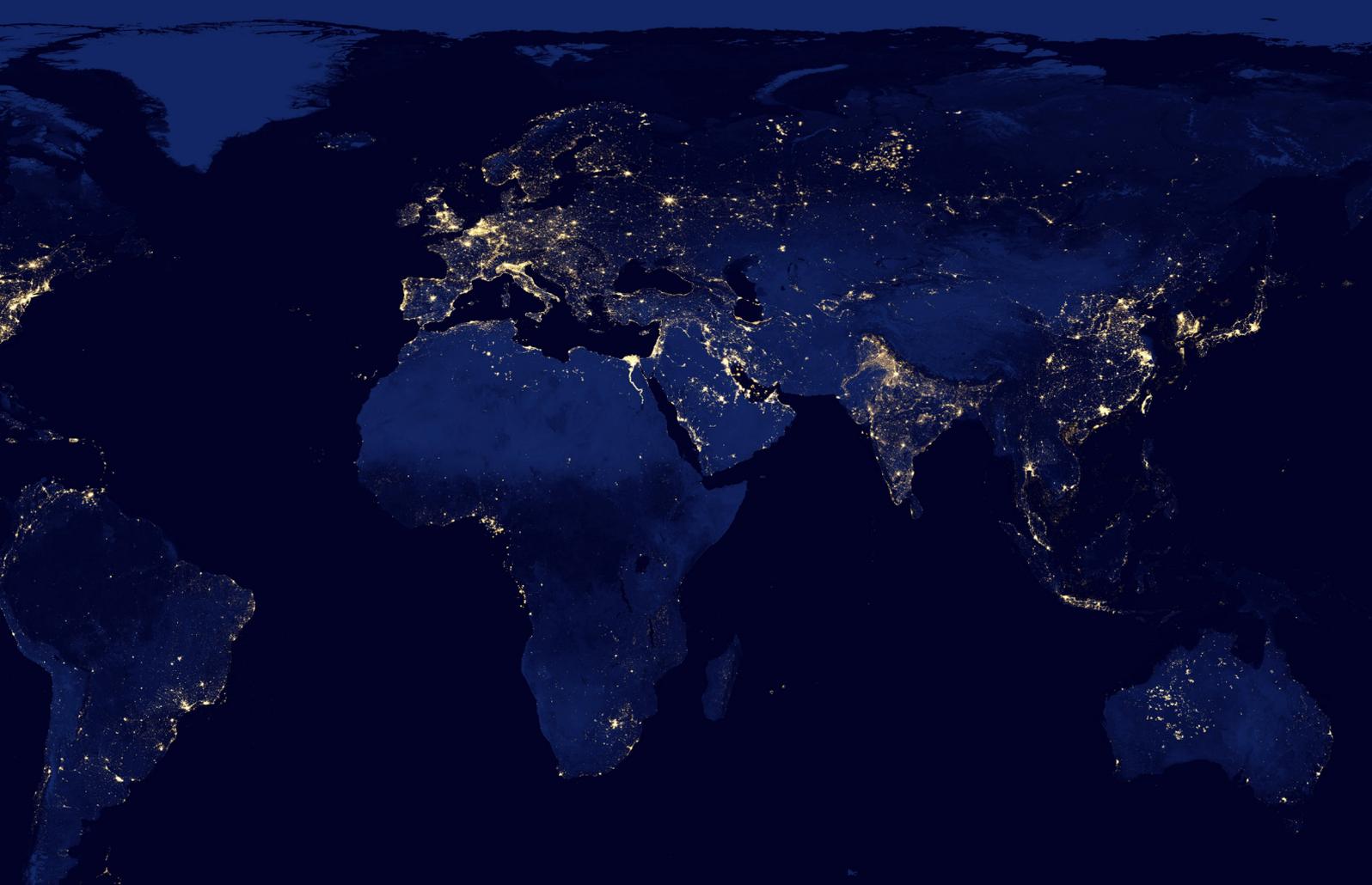


INSTITUTE FOR SECURITY & DEVELOPMENT POLICY

ANNUAL REPORT
2021



Institute for Security &
Development Policy



DEAR FRIENDS AND COLLEAGUES,

2021, a year of continued Covid-19 pandemic, closed borders, and uncertainty. The challenges highlighted by the pandemic, such as Sino-U.S. tension, over-reliance on globalization, and growth of nationalism combined with multiplier threats connected to climate change, have prompted new international dynamics.

During this year, instability and conflicts have erupted in many areas of ISDP's expertise. Major shifts on the Korean Peninsula have led to arms build-up between North and South Korea and the region. In East Asia, international relations have been colored by continued U.S.-China rivalry. These tensions have been illustrated by the creation of

the trilateral military alliance, AUKUS. In Chinese domestic politic dissident crackdown continued in areas such as Xinjiang and Hong Kong. Moreover, tension between PRC and Taiwan remains, as does ISDP's focus on Cross-Strait relations.

In Central Asia, Kazakhstan and Uzbekistan remain on the road to reform. Regional cooperation initiatives created greater communications between regional states. However, the positive regionalization trend was challenged by the fallout of the U.S. withdrawal from Afghanistan, which prompted Turkish and Japanese involvement.

In the South Caucasus, new dynamics have been

established after the Armenia and Azerbaijani war in 2020. Further, Turkey cemented new relations with Azerbaijan, which prompted Iran to hold large military exercises near their shared border. The increased tension and internal instability might create a fundamental shift in the region's dynamics.

In all these areas, the need for solid analysis, in-depth discussion and dialogue is apparent. ISDP has continued to bridge the gap between academia and policymakers by providing up-to-date analysis and a forum for discussion and debate.

Sincerely,

Niklas Swanström &
Svante E. Cornell



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 in 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 narrowed 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. 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 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.

UNDERSTANDING AND 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 co-

operation, 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.

2021 IN NUMBERS

40+

MEDIA APPEARANCES

60+

EVENTS

125+

PUBLICATIONS

Independent thinking, strategic solutions

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.



A NEW BALANCE?

The South Caucasus countries struggled with the establishment of a new regional balance following the 2020 war between Armenia and Azerbaijan, which saw Azerbaijan re-establish its territorial integrity. In the aftermath of the conflict, key elements of the Russia-brokered ceasefire agreement remain to be implemented, most importantly the corridor to link Azerbaijan to its exclave of Nakhichevan across Armenian territory. Armenia held elections that returned a much-weakened Prime Minister Pashinyan to power, and Armenia

remains heavily dependent on Russia.

The political situation in Georgia deteriorated during the year. When the ruling party moved to arrest the main opposition leader, Prime Minister Giorgi Gakharia resigned in protest to this move. Mediation by the EU did not provide a lasting solution, and former President Mikheil Saakashvili was arrested upon returning to the country, and promptly went on a hunger strike.

Turkey and Azerbaijan cemented their relationship through an alliance

“

The political situation in Georgia deteriorated during the year. When the ruling party moved to arrest the main opposition leader...

treaty including a mutual defense clause, indicating the intensification of Turkey's presence in the South Caucasus.

All in all, the situation in the region remains unstable, with the Caucasus continuing to be a focal point of regional geopolitics.

CAUCASUS

ISDP has long spent considerable energy to raise attention to the security situation in the South Caucasus. This work focuses on the inter-relationship between the unresolved conflicts of the region with the rapidly shifting geopolitics of this region.

ISDP publications had long warned of the unsustainable situation in the Armenia-Azerbaijan conflict. In the aftermath of the war, ISDP has focused on studying the new regional situation in the Caucasus, with work underway to release

several publications on the matter.

Through its publications in the *Central Asia-Caucasus Analyst*, ISDP continues to monitor the interrelationship of local politics in the region with geopolitical competition involving surrounding great powers. Crucial to this work is communicating the emergence of a new regional political situation in this region at the intersection of Eurasia and the Middle East. While these regions are typically studied in separation, the South Caucasus is an

important reminder of the growing interconnectedness between them, a result of the gradual fading of the post-Soviet world's boundaries, and the rapid reintegration of its peripheries with adjoining regions.



50day

hunger strike for ex-President Saakashvili

25bn

USD restoration cost on Azerbaijan's territories

53%

voted for Armenian Prime Minister's party

IS GEORGIA AT RISK OF LOSING ITS EUROPEAN PERSPECTIVE?

CACI Analyst, November 2021



"...The Georgian authorities have made fatal mistakes in relations with the EU, and risk turning Georgia from a successful country in the Eastern Partnership into a loser."

- Chedia

AZERBAIJAN AND TURKMENISTAN AGREE ON THE CASPIAN

CACI Analyst, March 2021



"On January 21, Azerbaijan and Turkmenistan signed a Memorandum of Understanding agreeing on the terms for their joint exploration and development of the field. This agreement removes the last obstacle to the construction of the Trans-Caspian Gas Pipeline."

- Cutler



A MORE **VULNERABLE** REGION?

In recent years, news from Central Asia have been rather upbeat. The region's two largest countries, Kazakhstan and Uzbekistan have been amid top-led reform programs focusing on both their political and economic systems. Meanwhile, the two have driven the establishment of a new cooperative environment in Central Asia, featuring much greater communication among regional leaders than in previous decades. This continued in 2021, with a summit of presidents taking place for the first time in Turkmenistan. But the broader trend has been less positive than

in previous years, largely because of the fallout of the chaotic U.S. withdrawal from Afghanistan.

The Taliban victory forced a re-evaluation for Central Asian states. Most regional states, Tajikistan excepted, worked to build ties to the new leadership in Kabul, in the process extracting assurances that the new leaders would prevent any activity on Afghan soil targeting Central Asian states. As concerns continue to spread regarding the Taliban ability to maintain control over Afghanistan, the American withdrawal also reshuffled regional

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...concerns continue to spread regarding the Taliban ability to maintain control over Afghanistan...

geopolitics. While Western powers appear disengaged, others like Turkey and Japan are intensifying their involvement. But the shadows of Russia and China continue to loom over the region.

CENTRAL ASIA

ISDP has focused on Central Asia since its inception, and recently worked to detail as well as support in practice the regional trend toward reform and regional cooperation. During 2021, it continued in this vein; following onto its publication of a lengthy study of Uzbekistan's reforms in 2018, in 2021 ISDP released a study of reform processes in Kazakhstan under President Kassym-Jomart Tokayev.

ISDP also focused on the tumultuous processes in

neighboring Kyrgyzstan. As Kyrgyzstan reverted to a presidential system following a decade under a parliamentary system, ISDP released a detailed study of the Kyrgyz political experience.

ISDP also launched a new series of shorter studies of the changing geopolitical landscape in Central Asia. This includes studies of the changing policies of regional powers and, their relationships with one another. Importantly, because ISDP has long noted the

growing agency of regional states themselves, this will be followed by analysis of how the region's states themselves adapt to this changing strategic competition surrounding them.



84%

vaccination rate against Covid-19 in Uzbekistan

370bn

FDI in Kazakhstan from 1991 to 2021

79%

voted for Sadar Japarov

A STEADILY TIGHTENING EMBRACE: CHINA'S ASCENT IN CENTRAL ASIA AND THE CAUCASUS

CACI Analyst, November 2021



"...Another important component of Uzbekistan's "systems reset" are the independent and organized citizen initiatives that are grouped under the terms "NGOs" or "civil society."

- Pantucci

POLITICAL AND ECONOMIC REFORMS IN KAZAKHSTAN UNDER PRESIDENT TOKAYEV

Silk Road Paper, November 2021.



"...Kazakhstan's reforms could help unlock the biggest landlocked area on earth and to transform it from a zone of mutually hostile authoritarian states into region of modern, open, and self-governing societies."

- Cornell, Starr and Barro



CHARTING A NEW COURSE

The essence of Turkey's politico-economic order has been statism, nationalism, religious conservatism, protection of powerful business interests and a close relationship with the United States. To preserve the system, the military, the state bureaucracy, and conservative parties (secular or religiously oriented), have relied on a mix of nationalism and religious conservatism. The fundamentals of the system remain unchanged. However, the Turkish state elite has increasingly come to regard the United States as an existential threat, which is precipitating a dramati-

ic shift. The conservative nationalist coalition that runs Turkey sees both risks and opportunities in the new, emerging world order, shaped by the relative weakening of the United States and the rise of China. They fear that Turkey may not survive unless the state acts proactively both internally to quell opposition and externally, but also sees the fluid international environment as an opportunity to expand Turkey's sphere of interest, a policy driven by defensive considerations. The Turkish state seeks to arm itself against Westerners demands for liberal reform and is de-

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...the Turkish state elite has increasingly come to regard the United States as an existential threat, which precipitating a dramatic shift...

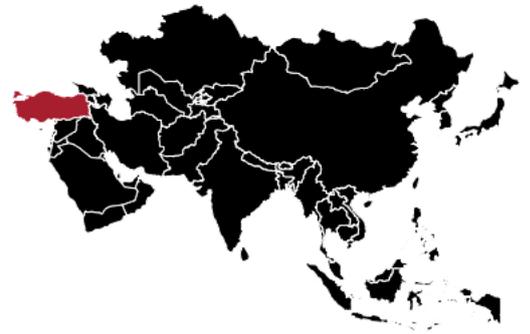
termined to chart a more independent economic course. The state elites' determination to ensure that Turkey will withstand future upheavals also means that it is unlikely to acquiesce to any fundamental changes of the authoritarian order that it intends to preserve indefinitely.

TURKEY

ISDP has long aspired to help Western policy-makers understand Turkish domestic and foreign policies. Its *Turkey Analyst* has, with its wide range of Turkish as well as non-Turkish contributors, provided context and analysis to developments in Turkey since it was launched in 2008. ISDP endeavors to pay attention to topics and highlight deeper currents in Turkish politics that tend to be overlooked in the standard media and academic narrative on Turkey. ISDP early on pointed out that what most Western observers mistakenly took to be a sign of democratization in

Turkey – the mass incarcerations of military officers and opponents of the ruling Justice and Development Party (AKP) – in fact signaled a turn away from the rule of law and toward authoritarianism. ISDP has avoided the oversimplified Islam versus secularism trope that traditionally informs standard analysis of Turkey, as well as the tendency in recent years to explain Turkey’s democratic travails and international behavior solely with the personal preferences of President Recep Tayyip Erdoğan. Instead, ISDP has been calling attention to and analyzing

how the internal dynamics of state power and vested economic interests interact to shape Turkey’s regime and its ideological and international course. And uniquely, the *Turkey Analyst* brings attention to social and labor issues that are otherwise neglected in standard international analyses of Turkey.



47.5%

national wealth held by wealthiest 20%

5.9%

national wealth held by the poorest 20%

66.1%

of Syrian refugee children are employed

THE NON-ENDING MISERIES OF WORKERS UNDER AKP RULE

Turkey Analyst, March 2021



“...The AKP has consistently sided with the economic elite against labor...”

- Soydan,

IN THE GRIP OF THE STATE: CAN TURKEY’S DEMOCRATS SURMOUNT STATE NATIONALISM?

Turkey Analyst February 2021



“Turkey is evolving from authoritarianism to fascism under the tutelage of the far-right leader Devlet Bahçeli, to whom President Recep Tayyip Erdoğan defers to stay in power...”

- Baydar



THE GEOPOLITICAL LANDSCAPE

Similar to 2020, the Korean Peninsula and its surroundings have undergone major shifts, due to the Covid-19 pandemic and geopolitical shift. Engagement on the Peninsula has yet to reprise and arms build-up between the two Koreas and the whole region worsened throughout 2021. With the election of President Biden, South Korea has been under increasing pressure to ease relations with Japan and step-up collaboration to strengthen the trilateral alliance and regional security. South Korea has developed its military capabilities by fire-testing a space probe and new missiles,

while attempting to develop blue-waters capabilities and an Iron-Dome-like defense system. North Korea has yet to soften its harsh self-imposed Covid-19 prevention measures. After bidding its time before the U.S. Presidential Election, North Korea took a 180 turn in its strategy to approach the U.S. and South Korea. To date Pyongyang has conducted 8 missile tests showing considerable advancements in its missile program and has taken a harsher confrontational stance vis-à-vis Washington. On the other hand, North Korea has shown its softer side to South Korea,

“

...North Korea took a 360 turn in its strategy to approach the US and South Korea.

by, for instance, reacting with lukewarm appreciation to South Korea's proposal of an end-of-war declaration. North Korea's shift in strategic approach could be attributed to the ongoing humanitarian and economic crisis caused by compounding negative effect of sanctions, economic mismanagement and, since 2020, harsh isolationist measures to prevent the spread of Covid-19.

KOREA

Throughout 2021 ISDP's Korea Center has managed to continuously expand its portfolio of activities and took steps towards its main objectives. Despite hurdles raised by Covid-19, the Center has managed to maintain its expert-level dialogue channels open in both physical and virtual settings and has welcomed experts from the Peninsula through its guest researchers' program. Furthermore, to continue elucidating issues on the Korean Peninsula in the Nordics, the Center has increased its number of partners and strengthened cooperation with traditional ones. Security and development mat-

ters have been approached in close collaboration with the Korea Defense Veterans Association, the Crisis Management Institute and the Swedish Red Cross, while women, peace and security, and energy and climate issues have been addressed with the Korea Women's Development Institute and the Korea-Benelux Center at Korea University, among others. The Center has successfully held multiple virtual multilateral dialogues and one physical in October sponsored by South Korea's Ministry of Unification, with participants from the US, China, Japan, Russia, South Korea and the EU.

In collaboration with the Korea Global Foundation the Center organized, in October, the Global Korea Forum: a two-day seminar on issues pertaining the Korean Peninsula. Lastly, the Center has organized an online forum and private roundtable discussions in cooperation with the Swedish Red Cross, on providing development and humanitarian assistance to North Korea.



262bn USD - ROK military expenditure

8 DPRK missile tests

3.5m UN-backed aid shipments to DPRK under Covid-19

MISSILE DEPLOYMENTS ON THE KOREAN PENINSULA: AN ACCELERATING ARMS RACE

38 North, May 2021

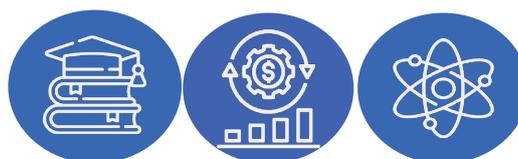


“South Korea’s significant improvements in its conventional force capabilities are an important driver of North Korean efforts to accelerate its development of more advanced ballistic missile and nuclear weapons capabilities.”

- Lee

EDUCATION AND DEVELOPMENT IN NORTH KOREA: THE PUSH FOR A “SCIENCE-BASED ECONOMY” UNDER KIM JONG UN

Issue Brief, February 2021



“Once considered the flagship of the regime’s welfare system, education has shown signs of inadequacy before the mid-1990s crisis.”

- Spezza



AN ANNIVERSARY YEAR

The year 2021 marked the hundredth anniversary of the Chinese Communist Party (CCP). This was an opportunity for the Chinese leaders to showcase China under the rule of the CCP as a political model. While the global Covid-19 pandemic continued to wreak havoc, somewhat constraining festivities, there was much fanfare in Beijing with a clear message: China is a great power.

This message reverberated across the Taiwan Strait, with tensions mounting between Beijing and Taipei. Beijing and Washington exchanged harsh rhetoric,

and senior Chinese leaders were adamant about achieving national rejuvenation by means of bringing Taiwan under Beijing's rule. The CCP continued to pursue harsh repressive policies in places which it views as harboring separatist sentiments such as Xinjiang, Tibet, and Hong Kong.

Beijing's poor human rights record, aggressive diplomacy, and efforts to constrain democratic Taiwan have caused pushback in Europe. Lawmakers in several European countries including Lithuania and Czechia have traveled to Taipei to express solidarity

“

...Chinese leaders were adamant about achieving national rejuvenation...

with Taiwan, while others have adopted resolutions implicating the Chinese state in genocide against minority peoples. Efforts to promote a Comprehensive Agreement on Investment (CAI) between the EU and China have all but stalled, and elections in Germany have highlighted the need for a new China Policy.

CHINA

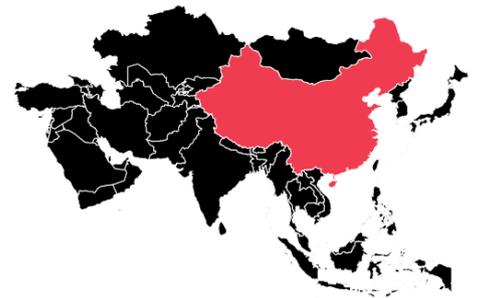
During 2021, ISDP's Stockholm China Center continued to pursue in-depth research and analysis, host public events, and participate in European policy discussions. The public health situation has meant that most of these activities have taken place online. Through joint projects and events, the China Center has sought to remain in contact with established partners and build new partnerships.

Throughout the year, the Center hosted numerous webinars. These included a three-part series on Sino-Nordic relations, lectures on the history and

society of Taiwan, China's security position, and Hong Kong. The China Center also hosted a two-day conference on Politics in East Asia Today which featured prominent scholars and aspiring experts in their respective fields. These public events were broadcast live and included speakers from China, Taiwan, the U.S., Sweden, and Germany, and remain accessible to the public through ISDP's social media channels.

In addition to events, the China Center has contributed to ongoing academic, policy, and public debates through in-depth anal-

yses and commentaries including the current state of Cross-Strait relations, Xi Jinping's cementing of power, gender activism on Chinese social media, and Taiwan's shrinking diplomatic space.



135

(PLA-AF) incursions into RoC ADIZ

100

years of CCP rule

17 000

USD - per capita income in China in 2020

CROSS-STRAIT RELATIONS: A CONFLICT IN SLOW MOTION?

Issue Brief, August 2021



"...Any military operation against Taiwan would come at a high risk for Beijing."

- Stünkel & Engman

CHINA'S COMMUNIST PARTY AT 100: FROM REVOLUTION TO RULE

Asia Paper, July 2021



"...A sad reminder that in terms of openness, freedom of expression, and rule of law, much of progress ... has been undone and China seems again to be heading towards totalitarianism"

- Lodén



A NEW PRIME MINISTER

In October 2021, Fumio Kishida formally took office as Japan's new prime minister, succeeding Yoshihide Suga who resigned after just one year in office. In the general elections that followed, Kishida and the LDP secured its majority to govern for the coming four-year mandate period.

The new Japanese government will now face a range of tough issues, including post-pandemic economic recovery and increased tensions in the East Asian region. Mr. Kishida is not a newcomer. He has been the longest serving post-war foreign minister and he hails from a political fam-

ily. As a Hiroshima native he is known for his opposition to the use of nuclear weapons, having seen the impact of his hometown.

However, he is not a dove when it comes to foreign, defense and security policy. On November 26 his cabinet approved a large supplementary budget amid growing military threats from North Korea, China, and Russia.

During the year Japan has bolstered its security cooperation with the United States, India and Australia through the new security forum, the Quad, and with the United States, United

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... Mr. Kishida is not a newcomer. He has been the longest serving post-war foreign minister and he hails from a political family...

Kingdom and Australia through the recently introduced AUKUS cooperation. Japan has also been more vocal in its support of Taiwan, but prime minister Kishida has also stated that he has no intention to abandon Japan's efforts to keep its relations with China on a non-confrontational, practical level.

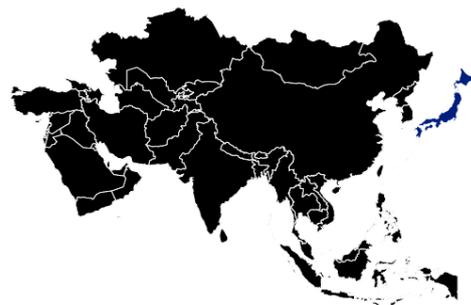
JAPAN

The Japan Center has continued to expand its cooperation with other international institutes and organizations, such as the Sweden-Japan Foundation (SJF), the Scandinavia-Japan Sasakawa Foundation (SJSF), the European Japan Experts Association (EJEA), the European Institute of Japanese Studies (EJES), the International Institute for Media and Women's Studies in Tokyo (IIMWS) and the newly established Japan House Scandinavia.

Together with EJEA, the Kagawa University, and the Fraunhofer Institute for Applied Technology (FIT), the Japan Center has

been active in organizing the international conference "Human-Centered Sustainability and Innovation for an AI assisted Future", which was held in October 2021. A follow-up conference on a similar topic will be held in Berlin, Germany, in October 2022.

During the year the Center has organized a number of online webinars and lectures, published issue briefs, weekly newsletters and blog posts and it has also continued its active engagement in a new and successful podcast which focuses on Japan, Japanpodden.



SECURITY IN THE ASIA-PACIFIC: JAPAN'S OPTIONS AMID U.S.-CHINESE TENSIONS

Issue Brief, June 2021



"...While East Asia has fundamentally changed over the course of the last century, international treaties continue to play a vital role in maintaining peace and security..."

- Vargö & Fabian

THE BRI VS. FOIP: JAPAN'S COUNTERING OF CHINA'S GLOBAL AMBITIONS"

Issue Brief, February 2021



"...Japan is outperforming China in FDI and development finance..."

- Vargö & Ranglin



A REGION IN TRANSITION

The 2020-2021 China-India military standoff at the Sino-Indian border remained a flashpoint in South Asia. Despite negotiations, the process of disengagement has been slow, and the Line of Actual Control (LAC) has been the site of several violent conflicts. Furthermore, the year 2021 has been dubbed “the worst year yet” for Rohingya refugees in Bangladesh, where fires, floods, and the Covid-19 pandemic have caused mass fatalities.

Year 2021 has seen dynamic changes in the Indo-Pacific, due to China's increasing assertiveness. The year also marked EU's first

Indo-Pacific Strategy and a formation of the new trilateral defense and technology pact AUKUS, strengthening U.S.' partnerships in Indo-Pacific. AUKUS had a two-fold impact. First, the announcement combined with the U.S. withdrawal from Afghanistan decreased trust between the regional actors. Second, the sudden release of AUKUS called into question the value of existing regional alliances. Its long-term impact may be detrimental to the bilateral, trilateral or plurilateral ties that, for example, the Quad has built over the years.

In this regard, year 2022

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...2021 has been dubbed “the worst year yet” for Rohingya refugees...

may witness new dynamics in the region as the overall security has deteriorated regarding both traditional and non-traditional threats. The failure of establishing functional cooperation in areas, such as climate change, will pose several existential threats in the region, particularly for the Pacific Islands and South Asian countries including Bangladesh.

SOUTH ASIA & THE INDO-PACIFIC

ISDP's Stockholm Center for South Asian and Indo-Pacific Affairs, (SCSA-IPA), is a newly established research center.

In 2021, SCSA-IPA focused on geopolitics in the Indo-Pacific by assessing how power politics in the region are unfolding. Along with ISDP's Asia Program, SCSA-IPA carried out a special publication, 'AUKUS: Resetting the European Thinking on Indo-Pacific', drawing implications for Europe.

Moreover, the SCSA-IPA published a good number of policy-focused papers on India-Nordic ties, India's emerging Indo-Pa-

cific outlook, Europe's involvement in the Indo-Pacific, Japan's role in the Indo-Pacific including the emerging dynamics in South Asia with a special focus on Himalayan Valley politics. In brief, SCSA-IPA's aim in 2021 was to address the existing gap between Europe and Asia, and how Europe can emerge as a big multilateral actor in South Asia which is a significant region of Indo-Pacific.

The research agenda in 2022, will continue to focus on power politics in the Indo-Pacific and assess China's activities in South Asia and the Indo-Pacific.

Special emphasis will be given to assess India-China, India-Japan, and India-EU ties in 2022. Other mainstream issues such as inter-state relations and conflicts in South Asia, Himalayan valley politics, including water conflict and boundary dispute will be covered in length in the coming year.



800m 180m 37%

South Asians live in climate change hotspots of 800m
of Japanese aid planned to Afghanistan 2020-24 is 180m
global arms supply held by the US. 37%

AUKUS: RESETTING THE EUROPEAN THINKING ON INDO-PACIFIC

ISDP Special Paper, October 2021



"It is pivotal for Europe to maintain an independent outlook vis-à-vis ties with Asia. In this regard, countries like Japan and India, with whom the EU shares strong bilateral ties, can emerge as key partners of focus."

- Panda & Swanstrom

INDIA-NORDIC ENGAGEMENT: A VERITABLE STRATEGIC PARTNERSHIP IN REIMAGINE AND CONFIGURE

Focus Asia, September 2021



"...New Delhi and the Nordic capitals have had to ameliorate the stereotypical conceptions, that impelled them to construe the other, as peripheral locale in obscurantism."

- Paruleka

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*

Agneta Bladh

Deputy Chairman of the Board

*Former State Secretary in the Swedish
Ministry of Education*

Katarina Areskoug

Director at Kreab

Olof Ehrenkrona

CEO at Stockholms Hjärnverk AB

Jan Mörtberg

*Member of the Royal Swedish Academy of War
Sciences*

Per Storm

*General Manager and Managing Director,
EIT RawMaterials North AB*

ISDP OFFICE

Niklas Swanström is Executive Director and Svante Cornell is Director of the Institute, while Tasmin Hoque is the Chief Financial Officer. ISDP's main office is located at Västra Finnbodavägen 2, Nacka, Stockholm, Sweden. In 2021, ISDP consisted of 17 staff members, 10 men and 7 women.

RECRUITMENT

During 2021, ISDP had the pleasure of recruiting the following new staff members:

Johannes Nordin

Junior Research Fellow

Love-Lis Liljeström

Junior Research Fellow

Tasmin Hoque

Chief Financial Officer

Anna Jarmuth

Outreach Coordinator

Emilia Hallström

Outreach Coordinator

INTERNSHIP PROGRAM

Each semester ISDP accepts four to six 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 2021, the 9 individuals from 4 countries enrolled in the internship program were:

Rasmus Björklund
Stockholm China Center

Gabor Fabian
Stockholm Japan Center

Emma Janson
Stockholm China Center

Maria Braun
Stockholm Japan Center

Charlotte Poirier
Stockholm China Center

Peter Adolfsson
Stockholm Japan Center

Love-Lis Liljeström
Stockholm Korea Center

Viola Pulkkinen
Asia Program

Elin Bergner
Stockholm Korea Center

VISITING FELLOWS PROGRAM

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. Through 2021 the following individuals participated in the Visiting Fellows Program:

Gwak Gyeong Hwan
Ministry of Foreign Affairs, South Korea

Lee Hyeong Woo
Jeonbuk National University, South Korea

Hiroki Sekine
Japan Bank for International Cooperation (JBIC)

Han Yong-sup
Korea National Defense University, South Korea

Shin Ye Jin
Ministry of Health and Welfare, South Korea

Aniruddha Saha
King's College London, United Kingdom

FINANCIAL REVIEW

INCOME

The Institute has successfully maintained a diversified income base, with a total revenue of 14,27 MSEK. The funding from the Swedish Ministry for Foreign Affairs accounted for around 46 percent of the total revenue. 11 percent of the revenue is linked to the Institute's taxable operations.

COSTS

During 2021, 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 2021 the Institute has a positive result of 155 TSEK.

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 diversified funding and create 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 2022.

AUDITOR

The auditor of ISDP is Micaela Karlström at MOORE Allegretto.

FIVE-YEAR FINANCIAL OVERVIEW

	2021	2020	2019	2018	2017
Income*	14 277 085	12 999 133	13 319 078	14 276 102	17 693 389
Expenses**	14 122 072	12 900 115	13 175 042	14 144 056	17 435 253
Reported Results	155 013	99 018	144 036	132 046	258 136

*Incoming Resources including Revenue, Government Grant and Other Grants

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

INCOME STATEMENT

	2021	2020
Revenue	1 726 907	693 752
Government Grants	8 288 465	9 500 359
Other Grants	4 261 713	2 805 022
<i>Total</i>	14 277 085	12 999 133
Costs		
Personnel Costs	-10 109 517	-8 916 857
Other Costs	-3 834 508	-3 752 175
Result (EBITDA)	333 060	357 101
Depreciation	-195 492	-151 827
Result (EBIT)	137 568	205 274
Interest, interest cost etc.	17 445	106 256
Tax	-	-
Net Result	155 013	99 018

BALANCE SHEET

ASSETS	2021-12-31	2020-12-31
<i>Fixed Assets</i>		
Inventories	0	159 415
<i>Total</i>	0	159 415
<i>Current Assets</i>		
Account receivables	-	-
Other receivables	-	-
Prepaid expenses and accrued income	503 334	854 863
Liquid assets	2 693 485	3 300 525
<i>Total</i>	3 196 819	4 155 388
TOTAL ASSETS	3 196 819	4 314 803

LIABILITIES AND EQUITY

<i>Current Liabilities</i>		
Accounts payable	122 808	655 035
Tax liabilities	38 787	29 714
Prepaid income	1 173 700	1 777 359
Other current liabilities	354 354	496 023
Interim liabilities	1 087 370	1 091 888
<i>Total</i>	2 777 019	4 050 016
<i>Equity</i>	419 800	264 787
<i>Total</i>	419 800	264 787
TOTAL LIABILITIES AND EQUITY	3 196 819	4 314 803

FUNDERS IN 2021

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 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 or 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 2021.

FUNDERS

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Korea Foundation	Taipei Mission in Sweden
Korean Women's Development Institute	U.S. Department of State
Ministry for Foreign Affairs, Sweden	
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