



ANNUAL REPORT 2023



Institute for Security & Development Policy

Dear Friends and Colleagues,

We look back on 2023, a year in which tensions and conflicts captured the strategic space in ISDP's focus areas, making headlines around the world.

The situation in Asia has been challenging with the growing tensions between China and the U.S. We have also seen increased Chinese pressure on Taiwan, with military provocations becoming the new normal, which could intensify further after the national election in Taiwan in January 2024.

North Korea has slowly emerged out of its self-imposed isolation, and Pyongyang and Moscow have initiated an unprecedented level of cooperation, not least seen in the arms sales from North Korea to Russia, something that will have a detrimental impact on the security of Europe and Ukraine.

Evidence of the use of North Korean weapons by Hamas in their terrorist attack on Israel further reveals North Korea's capacity to evade sanctions.

The continued Russian invasion of Ukraine and the terrorist attack on Israel by Hamas, combined with tensions in Asia and Africa, highlight the volatile and precarious geopolitical situation we face internationally. The international community, and

not least the trans-Atlantic partners, must further strengthen their cooperation and ensure stronger cooperation within NATO and democratically based supply chains.

Central Asia and the Caucasus continue to face an increasingly difficult geopolitical environment. These states have distanced themselves as much as possible from Russia's war and tried to turn to external powers while increasing their cooperation with each other.

Azerbaijan and Kazakhstan have worked to increase the transportation of energy and goods from Central Asia across the Caspian Sea. In addition, Azerbaijan and Uzbekistan have rapidly expanded their bilateral relations.

Turkey has also become a player to be reckoned with in security and military matters in the region. Turkish support for Azerbaijan allowed for the restoration of the country's control over the territories formerly occupied by Armenia in 2020 and the assertion of Azerbaijan's control over the rest of Nagorno-Karabakh in September 2023.

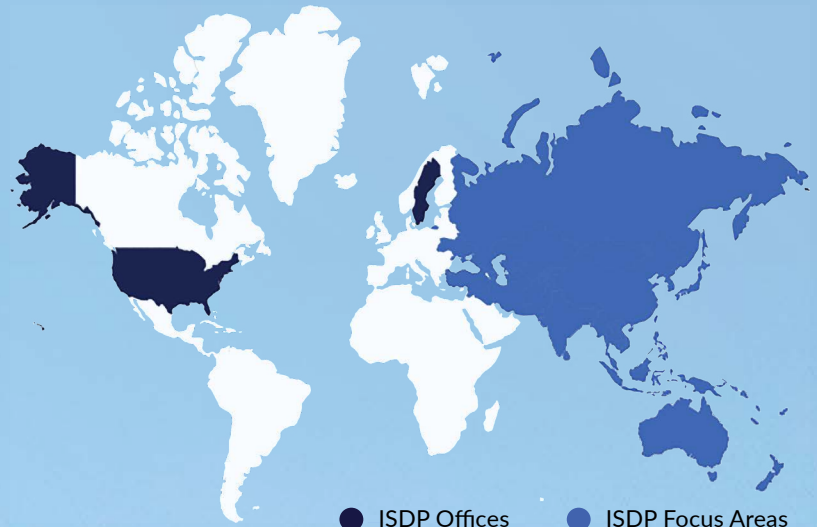
There is an urgent need for solid analysis, in-depth discussions, and dialogue in all these areas. ISDP has continued to provide timely analysis and platforms for discussion and debate, bridging the gap between academia and policymakers. In 2024, we look forward to deepening our collaboration with sponsors and partners, engaging in constructive dialogues, and staying in touch with our readership, event, and social media audience.

Sincerely,

Niklas Swanström
Executive Director

Svante E. Cornell
Vice Executive Director





About ISDP

ISDP is a Stockholm-based non-profit and non-partisan research and policy organization operating through two permanent programs: The Asia Program and the Silk Road Studies Program.

Within these two principal programs, work at ISDP is organized into Centers and Projects. Centers have a long-term scope and focus on larger thematic areas whereas Projects are established to deliver specific outputs with a deeper and more narrow focus, within a short-term framework.

The Asia Program conducts research into security and development challenges in the Asian region with a focus on the sub-regions of Northeast, Southeast, and South Asia. Currently, the Asia Program consists of the Stockholm China Center, the Stockholm Center for South Asian and Indo-Pacific Affairs, the Stockholm Japan Center, the Korea Project, and the Taiwan Project. As

such, it carries out policy-oriented and practical research, facilitates confidence-building exercises, and organizes conferences and seminars. 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.

The Silk Road Studies Program runs a Joint Transatlantic Research and Policy Center with the American Foreign Policy Council in Washington D.C. The program focuses on the western part of Eurasia, particularly Central Asia, the Caucasus, Turkey, and Eastern Europe. The main activities and research are focused on state-building and political development, security and conflict, as well as the relationships between the regions and the West.





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Vision & Mission

- ✓ **ISDP's mission** is to promote an understanding of the nexus between conflict, security, and development in our regions of focus; inform and influence decision-makers; provide analytical products and tools; and enable inclusive dialogue and debate.
- ✓ **ISDP's vision** is to become a leading, inclusive, and independent platform for analysis, dialogue, and policy advice contributing to sustainable peace and development in its focus regions.
- ✓ The Institute strongly believes in ethnic diversity, gender equality, and religious and political freedom and firmly stands by these values in all aspects of its work.



Understanding & Engaging

For over a decade, ISDP has worked to expand the understanding of international affairs in its focus areas. Concentrating on the inter-relationship between security, conflict, and development, ISDP showcases its research through analyses as well as practical activities aimed at promoting dialogue.

Since 2007, the Institute has provided independent analyses to policymakers and other relevant institutions. ISDP functions as a focal point for academic, policy, and public discussion of its focus areas through applied research, publications, research cooperation, public lectures, seminars, and webinars.

ISDP strives to work closely with

governments and independent organizations located in its regions of study and to pursue extensive collaborative projects, such as through exchanges of researchers and the organizing of joint conferences.

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

Lastly, ISDP has an Internship Program for students and recent graduates to ensure long-term engagement and innovative understanding of regional Eurasian affairs.



Outreach

350+

Media Mentions

- ✓ *Independent thinking*
- ✓ *Strategic solutions*

90

Publications



@ISDP_Sweden

@ISDP_SCSAIPA

Center for South Asian and Indo-Pacific Affairs

25

Events



Institute for Security and Development Policy

40

Blog Posts



@ISDP_Sweden



Caucasus and Central Asia

Head of Program : Svante E. Cornell

Central Asia and the Caucasus have continued to experience an increasingly difficult geopolitical environment. The Russian invasion of Ukraine and the rising polarization of international politics have left these states in a bind. To the extent possible, they have distanced themselves from Russia's war and sought to reach out to outside powers, while increasing cooperation among themselves. In all fields, the emerging regional cooperation in Central Asia has proceeded apace, led by Kazakhstan and Uzbekistan.

This past year, in an encouraging development, there has been growing cooperation across the Caspian Sea. Azerbaijan and Kazakhstan have worked to increase the volume of energy and goods shipped out of Central Asia through the Caspian. Furthermore, Azerbaijan and Uzbekistan have seen a rapid expansion in their

bilateral relationship, focusing on both trade and security issues.

Closely linked to the intra-regional cooperation is the expansion of Turkic cooperation since the founding of the Organization of Turkic States in 2021. This organization has brought closer cooperation between Turkey and the states of the region, primarily in the economic realm. But Turkey has emerged as a serious force in the security and military affairs of the region as well. Turkish support for Azerbaijan made possible the country's restoration of control over areas formerly occupied by Armenia in 2020, as well as Azerbaijan's assertion of control over the rest of Nagorno-Karabakh in September 2023. This development signifies the gradual loss of Russian influence in the South Caucasus, with Turkey emerging as a key player in the region's security affairs.

ISDP has accelerated its efforts to provide continued and nuanced analysis of the developments in this region, which often is in the shadow of events in Ukraine and the Middle East. In spring, ISDP brought its long-standing initiative on religion and politics in the region to a close with the publication of the book *The New Secularism in the Muslim World: Religion and the State in Central Asia and Azerbaijan*.

ISDP also paid close attention to the changing geopolitics of Central Asia and the Caucasus. The Institute published a series of a dozen articles focusing on this topic. Unlike most studies of the matter, which focus on outside powers alone, ISDP paid equal attention to the politics of regional powers and the reaction of the states of the region itself.

In the same spirit, ISDP published three Silk Road Papers highlighting the efforts of the states of Central Asia and the Caucasus to form the politics of the region in which they find themselves. In May, ISDP published Frederick Starr's study of Central Asian perspectives on U.S. policy in the region, highlighting the way U.S. policy is seen by local states. In June, ISDP published Svante Cornell's study of the emergence of "middle powers" in Central Asia and the Caucasus. The argument of this study is that three decades after independence, three countries in the region – Azerbaijan, Kazakhstan, and Uzbekistan – have emerged as middle powers, countries that are able to influence the region including the regional powers surrounding them, rather than simply being the objects of the machinations of great powers. Furthermore, the fact that these middle powers are linking arms with one another provides a new quality to regional geopolitics which is strongly stabilizing.

Finally, ISDP also published a Silk Road Paper on the growing "agency" of regional states – attacking head-on the prevalent notion that this region is a "grand chessboard" where great powers engage in a "game"

Spring 2023

The New Secularism in the Muslim World: Religion and the State in Central Asia and Azerbaijan

This book builds on several case studies published since 2016, seeking to raise attention to the promotion of secular government by these states and communicate the importance of this against the background of the mixing of religion and politics that has been prevalent across the Muslim world since the late 1970s.



September 2023

The Changing Geopolitics of Central Asia and the Caucasus

ISDP also paid close attention to the changing geopolitics of Central Asia and the Caucasus and published numerous articles on the topic. These articles were well received, being downloaded close to 100,000 times, and in September 2023 were published as a joint volume entitled *The Changing Geopolitics of Central Asia and the Caucasus*.

with each other by dividing and ruling and that regional states are mere pawns to be moved around by the great powers. While not denying that great powers do so, the study argues that the countries of Central Asia have developed enough agency that they are themselves actors able to take charge of the region.



China

Head of Center : Niklas Swanström

In 2023, China faced significant domestic challenges, including the lingering effects of COVID-19 pandemic restrictions and economic hardships. March saw Xi Jinping securing an unprecedented third term as president, further solidifying his power and influence within the Chinese Communist Party (CCP). President Xi continued to prioritize security, exemplified by the relentless anti-corruption campaign and the extensive regulatory crackdowns that reshaped key sectors, including technology, entertainment, education, and healthcare.

On the foreign policy front, Beijing continued to cement its “no limit partnership” with Russia, marked by deepening military and diplomatic cooperation. However, Beijing’s unwavering support for Moscow amid its invasion of Ukraine exacerbated diplomatic strains with both the U.S and the EU. Tensions with Washington escalated across political, economic, and technological dimensions, culminating in an escalating

cycle of sanctions and investment restrictions between the two nations. The Sino-U.S. strategic competition also grew more pronounced in the Indo-Pacific, where China actively sought to expand its influence and project military power. Relations with the EU remained deadlocked, with unsuccessful attempts to revive the Comprehensive Agreement on Investment (CAI) and mounting tensions over human rights concerns. The EU’s approach increasingly revolved around economic de-risking away from China.

Furthermore, China aimed to assume a more active role in global affairs, with a particular focus on positioning itself as a key player in the Global South and promoting alternative development models diverging from the U.S.-led approach, such as the Global Development Initiative. Beijing also actively sought to play a mediation role in conflicts, brokering a peace agreement between Saudi Arabia and Iran and advancing a peace proposal for Ukraine.

Throughout 2023, ISDP's China Center significantly expanded its research initiatives, hosting a multitude of impactful events and actively engaging in European and international policy dialogues.

Guided by the insights of our experts, this year's thematic focus revolved around the following major areas, primarily addressing defense and security aspects. These encompassed analyzing evolving cross-Strait relations; tracking China's expanded footprint across regions such as the Indo-Pacific and the Arctic; and exploring the intricate dynamics of Chinese domestic politics, specifically addressing the political developments pertaining to Hong Kong.

Committed to nurturing mutual understanding and fostering critical dialogue between Europe and China, the Center expanded its extensive network of connections, consolidating partnerships with various renowned research institutions. Moreover, ISDP's China Center boosted its global engagement by actively participating in several significant projects and collaborations. Most notably, ISDP became a part of the European Hub for Contemporary China Project—EuroHub4Sino. The project constitutes a pivotal endeavor, aimed at empowering the EU with a nuanced understanding of modern China by uniting fragmented expertise through a cutting-edge digital platform.

The Center hosted webinars and in-person discussions, while the team contributed extensively to ongoing academic, policy, and public discourse through insightful interviews and authored commentaries published in reputable journals, as well as through media appearances.

June 2023

How Hong Kong's Freedom of Expression has been Crushed

ISDP had the honor of inviting Dr. Chung Kim-wah, who left Hong Kong for the United Kingdom in 2022, to give a public lecture on the topic of Hong Kong's eroding freedom of expression. In this webinar, Dr. Chung shared his perspective on how freedom of speech has eroded in Hong Kong following the handover of the city from the United Kingdom to China in 1997.

October 2023

Contemporary Hong Kong-Taiwan Relations in China's Shadow

Seven distinguished speakers—scholars, commentators, and activists—were invited from Hong Kong and Taiwan to a webinar organized by ISDP in November 2022. They discussed their relations against the background of Beijing's tightening control over Hong Kong and its aspiration to bring Taiwan under its rule, by means of military force if necessary. An Asia Paper was published collecting together the contributions to the event.

November 2023

EU and U.S. Relations with China in Retrospect and Looking Ahead

ISDP has for the past three years had the honor of Professor Torbjörn Lodén serving as its Head of the Stockholm China Center. With his tenure having recently drawn to a close, he sat down for an interview with ISDP Research Fellow, Agust Börjesson, to look back on how China's relations with the U.S. and Europe have developed under his watch and to discuss what could potentially lie ahead for relations with China in the era of Sino-American rivalry.

South Asia/Indo-Pacific

Head of Center : Jagannath Panda

Home to about 60 percent of the global population and accounting for over two-thirds of global growth, the Indo-Pacific region is central to global security and prosperity. As much as 25 percent of international maritime trade passes through the Strait of Malacca alone, and the region as a whole accounts for over 60 percent. Yet, maritime security remains precarious with China's robust military presence posing a challenge to the sovereignty of regional states and threatening the free flow of commerce through regional shipping lanes.

Geopolitical rivalries, border disputes, and festering tensions over cross-border conflicts have put the Indo-Pacific region at a high risk of instability and insecurity. Against the bleak backdrop of the still-ongoing Ukraine war, discussions of security and defense in the region have taken on renewed importance. In other words, the war in Ukraine and now the Israel-Hamas armed conflict have become examples of what can occur should defense and diplomacy

fail, and existing flux lines disintegrate into an all-out war. Crucially, China's determined emphasis on the inevitability of Taiwan's reintegration or reunification has mounted concerns amongst regional and extra-regional powers. A key point of debate has become how to deter China from its potential use of force against Taiwan.

The dynamic changes in the Indo-Pacific region have reverberations across the region and beyond, and in recognition of this, external powers like the EU (and individual European states) are increasingly seeking to engage in the region to support responsible cooperation and uphold the rules-based international order. Simultaneously, the region also saw a strengthening of frameworks like the AUKUS, the Quad, and the Indo-Pacific Economic Framework (IPEF) alongside key bilateral relations like the U.S.-South Korea and U.S.-Japan treaty alliances. Bilateral and minilateral formats of cooperation are increasingly shaping regional dynamics, yet questions persist over how they will impact the regional security order (even disorder).



The Stockholm Center for South Asian and Indo-Pacific Affairs (SCSA-IPA), in recognition of the rapidly changing geopolitical environment in the Indo-Pacific, conducted several project activities to further explore the impact of these dynamics on security and growth across the world, Europe and Sweden.

In 2023, the SCSA-IPA launched a new project in cooperation with Prospect Foundation (PF) in Taiwan and the Kajima Institute for International Peace (KIIP) in Japan, titled 'In Defence of Liberal International Order'. It seeks to study how the EU and U.S. can strengthen their cooperation and work with middle powers like India, Japan and South Korea to pave the way for a rules-based, free, open, inclusive and equitable order. A key point of focus in this regard is understanding deteriorating China-Taiwan relations and its implications for the liberal order.

The SCSA-IPA also held several activities as part of a joint project with the KIIP in Japan on India-Japan cooperation. Bringing together Indian and Japanese scholars as well as diverse practitioners from across the Indo-Pacific to give their inputs, this project conducted 25 workshops over a period of 32 months between July 2020 and March 2023. The outcomes of these workshops were compiled and published in an edited volume titled *Building the India-Japan Partnership: Strategic Compulsions and Indo-Pacific Imperatives* (New Delhi: Pentagon Press, August 2023).

In addition to these projects, the SCSA-IPA also released a plethora of issue/policy briefs and Focus Asia papers. The members of the Center also published their research in numerous journal articles and book chapters, as well as disseminating it via presentations at conferences and workshops across the world.

March 2023

Japan's Growing Engagement with NATO: Exploring the Future

How should Japan position itself in Europe to expand and maintain its growing strategic alignment with NATO? Is such growing alignment inevitable? This was one of the many questions that this webinar addressed. Japan's strategic alignment with both the EU and NATO is growing, while Kishida's commitment to bolstering the U.S.-Japan alliance is strong. Concurrently, Japan's security ties with European countries such as France and the UK are on the rise. As such, renewed cooperation with NATO should be viewed as a natural progression of Kishida's vision for Japan's enhanced security engagement with Europe.

September 2023

Participation in ORCA Conference

Jagannath Panda, Head of the SCSA-IPA, moderated a panel on the Quad and also delivered a speech on 'China and the post-Bretton Woods Institutions' at the 'New Sinology' conference (September 25-26, 2023) organized by the Organisation for Research on China and Asia (ORCA), in New Delhi.



September 2023

Joint Conference with ISPI, IFRI

Jagannath Panda also participated in the ISPI-IFRI-ISDP conference on "Defence is back: Europe and Asia after the war in Ukraine" in Milan on September 28, 2023.



South Asia/India

2023 was a pivotal year for India's foreign policy, offering New Delhi an opportunity to step forward and demonstrate its ability to stand as a global leader. In 2023, India assumed the presidency of the G20 as well as the Shanghai Cooperation Organisation (SCO) and a key part of its agenda was to use its platforms to amplify the voices of the Global South. Building on the country's tradition of non-alignment, India sought to use its leadership to resist the sort of bloc formations that became the norm during the Cold War era. However, in distinct contrast to its non-aligned stand, India has firmly adopted a multi-alignment—if not pointed alignment—foreign policy orientation. This has been evident in India's effort to remain neutral on the Ukraine war while maintaining positive connections with Washington, Brussels and Moscow. Rather than taking sides in the invasion of Ukraine, New Delhi has attempted to position itself constructively in world politics by acting as a bridge between the Global South and the Global

West. The G20 was a test of India's commitment to strategic autonomy in its foreign policy, and the successful release of the New Delhi Declaration—despite the challenge it faced from an increasingly polarized and bifurcated geopolitical landscape—demonstrated that the country is heading into a period of strategic opportunity.

As states across the world reassess their economic dependencies on China, in light of China's belligerent actions, lack of transparency over the coronavirus, and its growing rivalry with the U.S. in key areas like technology, India has an opportunity to strengthen its own position in international politics. India's growing market and immense economic potential have been a channel for India's deepening and broadening relationships with key strategic partners. The India-Middle East-Europe connectivity corridor, announced on the sidelines of the G20, is one example of India's expanding global presence and growing partnerships with global partners, particularly the EU.

The rise of India has been the talking point in Europe for some time now. India's growing relationship with the EU and Nordic region has created fresh momentum in the broader Asia-Europe engagement. As a result, India has emerged as an increasing focal point of research at ISDP. Topics have included Indian foreign policy, its growing engagement with the EU, and India's regional dynamics with China, Japan, Korea, and ASEAN. Timely publications covering these issues have been the high point of ISDP's focus on India.

The Stockholm Center for South Asian and Indo-Pacific Affairs (SCSA-IPA) along with the Yokosuka Council on Asia-Pacific Studies (YCAPS) in Japan hosted a webinar on "India-China Economic Ties", and a joint conference on "India and South Korea in the Age of Indo-Pacific: Why Minilateralism Matters?" with the Center for Air Power Studies (CAPS) in New Delhi. An outcome of the project was a SCSA-IPA Special Paper titled "Pivotal States, Global South and India-South Korea Relations," jointly edited by Choong Yong Ahn and Jagannath Panda, which was released on the occasion. As part of India's growing relations with the EU and Japan, the SCSA-IPA is conducting a research project on Economic Security in the Indo-Pacific and held a webinar on "Between Economic Security and Indo-Pacific Security: Prospects for Japan-India-EU Cooperation" with the cooperation of the Kajima Institute of International Peace (KIIP) in Japan.

The SCSA-IPA also focused on India's presidency of the G-20 and the changes that are happening in India-EU ties. Special attention has been given to the progress being made in India-Sweden relations. The bi-monthly newsletter *India-Sweden Strategic Compass* is drawing a lot of attention in its focus on India-Sweden, India-Nordic, and India-EU ties.



April 2023

Meeting with Indian Ambassador

The SCSA-IPA received Mr. Sanjay Verma, Secretary (West) in the Ministry of External Affairs in the Government of India, and Mr. Tanmay Lal, the Indian Ambassador to Sweden and Latvia on April 4, 2023.



June 2023

Participation in EU Meet

Dr. Jagannath Panda, Head of SCSA-IPA, participated in the 86th EU-US Inter-Parliamentary Meeting of the Transatlantic Legislators' Dialogue (TLD), which took place from June 16-17, 2023 in Stockholm, Sweden, to speak about India in world affairs.

August 2023

India & South Korea in the Age of Indo-Pacific: Why Minilateralism Matters?

This international seminar in New Delhi, India, discussed and debated both countries' Indo-Pacific outlooks and how they can build stronger bilateral, minilateral, and multilateral connections in the region. The event featured high-profile speakers such as India's Chief of Defence Staff, Secretary (East) of the Ministry of External Affairs, Ambassador of India to the ROK, and Ambassador of Korea to India, and former Foreign Minister of ROK.



Japan

Head of Center : Lars Vargö

2023 was a year of high activity in Japanese foreign and security policy. As chair of the G7 Japan was host to a summit for foreign ministers in Karuizawa in April and for heads of government in Hiroshima in May. Japan also held several bilateral meetings with the leaders of the U.S., the EU and NATO. An important trilateral meeting between Japan, the United States and South Korea managed to clear some of the earlier hurdles that had strained the bilateral relationship between Tokyo and Seoul, and new conditions were thereby created for enhanced regional cooperation in an increasingly tense geopolitical neighborhood.

The Japanese government adopted a new security policy strategy in December 2022 and

closer cooperation with likeminded countries is an essential component if this strategy is to be implemented as planned. The new strategy is accompanied by a significant increase in the Japanese defense budget.

Cooperation with the EU has also been a priority for Japan, and although it also has security policy dimensions, the emphasis is more on measures related to economic security, digitalization, climate change and sustainable development. Cooperation with countries and regional organizations that stress the importance of democracy, human rights and the rule of law are increasingly seen as cornerstones of Japan's foreign and security policy.

Another important measure recently adopted



by Japan was the Comprehensive Economic Security Law, which will be implemented over a two-year period. The law emphasizes the importance of measures that can ensure economic security in times of uncertain geopolitical changes, including the protection of supply chains and critical infrastructure.

Japan's vulnerable geopolitical position, with aggressive neighbors such as China, Russia and North Korea, makes expanded international cooperation with like-minded countries essential. Japan has also been keen in assisting developing countries and making them more resilient to geopolitical, economic and environmental threats.

Image Credit: Su San Lee, unsplash.com

In 2023 the Japan Center has actively cooperated with organizations such as ERIA (Economic Research Institute for ASEAN and East Asia), with headquarters in Jakarta, and the Tokyo-based International Institute for Media and Women's Studies (IIMWS) and the Kajima Institute of International Peace (KIIP).

The Japan Center has published extensively during the year and has also been one of the organizers of a Japan-related podcast, "Japanpodden", where the Head of the Center is one of the speakers. The podcast is broadcasted in Swedish twice a month and has thousands of followers.

May 2023

Accelerating Green Transition through Smart Cities and Sustainable Energy Solutions

The Japan Center, in cooperation with ERIA and the European regional organization STRING, organized a special Nordic-ASEAN Forum in Malmö City on the topic "Accelerating Green Transition through Smart Cities and Sustainable Energy Solutions". The conference was supported by the Swedish Foundation for Strategic Research and Malmö City.





Korea

Head of Project : Niklas Swanström

2023 has been a year marked by continuously mounting tensions on the Korean Peninsula. The DPRK's continued missile testing reaffirms the regime's commitment to advancing and diversifying its arsenal, introducing its first solid-fuel ICBM and aerial- and underwater drones, while also moving beyond deterrence to operational readiness. Nearly four years of pandemic isolation and suspended trade have negatively affected the DPRK's economy and food security, and coupled with the diplomatic standstill, these challenges have prompted closer alignment between Beijing, Moscow, and Pyongyang. Currently, the DPRK appears to be gradually reopening its borders, the most notable indication being the Putin-Kim presidential summit in mid-September, fueling speculation of an illicit arms trade aimed at supporting Russia's war in Ukraine. Meanwhile, the DPRK's military advancements have led Seoul to consider pursuing a nuclear deterrent to Washington's dismay. The Washington Declaration, signed in April, reaffirms the U.S.' commitment to the ROK's defense and

has resulted in intensified joint military exercises and the periodical deployment of nuclear-armed submarines to the Peninsula. Additionally, three-way security cooperation with Japan gained traction following efforts by Seoul to overcome historical grievances. These efforts culminated in the Camp David summit in August, and despite a few bumps, like heavy opposition to water release from the Fukushima powerplant, ROK-Japan-U.S. coordination has improved remarkably. North Korea's launch of a military reconnaissance satellite in late November proved a literal deal-breaker for Seoul, who responded by partially suspending an inter-Korean military agreement from 2018. In reciprocity, Pyongyang withdrew fully from the pact, leading to the DMZ's remilitarization after five years of reduced tensions. At the same time, President Yoon Suk-yeol is struggling to gain public favor, with approval ratings hovering around 30 percent (compared to Moon's 51.9 percent average), which may prove consequential for the General Assembly elections in 2024.

In line with the ISDP Korea Project's goal of being a hub for policy-oriented Korean studies in the Nordic region, the Project maintained a wide range of activities in 2023 advancing understanding of security and development policy and sustainable peacebuilding on the Korean Peninsula and the wider region. The Project's activities have sought to enable constructive exchanges on contemporary issues across academic, policy-making, and civil society spheres among a broad audience of scholars, practitioners, and students.

The Korea Project's activities in 2023 included a weekly newsletter, webinars, publications, multilateral dialogues, and hosting visiting researchers, providing ISDP staff and external experts with multiple avenues for delivering insightful and timely analyses. The Korea Project held a series of webinars and public lectures to great success, and ISDP staff authored several in-house and external publications on a range of salient issues. The weekly newsletter, established in 2009, continued to provide a curated selection of the week's news developments and awareness of Korean issues was further promoted through the Project's active contribution to ISDP's social media. In 2023, ISDP received three South Korean guest researchers and one visiting fellow, strengthening cooperation between the ROK and the Nordic countries.

Moreover, the Korea Project has maintained collaborations with regional partners, continuing its cooperation with the Korean Women's Development Institute (KWDI) and establishing a connection with the Sejong Institute. In 2024, the Korea Project is looking forward to a greater engagement in humanitarian and development issues as the DPRK continues its post-pandemic transition.

February 2023

Challenges of the Indo-Pacific Strategy for South Korea

In December 2022, the South Korean government unveiled an Indo-Pacific strategy to maintain robust liberal order in the region. ISDP guest researcher Dr Lee Jae-sung held a timely lecture at Stockholm University about Seoul's policy initiative on February 9.



May 2023

International Day for Women, Peace, and Disarmament

The global WPS agenda continues to struggle with a lack of public awareness. ISDP's joint webinar with KWDI on May 24, was moderated by Rouslan Kats, Political/Economic Counsellor Embassy of Canada to the Republic of Korea. In the webinar, representatives of the Swedish and ROK governments and civil society shared perspectives on current challenges.

October 2023

Post-pandemic Policy Considerations in North Korea

In late 2023, the DPRK began opening its borders after the pandemic. This roundtable discussion on October 17 moderated by Frida Lampinen and Margareta Wahlström explored prospects and challenges for post-pandemic humanitarian and diplomatic engagement.



Taiwan

Head of Project : Niklas Swanström

Tension in the Taiwan Strait has mounted during 2023 in light of the upcoming 2024 Taiwan presidential election. Military aircraft of the People's Liberation Army (PLA) have continuously crossed the median line in the Taiwan Strait and military exercises have been conducted around Taiwan. In order to bolster Taiwan's self-defense capabilities, the Biden administration approved Taiwan's inclusion in the Foreign Military Financing (FMF) Program, which is typically granted to sovereign states exclusively. In correlation with military tensions, Taiwan's defense budget has been growing in the past few years; it will reach a record-high in 2024, corresponding to 2.5 percent of GDP.

Regarding Taiwan's foreign relations, it has lost another one of its formal diplomatic partners—Honduras, the ninth partner to cut ties with Taiwan in the past seven years. Currently, Taiwan maintains diplomatic relations with 13 countries. In addition, the Central America Parliament, also known as PARLACEN, voted to expel Taiwan from being a permanent observer in its proceedings and

was replaced by China. The decrease in diplomatic partners and marginalization of Taiwan's international presence has posed an increasing challenge for the Taiwanese government since the Democratic Progressive Party (DPP) came into office. The government of Taiwan has in part responded to these challenges by seeking deeper relations with like-minded partner countries like the U.S. and countries in Europe.

Under security, political, and diplomatic pressures, democracy and freedom in Taiwan remain strong. Meanwhile, Taiwan's internet freedom ranks sixth globally and the top in Asia based on a report by Freedom House. Despite maintaining high freedom and democracy marks in international rankings, Taiwan is battling the spread of disinformation and military and economic coercion posed by China. 2023 was a significant year to observe and speculate on the potential situation of cross-strait relations and how it may impact the security and power dynamic in the region.

With the overarching objective of maintaining and further expanding ISDP's position as the premier source of policy-relevant research and information related to Taiwan in the Nordic countries and Europe, ISDP's Taiwan Project pursued a number of endeavors over the past year. In order to have a strong impact on several different levels the Taiwan Project organized webinars, lectures, and dialogues on important issues related to Taiwan, both open to the public and in a closed setting between experts and practitioners.

The 2023 Taiwan-Nordic Forum marked the start of the public events of the year for ISDP's Taiwan Project. Three ISDP special papers focused on Taiwan were published in 2023. The papers each contributed to the understanding of issues related to Taiwan that continue to be of mutual interest to the Nordic countries, Europe, and Taiwan.

As part of the Taiwan Project's efforts to further strengthen ties between Taiwan and the Nordics, several endeavors were undertaken. In late April and early May, ISDP's Executive Director Dr. Niklas Swanström and Research Fellow Dr. Bo-jiun Jing traveled to Taiwan with Dr. Swanström leading the Nordic and Baltic Delegation 2023, arranged by Taiwan's Ministry of Foreign Affairs. The trip to Taiwan served to deepen both the institutes' understanding of issues related to Taiwan and to strengthen ISDP's connection with practitioners and experts on location. In June, ISDP hosted Guest Researcher Mr. Jonathan Tzu-Yi Yang, currently serving as the Section Chief of the International Participation and Evaluation Section at the Department of NGO International Affairs at the Ministry of Foreign Affairs in Taiwan. During his stay at ISDP Mr. Yang conducted research and engaged in a fruitful exchange with ISDP and its extended network.

March 2023

Taiwan-Nordic Forum 2023

The forum brought together eminent Nordic and Taiwanese scholars and experts to foster a deeper comprehension of the intricate web of conflicting political, economic, and diplomatic realities. The panels included "Innovation – Learning Across Borders," "Digital Diplomacy," and "Energy Transition." This year's forum took place online with introductory remarks made by ISDP's Head of China Center Professor Torbjörn Lodén and Taiwan's Representative in Sweden, Dr. Klement Ruey-sheng Gu.

May 2023

Unpacking Taiwan's Internalization Across the EU

In this Taiwan Lecture, Dr. Zsuzsa Anna Ferenczy discussed how the EU is managing its rebalanced cooperation with China, how EU member-states can come together to expand cooperation with Taiwan, and how Taiwan as an independent agency will shape future cooperation.



May 2023

How to Deter China from Invading Taiwan?

The event was co-organized with the Kajima Institute for International Peace and the Prospect Foundation that brought scholars from Japan, Taiwan, Sweden, the U.S., Australia, and Italy to discuss what deterrence options Taiwan has and the role of Taiwan's like-minded allies in deterring a PLA invasion of Taiwan.



Turkey

Head of Center : Halil M. Karaveli

Kemal Kilicdaroglu, the leader of Turkey's main opposition Republican People's Party (CHP), seemed to have a realistic chance of defeating President Recep Tayyip Erdogan in the presidential election in May 2023. Erdogan's slow response to the devastating earthquakes in February that killed tens of thousands of people had dented his standing. Kilicdaroglu assembled a coalition of secularists, Islamic conservatives, and Turkish nationalists, as well as secured the endorsement of the Kurdish movement. Ultimately, though, Kilicdaroglu failed to reconcile the conflicting interests and demands of the disparate forces that had rallied to him, not so much in support of him as in opposition to Erdogan. His Turkish nationalist allies in fact only accepted him reluctantly. Kilicdaroglu failed to strike the right balance between nationalism and liberalism and became the target of Erdogan who accused him

of catering to Kurdish separatism.

The election demonstrated that President Erdogan, who has a secure grip on the conservative-nationalist electorate, was also supported by enough secular nationalists to tip the balance in the second round. Erdogan built his campaign around the theme of national grandeur, emphasizing Turkey's standing in the world and its military-industrial achievements and reiterating the Turkish nationalist stance against Kurdish separatist aspirations. Kilicdaroglu's attempt to prove his nationalist credentials by playing to xenophobia, vowing to expel the Syrian refugees in Turkey, backfired, tarnishing his image as a would-be democratic reformer while it failed to endear him to conservative nationalists.

In an election that for all intents and purposes was reduced to a choice between two versions of the same right-wing, Kilicdaroglu could not



convince voters, notably the working class, that his leadership would truly make a difference. However, the election also showed that Islamic conservatism is in slow decline and may not be as effective in the future in securing the consent of the working-class majority. The governing Justice and Development Party's (AKP) score in the parliamentary election – 35 percent – was the party's lowest in two decades.

While the broad, popular endorsement of conservative nationalism in its different shapes speaks in favor of an orderly perpetuation of the system in Turkey and of national unity across class and geographical divides after the Erdogan era, the growing poverty of the working class majority raises the possible specter of social unrest.

Image Credit: Pixabay, pexels.com

ISDP aspires to help Western policymakers understand Turkish domestic and foreign policies. The Turkey Center at ISDP endeavors to highlight deeper currents in Turkish politics that tend to be overlooked in the standard media and academic narrative. The Turkey Analyst has, with its wide range of Turkish as well as non-Turkish contributors—academics and journalists—provided context to and analysis of developments in Turkey since it was launched in 2008. While many of the articles in the Turkey Analyst during the year were devoted to the question of Turkey's critical presidential election and its aftermath, the list of publications also included topics such as Turkey's growing economic engagement with West Africa and the impact of climate change as a threat to Turkey's role as a food supplier to the Middle East. Meanwhile, the editor of the Turkey Analyst had articles published in Foreign Policy, Foreign Affairs, Social Europe, and Dagens Nyheter, and was interviewed in Le Monde, Le Monde Diplomatique, and The Economist.

December 2023

Türkiye's Security Environment, – Implications for Europe & Sweden

In cooperation with the Embassy of the Republic of Türkiye in Stockholm, ISDP organized a roundtable discussion to increase dialogue on security matters between Swedish and Turkish experts in the field. The discussion was joined by two prominent Turkish security scholars: Dr. Murat Yeşiltaş of the SETA Foundation (Ankara) and Dr. Can Kasapoğlu of the EDAM Center (Istanbul).



Organization

ISDP Board

The ISDP Board consists of high-level professionals and convenes three to five times a year.

Anna Wieslander

Chairman of the Board

Director for Northern Europe,

Atlantic Council

Jan Mörtberg

Deputy Chairman of the Board

Member of the Royal Swedish Academy of

War Sciences

Katarina Areskoug

Partner Impact Europe

Jakob Kiefer

f Ambassador

Olof Ehrenkrona

CEO at Stockholms Hjärnverk AB

Per Storm

CEO, Mahvie Minerals AB (publ.)

Anna Westerholm

Director, fmr Ambassador, MFA

ISDP Office

Niklas Swanström is the Executive Director and Svante Cornell is the Vice Executive Director of the Institute. ISDP's main office is located at Västra Finnbodavägen 2, Nacka, Stockholm, Sweden. In 2023, ISDP consisted of 18 staff members, 11 men and 7 women.

Recruitment

During 2023, ISDP had the pleasure of recruiting the following new staff members:

Yi-Chieh Chen

Junior Research Fellow

Agust Börjesson

Research Fellow

Maud Descamps

Junior Research Fellow

Frida Lampinen

Project Coordinator and Junior Research Fellow

Internship Program

Each semester ISDP accepts four to eight interns from all over the world to assist in the work of the Institute. The ISDP internship program offers the interns work experience in an international environment, encourages them to write and publish with staff members, and shoulder progressive responsibilities within the organization. During 2023, the 12 individuals from 7 countries enrolled in the internship program were:

Filip Borges Månsson

Stockholm Center for South Asian and Indo-Pacific Affairs

Agust Börjesson

Stockholm China Center

Foster Cunliffe

Stockholm Center for South Asian and Indo-Pacific Affairs

Lwanga Egbewatt Arrey

Asia Program

Nolwenn Gueguen

Asia Program

Tove Jalmerud

Stockholm China Center

Axel Karlsson

Stockholm Japan Center

Frida Lampinen

Asia Program/ Korea Project

Pontus Norén

Stockholm China Center

Erika Rutonen

Stockholm Center for South Asian and Indo-Pacific Affairs

Clara Stäbler

Asia Program/ Korea Project

Reihuan Wu

Asia Program

Visiting Fellows and Guest Researchers

ISDP regularly invites visiting fellows to undertake research at the Institute. The Visiting Fellows Program provides opportunities for professional development to scholars and other specialists and networking opportunities in Sweden. During their stay, fellows conduct research on a topic related to the Institute's core areas. Some scholars visit ISDP as Guest Researchers connected to ISDP's projects. Through 2023 the following individuals joined ISDP as Visiting Fellows and Guest Researchers:

Kim Heungkyu

Aju University

Hyun-Jeong Lee

Prior to her stay at ISDP: Busan Daily News, South Korea

Sanjiao Tang

PhD, University of Auckland

Seon Woohyung

Ministry of Unification, South Korea

Tzu-Yi Yang

Ministry of Foreign Affairs Taiwan, Taiwan

Financial Review

INCOME

The Institute has successfully maintained a diversified income base, with a total revenue of 14,3 MSEK. Funding from the Swedish Ministry for Foreign Affairs accounted for around 46 percent of the total revenue. 1 percent of the revenue is linked to the Institute's taxable operations.

COSTS

During 2023, the focus has been on continued cost control. The Institute's greatest asset is its human resources. Personnel costs therefore continue to be a large part of the Institute's overall budget. It is vital that the Institute continues and develops this primary resource to maintain its current position as an attractive think tank for Swedish and international funders.

RESULT

For 2023, the Institute has a net balance of 99 827 SEK.

LOOKING AHEAD

The Institute's long-term budget and prognosis indicates that activities can proceed with continued effective results. ISDP will continue to focus on a diversifying funding and creating long-term, stable relationships with all stakeholders, as well as consistently aim to achieve high-quality outputs. Funding from the Ministry for Foreign Affairs Sweden, Japan Bank for International Cooperation, Korea Foundation, and the Ministry of Foreign Affairs of Japan, amongst others, will continue into 2024.

AUDITOR

The auditor of ISDP is Micaela Karlström at MOORE Allegretto.

FIVE-YEAR FINANCIAL OVERVIEW

	2023	2022	2021	2020	2019
Income*	14 361 944	16 547 140	14 277 085	12 999 133	13 319 078
Expenses**	14 262 117	16 358 975	14 122 072	12 900 115	13 175 042
Reported Results	99 827	188 165	155 013	99 018	144 036

*Incoming Resources including Revenue, Government Grant and Other Grants

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

INCOME STATEMENT

	2023	2022
Revenue	285 263	483 447
Government grants	9 328 339	10 483 263
Other grants	4 748 276	5 580 430
<i>Total</i>	14 361 878	16 547 140
Costs		
Personnel costs	-10 065 605	-10 947 220
Other costs	-4 167 649	-5 340 687
Result (EBITDA)	128 624	259 233
Depreciation	0	-73 926
Result (EBIT)	128 624	185 307
Interest, interest cost etc.	-28 798	2 858
Tax		-
Net Result	99 827	188 165

BALANCE SHEET

ASSETS	31-10-2023	31-12-2021
<i>Fixed assets</i>		
Inventories	0	0
Total	0	0
<i>Current assets</i>		
Account receivables	700	29 168
Other receivables		
Prepaid expenses and accrued income	483 451	655 067
Liquid assets	6 300 232	3 104 885
Total	6 784 383	3 789 120
TOTAL ASSETS	6 784 383	3 789 120

LIABILITIES AND EQUITY		
<i>Current Liabilities</i>		
Accounts payable	451 588	519 375
Tax liabilities	31 541	53 734
Prepaid income	4 053 610	977 251
Other current liabilities	330 631	476 964
Interim liabilities	1 208 520	1 153 830
Total	6 075 890	3 181 154
<i>Equity</i>	707 793	607 966
Total	707 793	607 966
TOTAL LIABILITIES AND EQUITY	6 783 683	3 789 120

Funders in 2023

ISDP's work is strengthened by engaging with funders who share the Institute's interests in interpreting and informing the policy debate. The support provided by funders to the Institute is invaluable and allows ISDP to expand and improve its work, and to sustain its independence. ISDP acknowledges and appreciates the funders' support and we are humbled by their confidence in the Institute's work. ISDP seeks to cooperate with its funders concerning projects and deliverables. Nonetheless, ISDP does not accept influence or instructions by funders with regard to content, conclusions drawn in its analytical work, or concerning the division of responsibilities in ongoing projects.

This list includes core funding and project support, as well as commercial contracts during the course of 2023.

- Japan Bank for International Cooperation
- Kajima International Institute of Peace
- Korea Foundation
- Ministry for Foreign Affairs, Sweden
- Ministry of Foreign Affairs, Japan
- Ministry of Foreign Affairs, Kazakhstan
- Organisation for Research on China and Asia, India
- Scandinavia-Japan Sasakawa Foundation, Sweden
- Taipei Mission in Sweden
- The Embassy of India to Sweden & Latvia
- The Prospect Foundation, Taiwan (RoC)
- U.S. Department of State
- United States Institute of Peace (USIP)

Institute for Security and Development Policy

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