus Asia Series, or the Silk Road Paper series. All guest researchers participate in a training program at ISDP on writing skills and research methodology as well as European norms and values.

Additionally, all guest researchers are offered a number of courses in crisis management, dialogue techniques, security studies, gender in conflict, energy security, or other topics upon request of the researchers themselves. By continuing to tie experts and distinguished researchers to its various endeavors, ISDP maintains its expertise on contemporary security issues.

Guest Researchers 2013

China

Ms. LI Yan - CICIR

Researched New Trends of Internet Governance Reform and China's Role in the Future

Colonel LENG Feng– AMS

Researched the Transformation of PLA Military Training under Conditions of Informationization

Lieutenant Colonel SHI Qingren– AMS

Researched China's Military Reform: Prospects and Challenges

Senior Colonel Dr. WANG Shumei - AMS

Researched Military Recruitment of College Students in China

Colonel WU Xin – AMS

Researched PLA's Participation in International and Regional Security Affairs since 1978

Dr. DAI Yonghong – Sichuan University

Researched Competing and Cooperation Games Among China, US and India in Myanmar and China's Strategic Options

Myanmar

Mr. Kyaw SAW HAN – MDRI

Researched Burmese Transition to Democracy: Progress and Challenge

Mr. Tun KO KO – MDRI

Researched the National Reconciliation Process and Constitutional Amendment Obstacles

Ms. Khaing SAPE SAW – MDRI

Researched the Analysis of Good Governance Functions for the Economic Development of Myanmar

Ms. Hla YIN WIN – MDRI

Researched Corporate Social Responsibilities in Myanmar, China and Western Countries and Their Impact to Sustainable Development

Italy

Dr. Ernesto GALLO – University of Turin

Researched the Eurasian Union and the Silk Road Economic Belt

Republic of Korea

Dr. Chang-kwoun PARK – KIDA

Researched a Roadmap for North Korea's Denuclearization

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.



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. In 2014, ISDP co-hosted the ISDP-AMS Annual International Conference, as well as the conference *Drugs – an Environmental Disaster*.

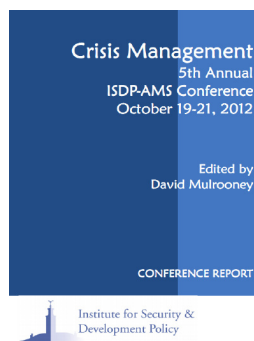
The 7th Annual ISDP-AMS Annual International Conference

ISDP and the Academy of Military Science (AMS) hosted its first joint international conference in 2008. The conference series 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 Stockholm on December 10-11 and focused on Military Operations Overseas in Peacetime. The conference was the seventh of its kind and brought together policy makers and experts from academic, military and government sectors, who discussed issues such as Counter-Piracy Operations, Non-Combatant Evacuation Operations, Peacekeeping Operations and Disaster Relief Operations.

Security and Development in Afghanistan after 2014, 6th Annual ISDP-AMS Conference

The conference report from the 6th Annual ISDP-AMS Conference is freely available on www.isdp.eu



Drugs - An Environmental Disaster

ISDP, together with Kunskapskällar'n in the City of Gothenburg, arranged a conference entitled "Drugs – An Environmental Disaster" in Gothenburg on November 12, 2014. The conference brought together experts on the topic of the environmental impact of drug production with the aim of informing the general public as well as educators on the environmental damages associated with drug production. Information gained from this conference helped ISDP in the writing of the educational booklet (see below), which is aimed at educators, individuals between 16-20 years of age and their parents.

Knark - En Miljökatastrof

The educational booklet "Knark - En Miljökatastrof" is freely available on www.isdp.eu



Forums and Events

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 hosted over 20 forums. Guest speakers included leading policy-makers, academics, specialists, and in-house experts. Below is a selection of forums during 2014.



Ms. Gunilla Carlsson during her Forum **“Peace and Stability in the Post-2015 Development Agenda”**.



Mr. Urban Ahlin addressing the audience during the ISDP Forum **“The Ukraine Crisis and Regional Stability”**. The panel also included Major General Karlis Neretnieks, and Dr. Carolina Vendil Pallin.



Ambassador Seiji Morimoto giving a presentation on the topic of **“The Security Situation in Asia and Japan’s Position”**.



Mr. Roger Svensson, Mr. James Sherr, Dr. Svante E. Cornell & Dr. Johan Engvall during the Book Launch for **“Putin’s Grand Strategy: The Eurasian Union and Its Discontents”**.

For a full list of ISDP’s past and upcoming events, please visit www.isdp.eu/events

Trainings and Workshops

ISDP has a long tradition of holding capacity building and trainings. By providing methodology in issue areas such as crisis management, conflict prevention, and mediation to members of the security sector, civil society and organizations representing ethnic minorities, ISDP aims to enhance their knowledge and competence, create tools for crisis management, encourage them to develop active and dialogue-oriented strategies and increase understanding of international norms and standards.

ISDP, together with local partners, held over thirty trainings in Myanmar during 2014. As ISDP works on the concept of “training trainers”, the number of people trained grows exponentially over time and now exceeds 1000. Pictured are participants brainstorming “What does peace mean?” at a Peace Education Training in Mandalay, September 6, 2014.



Roundtable Discussions

Each year, ISDP organizes and co-organizes a number of roundtable meetings and seminars around the world. These events serve to enhance information exchange on issues related to the Institute’s focus areas. Below are a selection of events in 2014.

Pictured: Participants at the ISDP Roundtable “China - Europe Expert Dialogue - The Future of Iran Relations: Reconciliation, Negotiation, Cooperation” which took place in Berlin on November 3, 2014. .

Furthermore, ISDP and the Myanmar Institute for Strategic International Studies (MISIS) held a Roundtable Meeting on regional security and development issues in both Myanmar and the Asian Region more broadly on the 22nd of September. ISDP and the China Strategic Culture Promotion Association (CSCPA) also ran a joint seminar in Beijing on Saturday, 29th of March.



Research Trips

In line with the Institute’s core focus on area studies, its analysts conduct a number of research trips to its focus regions each year. These trips ensure ISDP analysts are updated on the current political situation in the Institute’s focus countries, as well as serve to deepen the Institute’s local networks and organizational cooperation.

In 2014, ISDP conducted visits to all its major focus countries, including China, the Democratic People’s Republic of Korea (DPRK), Georgia, Japan, Myanmar, the Republic of Korea (ROK) and Turkey. During these visits, a selection of activities included a presentation by Dr. Niklas Swanström on the recent Chinese military reform at the National Defense Academy of Japan and the Tokyo Foundation; a presentation by Mr. Bernt Berger on Regional Security Trends in East Asia and the Consequences for Small States at the Myanmar Development Resource Institute as well as several presentations by Svante Cornell on the role of Turkey, in countries such as the U.S. and Israel.

For the full list of ISDP’s activities during 2014 please visit www.isdp.eu/news.

High-Level Delegation Meetings

In 2014, ISDP arranged and participated in numerous high-level delegation meetings, lectures and presentations; hosted roundtable discussions and undertook various research trips. All these activities are a part of ISDP's regular work and are undertaken under the different programs and initiatives.

Among other events, ISDP hosted a roundtable with U.S. government officials, Swedish MFA and Swedish think tank representatives on the issues of DPRK denuclearization, Six-party Talks and the domestic situation in North Korea on February 26th. Furthermore, ISDP Director Dr. Niklas Swanström and Myanmar Country Manager, Sophie Butcher met with the Deputy Commander-in-Chief of the Myanmar Defence Services, Vice-Senior General Soe Win, and other senior ranking officials from the Myanmar Defence Services on the 23rd of September.

ISDP also welcomed delegations from amongst others the Pakistani National University of Science & Technology (NUST), led by Major General (retired) Ali Baz, Principal of the NUST Institute of Peace & Conflict Studies (NIPCONS); a delegation from the Section for Global Security and Disarmament of the Norwegian Foreign Ministry led by Mr. Sten Arne Rosnes, Deputy Director; and a delegation from the People's Liberation Army, Department for Strategic Planning led by Major General Zhang Ming. The delegations were met by ISDP Directors, Board Members and Senior Staff.



Lectures and Presentations

Each year ISDP's experts are asked to hold presentations at conferences, seminars, forums, and meetings around the world. This year, they held over 20 presentations on topics of their expertise in countries such as China, South Korea, North Korea, Japan, Vietnam, Thailand, the United States, New Zealand, Sweden, Germany, Belgium, Latvia and Poland.

The Asia Program has held lectures and presentations on a wide range of subjects world-wide. To name but a few examples, Mr. Bernt Berger, Head of the Asia Program, attended the Council for Security Cooperation in the Asia Pacific-EU's (CSCAP-EU) workshop on Northeast Asia's Maritime disputes in Brussels where he gave a presentation on a panel about External Sources of Tension in Northeast Asia: the Island Disputes. Dr. Niklas Swanström, Director of ISDP, participated in the Korea Political Science Association (KPSA) International Conference "New Approaches on the Korean Peninsula: Theories and Strategy" in Seoul, South Korea where he spoke on a panel entitled "The North Korea Problem and International Cooperation", on the topic of "European Engagement to North Korea".

The Silk Road Studies Program has likewise participated in discussions and given presentations in different countries. Svante Cornell, Director of ISDP and Research Director of the Central Asia-Caucasus Institute & Silk Road Studies Program, was a featured speaker at the Azerbaijan Diplomatic Academy on the implications of the Ukraine crisis for the region; he also spoke on the Caucasus at the yearly convention of the America-Israel Public Affairs Committee, and conducted a presentation on developments in Eurasia for the Board of TeliaSonera, inc.

The Transnational Threat Initiative also held presentations on a variety of topics. Mr. Walter Kegö, Senior Fellow with the Initiative, participated in the conference "The Baltic States in the European Union: Ten years as Member States" held at the Latvian Academy of Sciences, where he gave a presentation entitled "Security of Baltic States in the European Union: Criminology".

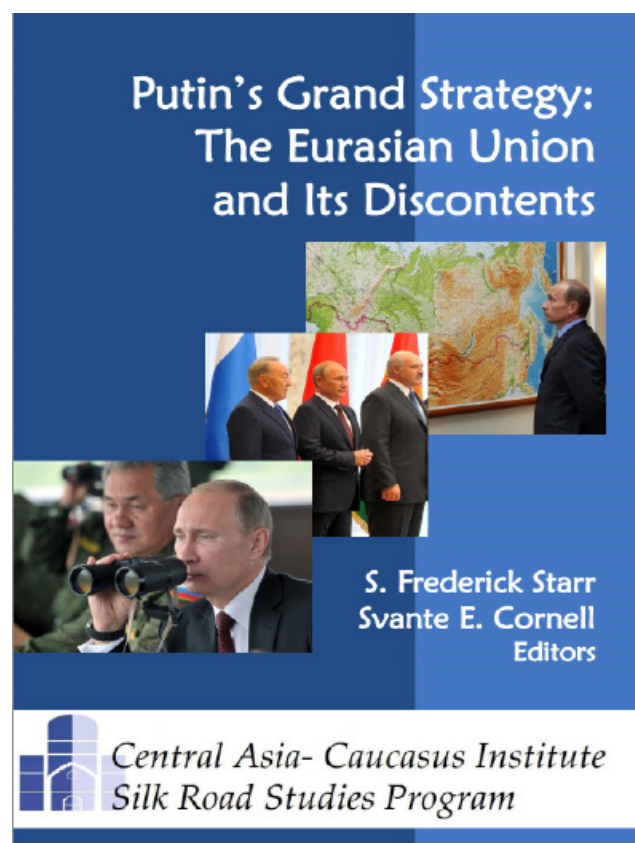
PUBLICATIONS

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 these series per year and further publishes a policy brief every fortnight on current topics and events. The Asia Program also publishes the paper series 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

Putin's Grand Strategy: The Eurasian Union and Its Discontents

During the past year ISDP and its partner Institute, the Central Asia-Caucasus Institute at Johns Hopkins University-SAIS assembled a group of leading American and European experts to produce the first book-length study of Russian President Vladimir Putin's effort to create a Eurasian Union. The book indicates the ideological origins and character of this project; focusing not only on Putin's strategic objectives but the tactics he employs to achieve them. The volume stresses the high degree of coordination that has been achieved among sectors of the Russian state that are accustomed to function as sovereign bureaucracies. Subsequent chapters analyze the response of eleven post-Soviet states to Putin's initiative, as well as the attitudes towards it of China, Europe and the United States. The book suggests that the project, if successful, would jeopardize the gains of two decades of independence in countries ranging from Moldova to Tajikistan, but also traces the processes by which those potentially affected have already worked to limit, dilute, and even undermine it even before it comes into being.



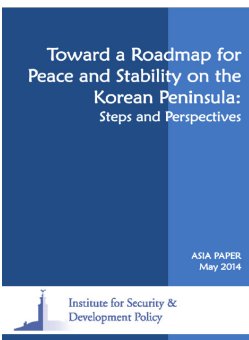
ISDP Papers Series

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 2014 produced several reports on various topics, including:

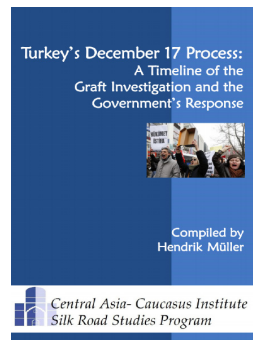


Toward a Roadmap for Peace and Stability on the Korean Peninsula: Steps and Perspectives

This paper attempts to illustrate steps and perspectives of a process that could go beyond the present gridlock between the key parties that have a stake in the current conflict situation on the Korean Peninsula.

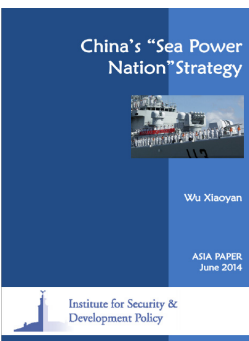
Silk Road Papers

The Silk Road Paper series published papers on a range of topics in 2014, including



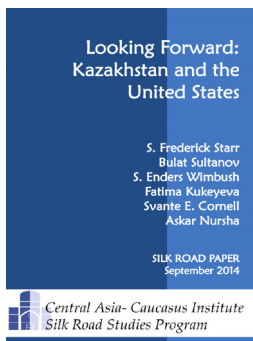
Turkey's December 17 Process: A Timeline of the Graft Investigation and the Government's Response

In this paper, Hendrik Müller outline the events following the arrest wave in Turkey on December 17, 2013, a date that has become a watershed moment, in Turkish politics.



China's "Sea Power Nation" Strategy

China is aspiring to build a "sea power" nation, as was announced at the 18th Party Congress of the Chinese Communist Party. In this Asia Paper, Wu Xiaoyan unpacks the concept and features of China's sea power strategy and examines the determining factors behind it.



Looking Forward: Kazakhstan and the United States

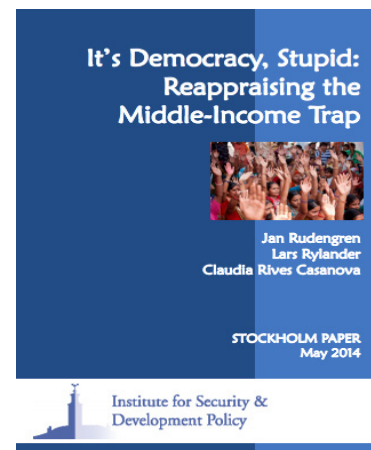
The major finding of this report is that the strategic objectives of the Republic of Kazakhstan and of the United States today are mutually compatible and even mutually reinforcing. Therefore, this paper argues that, to the greatest extent possible, both sides focus their energies with respect to the other on advancing these commonalities.

Stockholm Papers

The Stockholm Paper series published the following report in 2014:

It's Democracy, Stupid: Reappraising the Middle-Income Trap

The causes and reasons for countries' economic growth and development have long been a challenging subject for research and debate. While many countries experience high growth when they are low-income countries, once they become middle-income countries rapid growth is often followed by economic stagnation, with the potential for increasing social unrest as a result. The authors argue that this can be explained by the quality of a country's institutions.



Policy Briefs

ISDP publishes Policy Briefs every fortnight on current and hot topics. Below are two examples of the topics covered by the Policy Brief series during 2014; for the full list please visit ISDP's website at: www.isdp.eu/policy-briefs.

[Desecuritizing the Kurdish Question and Emerging Regional Dynamics](#)

POLICY BRIEF, No. 145

By **Ozan Serdaroglu**

Could greater involvement of the PYD and KDP in Turkey's domestic Kurdish question force both the AKP and the PKK to adopt new attitude?

[The Limits of Russia's "Pivot to Asia"](#)

POLICY BRIEF, No. 166

By **Bernt Berger**

Forging closer economic and strategic ties with East Asia constitutes a rebalancing act in Moscow's attempts to diversify its markets and counter its increased isolation in the wake of the Ukraine crisis. But looking East to China and other countries is hampered by major obstacles that preclude the prospect of a fundamental pivot away from Europe.

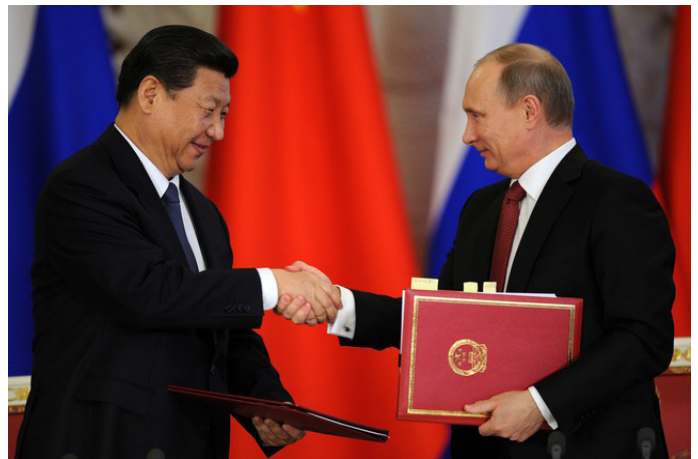
Expert Interview Series

In 2014, ISDP started a new Expert Interview series. The format involves posing five questions to an expert on a topical subject concerning Asian affairs. This allows for more "flexible" and timely answers and analysis compared to the more rigid structure of a policy brief. The format is also more accessible and attractive to a wider readership with interviewees providing answers to specific questions and issues. It also enables ISDP to approach important experts and figures who may not have time to write a longer analytical article or paper. We hope to continue and develop further the series during 2015.



[Testing Times: Abe's Election Gamble - Expert interview with Dr. Lars Vargö](#)

Only two years since the LDP government returned to power, Japan goes to the polls again on December 14 in a snap election as Prime Minister Shinzo Abe seeks to shore up his mandate amid significant economic difficulties and declining support for his policies. Lars Vargö, Distinguished Fellow at ISDP and former Swedish Ambassador to Japan, gives his assessment of the election to the Lower House and some of the determining issues in this expert interview.



[Putin's China Visit: Energy, Security, and the Crimea Factor – Expert Interview with Dr. Niklas Swanström](#)

As Russia's President Vladimir Putin visits China on May 20-21, the focus is on an expected landmark energy deal between the two countries. ISDP's Director Niklas Swanström cautions, however, that the two powers share as many differences as common interests, with China increasingly in the driving seat of the relationship.

The Focus Asia 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.



[From Bullets to Ballots in Muslim Mindanao: The New Challenge of Democratic Politics](#)

FOCUS ASIA, No. 11

Democratic politics is replacing the gun in Muslim Mindanao in the southern Philippines, writes Zachary Abuza. While a new era dawns after more than 40 years of insurgency, the Moro Islamic Liberation Front faces a host of new challenges. previous attempts at rapprochement.



[Slavery and Human Trafficking in the 21st Century](#)

FOCUS ASIA, No. 10

Millions of victims worldwide suffer under conditions of forced labor and sexual exploitation. Sol Torres and Niklas Swanström survey the increasing global phenomenon of human trafficking and modern-day slavery, analysing its impact, and putting focus on the Greater Mekong Subregion - a major epicentre for the trafficking in human beings.

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, in-depth pieces on a current issue, while Op-Eds are generally a shorter contribution to an ongoing debate.

In 2014, ISDP analysts were active in the international debate on questions such as the implications of the war in Ukraine, with Svante Cornell's analyses published in the Wall Street Journal, American Interest, and European Affairs which were widely read and republished by news outlets such as realclearworld.com. A further example is the work of ISDP's Turkey Initiative, including Halil Karaveli's analyses in publications such as the New York Times and Foreign Affairs. Among the latter, perhaps the leading analytical outlet in international affairs, several of Karaveli's analyses remained among the top five most read articles for several days.

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>



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 REVIEW

Financial Summary

Total revenues for 2014 amounted to 13 745 534 SEK which is lower than in 2013. Total costs for the year amounted to 13 696 778 SEK which renders a positive result for ISDP this year. Together with the members of the board, the ISDP management has formulated long-term plans for developing the organization, which have been implemented throughout the year. The deficit from 2013 is to be repaid within a three-year period.

In response to the deficit rendered in 2013, the Institute has in 2014 focused on enhancing the organization's control functions and efficiency while maintaining a high-quality outcome. This has been achieved partly by reducing the need for consultancy services and by to a greater extent keeping key functions in-house. The cost for consultancy services related to accounting has, for example, been reduced from 162 182 SEK in 2013 to 64 031 SEK in 2014.

Partly as an effect of the increase in in-house functions and partly because of a deliberate strategy, personnel costs have increased slightly in comparison to the previous year. Due to the character of the activities that ISDP carries out, its main asset (although intangible) is its personnel. In order to continue being an appealing partner to relevant funders, it is of vital importance that ISDP retains and refines its primary competence and assets.

In order to further reduce costs, office space has been resigned during the year. The cost for rent was in 2013 1 143 124 SEK and only amounted to 1 013 893 SEK this year. The full effect of the savings in office space will show in 2015 and will then amount to 715 164 SEK.

The result for 2014 is 44 756 SEK which is in line with the Institute's three year plan. The focus for 2015 is continued efficiency and control efforts, which along with new projects, will render a stable platform for ISDP to operate from.

Five Year Financial Overview

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

YEAR	2010	2011	2012	2013	2014
Income*	16 662 635	13 677 830	13 737 273	15 279 506	13 741 534
Expenses**	16 687 171	13 729 700	13 525 347	16 458 085	13 696 778
Reported Result	-24,536	-51,870	211 926	-1 178 579	44 756

*Incoming Resources include Revenue, Government Grant and Other Grants

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

Income Statement

INCOME	2014	2013
Revenue	995 991	63 932
Government grants	12 176 315	15 215 574
Other grants	569 228	
TOTAL INCOME	13 741 534	15 279 506
COSTS	2014	2013
Personnel costs	8 278 970	8 027 487
Honorariums and Consultancy fees	666 388	2 937 212
Office Equipment	38 236	92 984
Office Premises	1 373 812	1 513 074
Computers and Supplies	212 123	218 895
Service and support	179 649	330 034
Telephone and Mobile phone solutions	189 037	207 820
Conferences	844 639	1 108 859
Representation	147 696	137 448
Guest Researchers	239 511	273 783
Publishing and Literature	188 134	179 561
Transportation	863 348	990 118
Hotel	280 161	302 766
Per Diem	42 257	44 703
Bad Debt Loss	113 776	
Other costs (including bank fees)	15 466	90 437
TOTAL COSTS	13 673 203	16 455 181
RESULT (EBITDA)	68 331	-1 175 675
Depreciation	-15 709	0
RESULT (EBIT)	52 622	-1 175 675
Interest, Interest costs etc.	3 448	-2904
Appropriations	0	0
Tax	-11 314	0
NET RESULT	44 756	-1 178 579

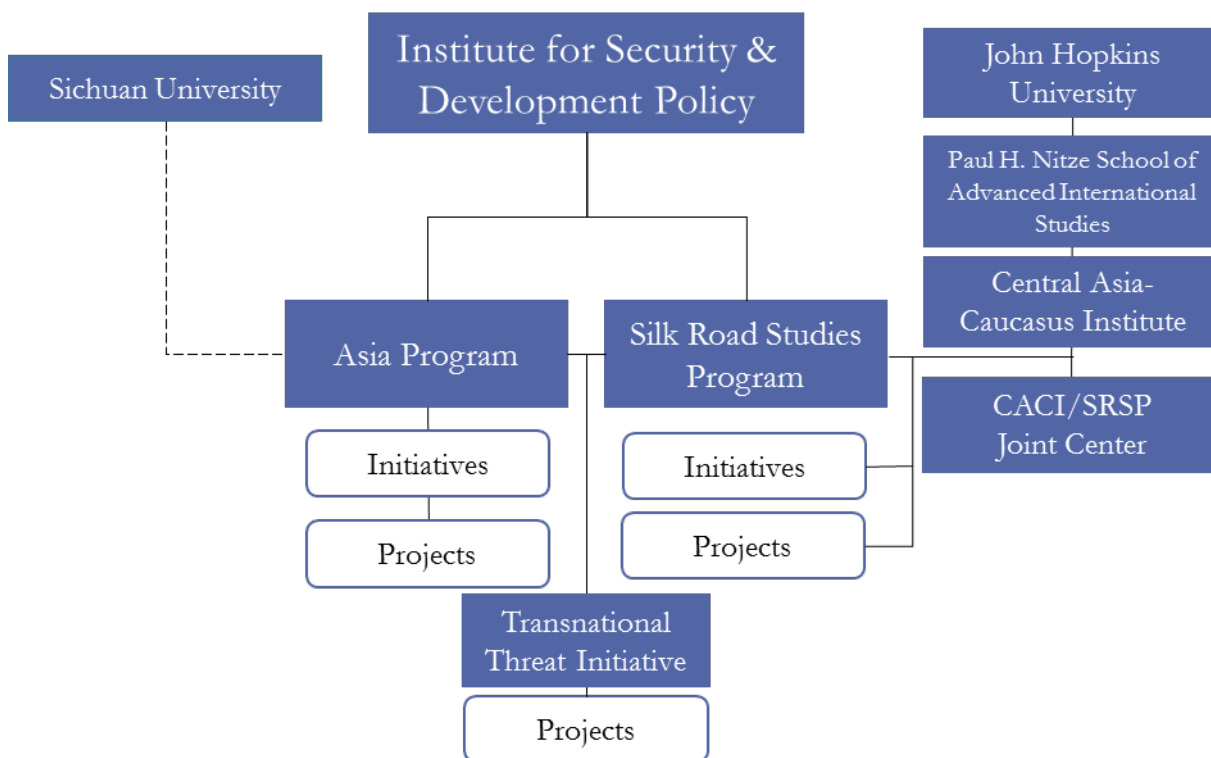
Balance sheet

ASSETS	2014-12-31	2013-12-31
<i>Fixed assets</i>		
Inventories	47 128	0,00
Total fixed assets	47 128	0,00
<i>Current assets</i>		
Account receivables	459 788	308 792
Other receivables	24 478	8 353
Prepaid expenses and accrued income	562 660	530 408
Liquid assets	891 382	1 477 522
Total current assets	1 938 308	2 325 075
TOTAL ASSETS	1 985 436	2 325 075
LIABILITIES AND EQUITY		
<i>Current Liabilities</i>		
Account Payables	466 415	467 590
Other liabilities	834 717	574 458
Accrued expenses and prepaid income	1 817 792	2 461 270
Total current liabilities	3 118 924	3 503 318
<i>Equity</i>		
Equity	-1 133 488	-1 178 243
Total Equity	-1 133 488	-1 178 243
Untaxed reserves	0,00	0,00
Total untaxed reserves	0,00	0,00
TOTAL LIABILITIES AND EQUITY	1 985 436	2 325 075

Financial Summary Joint Center

Through its Silk Road Studies Program, ISDP runs a Joint Transatlantic Research and Policy Center with Central-Asia Caucasus Institute (CACI) 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 4 401 000 SEK. Together with ISDP's revenue on 13 741 534 SEK the total income amounts to 18 142 534 SEK. Out of that, approximately 47 percent was raised from the Swedish foreign ministry.

Organogram



Sponsors

Core Sponsor

Swedish Ministry for Foreign Affairs

Project Sponsors

Foreign & Commonwealth Office - Great Britain

IMG, European Union

Ministry of Foreign Affairs - Israel

Korea Foundation - Republic of Korea

Paul H. Nitze School of Advanced International Studies (SAIS), United States of America

Public Health Agency - Sweden

The Swedish Police in Stockholm - Sweden

Telia Sonera - Sweden

Conference Sponsors

Academy of Military Science - China

Gothenburg Municipality - Sweden

Ministry of Foreign Affairs - Norway

New Research Cooperation

Myanmar Minerva Education Centre - Myanmar

Sichuan University - China

Bipartisan Policy Center -USA

Recruitments

Dr. Rasmus Gjedssø Bertelsen joined ISDP as a Non-Resident Senior Research Fellow with the Sino-Nordic Arctic Policy Program. Dr. Bertelsen is a Danish political scientist and International Relations scholar. He is the inaugural Barents Chair in Politics at the University of Tromsø-The Arctic University of Norway.

Dr. Sandra Cassotta joined ISDP in November 2014 as a Non-Resident Research Fellow with the ISDP's Sino-Nordic Arctic Policy Program (SNAPP). She is currently Assistant Professor in International Environmental Law at the Department of Law at Aarhus University, and teaches Arctic Governance, Climate Change & Energy Law, Environmental Law and EU Law.

Professor Michael Goodsite joined ISDP in May of 2014 as a Non-Resident Senior Research Fellow and Head of ISDP's Sino-Nordic Arctic Policy Program. He is a renowned climate and Arctic expert that frequently advises EU and Nordic initiatives on matters related to climate change and Arctic environment, and is also the Director of the Nordic Center of Excellence for Strategic Adaptation (NCoE NORD-STAR).

Ms. Timjan Neander joined ISDP as Financial Officer. Ms. Neander will during 2015 serve as a substitute for Malin Almquist who is on parental leave during this period. Ms. Neander has studied accounting at Stockholm University. Previously she has also studied at the Europe program at Södertörn University College and psychology at Stockholm University.

Mr. Jingzheng Ren joined ISDP as a non-resident Research Fellow. He is currently working as a PhD researcher at Quality and Environmental Research Centre in the University of Padua

Dr. Lars Vargö joined ISDP in the fall of 2014. Dr. Vargö is former Swedish Ambassador to Japan (2011-14) and South Korea (2006-11).

Interns & Trainees

Each semester ISDP accepts six to eight interns or trainees from all over the world to assist in the work of ISDP, 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 2014 the following individuals enrolled on the internship program:

Ms. Pauline Dupuis

Mr. Jacob Magnusson

Mr. James Smith

Mr. Christopher Daley

Ms. Andreea Milanovici

Ms. Elizabeth Tompkins

Ms. Olga Ekblom

Mr. Hendrik Müller

Ms. Sol Torres

Mr. Martin Essén

Ms. Anna Nielsen

Ms. Kim Veloso

Mr. Jacob Goldberg

Ms. Victoria Pinson

Mr. Jesper Åkesson

Ms. Jeanette Lindberg

Ms. Darshana Rayarikar.

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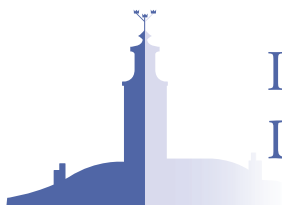
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