MONGOLIAN GEOPOLITICS

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Layout: Yo.Batbold
Cover illustration: I.Tuguldur

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ISBN 978-9919-9927-8-1
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Dear Reader,

The Friedrich-Ebert-Stiftung is the oldest political foundation in Germany with a rich tradition in social democracy dating back to its foundation in 1925. The foundation owes its formation and its mission to the legacy of its namesake Friedrich Ebert, the first democratically elected German President.

The work of our political foundation focuses on the core ideas and values of social democracy – freedom, justice and solidarity. This connects us to social democracy and free trade unions.

Since the early 1990s, the FES has been working in Mongolia, sustaining, and supporting the country's democratic transition. Our work is characterized by making the transformation socially and economically just – to let all people in Mongolia benefit from the country's progress.

Over the past two years, FES Mongolia has worked with the Mongolian Institute for Innovative Policies (MIfIP) to map the changing geopolitical landscape surrounding Mongolia.

My sincere thanks go to all authors involved in this project. However, I would like to express a special gratitude to Dr. Mendee Jargalsaikhan, who has been both the idea provider and the person moving the project forward, making every new issue of our paper series on Mongolian Geopolitics possible.

I would also like to thank my colleagues at FES Mongolia, Sarangua Byambajav, Munkhtsatsral Davaadorj, and Batbold Yondonrenchin, for all their work in bringing the project into being.

I believe that our book comes at the right time. Geopolitics are changing and so is the need to adapt to changing circumstances for all countries.
Mongolia with its unique and limited geographical position, has always been guided by a very realistic strategy when looking at the foreign policy options. With new times and geopolitical structures on the horizon, the main question for Mongolia’s foreign policy will be how to sustain and potentially enlarge its independence in the region.

This independence, however, is often limited by the very few options that are at hand for Mongolia.

Yet, the peculiarities of Mongolia’s position are sometimes overlooked by other perspectives. This position might seem contractionary at first, but becomes clearer once more information is added to the overall picture.

With our book on Mongolian Geopolitics, we want to do both: Firstly, try to elaborate alternative paths for Mongolia’s foreign policy, guiding the country through the uncertainties of the new geopolitics. And secondly, make the international community aware of Mongolia’s position and the potential the country holds for enabling peaceful international cooperation in future times.

I wish you an enjoyable and insightful read of our book on Mongolian Geopolitics.

Benedikt Ivanovs

Resident Director of Friedrich-Ebert Foundation Mongolia,
October 2022
New Geopolitics and Mongolia

After years of graduate schooling at the University of British Colum-
bia, I realized the true learning value and impact of a writing work-
shop—a process in which writers, editors and readers work together
in mostly constructive ways to contribute to public knowledge.

Although the English language is becoming one of the most popular languages in
Mongolia, scholarly work on the country’s foreign policies and perspectives on inter-
national relations in English are limited. Writing in a foreign language requires more
time, energy and effort than in the native tongue. And getting published in interna-
tional relations journals is very challenging for us. If we think about the long review
process (six months to a year) and the strong likelihood of being rejected mostly due
to the language requirements, it is not an encouraging endeavour. As well, it would be
financially difficult, if not impossible for a Mongolian scholar to pay for English editing
or copy-editing costs. At the same time, Mongolian journals on international relations
in English attract a limited number of readers, and some readers find these articles
either too academic or too narrow in a specific historical focus. Due to the nature of
Mongolian scholars’ schooling (a mix of Mongolian, Soviet and Western styles and cul-
ture) and limited opportunities for sharing their knowledge, reflections and insights in
English, most Mongolian scholars—those who desire to share—do not write.

I approached Niels Hegewisch, who was the then-Resident Director of Fried-
rich-Ebert-Stiftung (FES) Mongolia, in December 2020 with a proposal to provide a pol-
icy paper writing workshop that would help give English voice to Mongolian writers.
His response was supportive. But I was to write a few pieces first to establish a model
policy paper. We agreed that the papers must be timely, critical and short (2,500–3,000
words), with few endnotes (maximum 16–17). After publishing the first four test, or
model papers, we began our quest for writers to participate in this writing process, in
our version of a writing workshop.

Once the authors agreed to contribute, we brainstormed together on the structure,
content (what to include or exclude), policy recommendations (if we thought neces-
sary) and the title and style. Depending on our schedules, life demands and workloads, some papers were worked on for several months. The shortest ones took two to three weeks. Each writer sent their first rough draft to FES Mongolia for quick feedback from an English-language reader. The preview reading by a foreign reader was important for us to overcome our biases and to highlight the parts that would be insightful for English readers. After revising their draft based on the first review, the writers returned the paper to FES for English editing. We truly appreciate this editing process, even though it required us to send several drafts back and forth. I thank my daughters, Gereltuya Mendee and Gerelchimeg Mendee, for editing the first four papers that I wrote before they went for final edit. The editors helped us to improve the clarity of our writing and our academic writing skills in English. As each paper under went review, Tuguldur Ishgombo, a creative young designer, created a visual image that reflected the particular theme of each paper, often a map. At the final stage, Batbold Yondonrenchin completed the layout of the paper, and then the project manager did a final check before the paper was sent for publishing through the FES library network and on social media.

We have worked with wonderful project managers: Sarangua Byambajav for the first ten papers and Munkhtsatsral Davaadorj for the second ten papers, the youth opinion survey and this book.

We have learned many things over the past year of this project. For one, although we have different personal, educational and professional backgrounds, we should write together. The more we talk and discuss issues from different perspectives, our ability to parse a topic from multiple standpoints becomes stronger, even though this is a tough, time-consuming process. Second, many ideas reached the final stage. But some fell apart due to the workload or level of English writing skills required, whereas others stopped because we could not agree on content, style or timing. But all these unsuccessful attempts either offered lessons for us or sparked an idea for future projects and papers.

And third, albeit it is small in scale and of limited impact, but this was an interesting process of global and local learning. As a product of the learning process at the University of British Columbia, I wanted to share my academic experiences with our young
scholars and policy practitioners in Mongolia through our hybrid writing workshop, which was assisted by highly educated English language readers (Niels Hegewisch and Benedikt Ivanovs) and the editor (Karen Emmons) working with the German FES foundation. The writing workshop thus became a local and global intersection for producing public knowledge.

We truly appreciate Benedikt Ivanovs, the new Resident Director of the Foundation, who wholeheartedly supported our writing workshop project and encouraged us to compile these papers as a book. New Geopolitics and Mongolia is offered to English speakers curious about Mongolia, Mongolian students (undergraduate and graduate) and young professionals who want to read in English.

We are grateful for our writers: Sainbuyan Munkhbat, Dorjsuren Nanjin, Naranzul Bayasgalan, Byambakhand Luguusharav, Nyamsuren Chultem, Indra Bazarsad, Chandmani Sukhbaatar, Munkhtulga Batmunkh, Tuvshinzaya Gantulga, Altanzaya Laikhansuren, Undrakh Badrakh, Munkh-Orgil Tuvdendorjaa, Oyu Vasha, Soyolgerel Nyamjav, Suvdantsetseg Tsagaanbaatar, Odonbaatar Amarzaya, Batbold Otgonbayar, Ariuntuya Nominkhuu and Erik Danielsson for making the time in their busy schedules to join us in this effort.

In this book, we are also fortunate to include the results from the national opinion poll, Young Mongolians and the World in 2021. This was the first-ever large-scale youth opinion survey in Mongolia, which set out to understand young people’s worldviews and attitudes on international matters. The survey was carried out by an all-women team of experts and assistants. We extend our sincerest gratitude to FES Mongolia for supporting the policy paper writing workshop, conducting the national youth opinion poll and for making this book available to you.

The papers in this book have taught us many lessons and have inspired us to write more in English. I am confident that they also will encourage emerging international scholars to conduct investigations jointly with Mongolian scholars.

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CHAPTER ONE

East Asian Geopolitics
RENEWED GEOPOLITICAL RIVALRIES: CHALLENGES AND OPTIONS FOR MONGOLIA

J. Mendee
Renewed Geopolitical Rivalries: Challenges and Options for Mongolia

Introduction

During a break in the COVID-19 pandemic, the foreign ministers of China, Russia, Japan and the United States boosted Mongolia into international headlines. Returning from the Shanghai Cooperation Organization meeting in Moscow, for instance, Chinese Foreign Minister Wang Yi stopped in Ulaanbaatar (15–16 September) with a message: Do not take sides with China’s competitors if Mongolia wants to rely on the Chinese economic powerhouse.

Within the week, Mongolian Foreign Minister Enkhtaivan Nyamtseren was invited by Russian Foreign Minister Sergey Lavrov to meet on short notice. Even though the ministers jointly announced the finalization of a treaty on the permanent comprehensive strategic partnership, the Kremlin showed its will to lead trilateral economic projects (such as a gas pipeline) with China and impose the Eurasian Economic Union agenda on Mongolia.

Then on 29 September, the United States Secretary of State Michael Pompeo announced the inclusion of Mongolia in his trip to visit allies in East Asia—Japan and the Republic of Korea. Although the trip was ultimately cancelled due to an outbreak of COVID-19 cases among White House officials, Pompeo talked by telephone with President Battulga Khaltmaa and highlighted their shared commitment to democracy and regional security.

A few days later, Japanese Foreign Minister Toshimitsu Motegi, considered a key insider of then Prime Minister Shinzo Abe’s geopolitics, flew to Ulaanbaatar. In addition to updating the strategic partnership plan until 2022, the Japanese Foreign Minister’s interests centred on Mongolia’s inclusion in the Free and Open Indo-Pacific strategy.
Mongolia has declared strategic partnerships with each of these great powers and is thus entering a complicated geopolitical setting.

It is not entirely new. A similar scene occurred in the summer of 1991. Chinese President Yang Shangkun, Japanese Prime Minister Toshiki Kaifu and the United States Secretary of State James Baker each visited Mongolia within a month’s time. China wanted agreement to non-interference in its internal affairs, whereas Japan and the United States imposed non-reversal conditionality on Mongolia’s democratic transition to receive much-needed economic assistance. The primary difference then was the absence of Russia.

This policy paper discusses the renewed geopolitical rivalries of the great powers, explains Mongolia’s challenges to manoeuvring in this tough geopolitical terrain and then proposes pursuit of a pragmatic, neutral foreign policy option similar to Finland’s strategic concessions to its neighbouring great power, the Soviet Union.

**Renewed geopolitical rivalries**

The great power competition also is nothing new. Even after the Cold War, China, Japan, Russia and the United States were watching each other suspiciously while avoiding unnecessary tension. In the 1990s, policymakers and academics in Japan, Russia, and the United States debated over the China threat and the consequences of China’s economic rise. Russian leaders, such as Foreign Minister and later Prime Minister Yevgeny Primakov and President Vladimir Putin, sought ways to balance with the United States and to integrate into the European economic and security framework. It was not a surprise when Putin hinted at Russia’s inclusion in the North Atlantic Treaty Organization (NATO) because the country was already supporting American military operations in Afghanistan. Similarly, in 2000, the United States Congress mandated its Defense Department to report annually on China’s
security strategy and military development. China and Japan had similar outlooks. China was wary of the United States, whereas Japan remained vigilant of both China and Russia.

In the mid-2000s, all these countries reassessed their long-term geopolitical and economic objectives as the geopolitical setting began to shift. With similar geopolitical concerns about American strategies, China and Russia advanced their partnership by conducting an annual joint military exercise (Peace Mission, beginning in 2005) and even demanded the withdrawal of American forces from Central Asia.\(^5\)

When the United States proposed another round of NATO’s expansion into Ukraine and Georgia and new missile defence systems in the Czech Republic and Poland, Russia quickly reacted. This resulted in a brief military conflict with Georgia in 2008. Following the breakdown with Europe, Russia began pursuing policies to reassert its influence in former Soviet republics through the Eurasian Economic Union as well as the Collective Security Treaty Organization. China and Russia jointly strengthened the Shanghai Cooperation Organization and created a new bloc with Brazil, Russia, India and South Africa (BRICS) for collaborating on major geopolitical issues.

From 2012, the great power rivalries intensified. Chinese President Xi Jinping renounced the “hide and bide” principle of Deng Xiaoping by pledging that China would take an active role in global politics. A year later, China unveiled a new grand strategy, known as the Belt and Road Initiative (BRI), to invest in infrastructure that increases global connectivity. Chinese leaders explained that the BRI is a “win–win” developmental initiative. The ambitions and ambiguity of the BRI, however, immediately raised geopolitical concern from all the great powers, as if China was about to reshape the global and regional order for its geopolitical advantage. For example, building on its earlier strategy (Pivot to East Asia), the United States launched a series of measures to con-
tain China. It endorsed Japanese Prime Minister Shinzo Abe’s quadrilateral security dialogue (for the alliance of Japan, India, Australia and the United States) and strengthened ties with India, Myanmar, Singapore and Vietnam, all of whom are cautious of China’s economic and military powers. Meanwhile, in 2014, Russia annexed Crimea and intervened in Eastern Ukraine, based on its geopolitical concerns for Ukraine’s potential membership in NATO. Then, in 2015, Russia deployed its military to Syria to check the United States’ interventions while declaring its strategic partnership with China.

In response, the United States cited China and Russia as the biggest threats in its National Defense Strategy (2018), which is the country’s long-term strategic defense document. The American Defense Department released its Indo–Pacific Strategy Report, and the State Department defined its Free and Open Indo-Pacific vision. Both documents prioritized containing China’s growing economic and military power in the Indo–Pacific region. In addition to sanctions against China and Russia, the United States pressured its allies to ban Chinese telecommunication companies from participating in the development of the 5G network. In contrast, Russia welcomed the Chinese telecommunication giant—Huawei—to develop its 5G network and pledged to develop Chinese missile defence capabilities.

This new round of great power rivalries is changing the geopolitical setting for a small State like Mongolia.

**Challenges for Mongolia**

The primary challenge for Mongolia is to maintain its sovereignty. For centuries, geography has dictated the country’s fate as a classic buffer State between two expansionist and rival great powers—China and Russia. While serving the Kremlin’s geopolitical interests from 1921 to 1986, Mongolia gained United Nations membership and its indepen-
dence from China. During this period, Mongolia remained under close control of the Kremlin and became a militarized buffer State whenever Russian geopolitical interests were threatened. The Kremlin deployed its military three times: in 1921, 1936 and 1960. Following the Sino-Soviet rapprochement and the collapse of the Soviet Union, Mongolia normalized its relations with China and developed new ties with the United States and its allies.

In the 1990s, Mongolia did not experience any geopolitical pressure from the great powers and firmly declared a series of neutrality policies. At the time, Mongolia’s two neighbours were preoccupied with maintaining their domestic matters and also coping with security concerns elsewhere. The United States and Japan focused on Mongolia’s political and economic transition while explicitly avoiding developing security ties. In that period, Mongolia adopted a series of neutrality policies: the constitutional prohibition on foreign military transition and basing, a non-aligned foreign policy stance, declaration of a nuclear weapon-free zone and bilateral treaties with all the great powers, with a “against no-third party” principle.

In this favourable geopolitical context, Mongolia increased its engagement with international and regional organizations and sought ways to attract the interests of so-called “third neighbours”. The most important endeavour was its military deployment in support of American operations in Iraq, when China and Russia were strongly opposing the United States war in Iraq. Then, Mongolia deployed its military to Kosovo and Afghanistan. This military contribution resulted in close political and defence ties with the United States and NATO members as of 2003. The other endeavour was the conclusion of an investment agreement with Anglo-Australian mining giant Rio Tinto and Canadian Ivanhoe Mines to develop the Oyu Tolgoi copper and gold deposit.

These endeavours triggered reactions from China and Russia. Chi-
East Asian Geopolitics

na’s security experts cautioned Mongolia’s inclusion in the American “strategic encirclement” of China, whereas Russia was wary of losing its geopolitical privileges in Mongolia to NATO members. China and Russia jointly pressured Mongolia to join the Shanghai Cooperation Organization. As a result, Mongolia became an observer in 2005. Since then, Russia has taken assertive action to secure its geopolitical and geo-economic interests in critical areas such as railway construction, the energy sector and uranium mining. To be clear, neither China nor Russia attempted in this period to influence Mongolia’s domestic politics, especially its elections.

Now all these great powers want to include Mongolia in their competing geopolitical visions. China declared a comprehensive strategic partnership in 2014 and included Mongolia as one of six economic corridors of the BRI. Beijing leaders hope that Mongolia will join the Shanghai Cooperation Organization to fulfil its regionalization strategy of Central Asia. They also want Mongolia to commit to non-intervention in its internal affairs, especially in matters related to Tibet, Xinjiang, Hong Kong, Taiwan and Inner Mongolia, in return for economic assistance and market access.

In 2019, Russia quickly upgraded its strategic partnership with conclusion of a permanent treaty, which imposed Mongolia’s adherence to the Russian geopolitical agenda. Specifically, the treaty prioritizes bilateral consultations, renews defence technical cooperation and requires Mongolia’s adherence to the 1,520 mm (Russian standard railway gauge) for the railway extension. As hinted by some Russian officials, the Kremlin even dreams of Mongolia’s inclusion in the Eurasian Economic Union and the Collective Security Treaty Organization, considering how Mongolia is traditionally wary of Chinese expansion. The United States and Japan have included Mongolia in their Free and Open Indo-Pacific strategy because Mongolia shares similar values (democracy, human rights) and security concerns regarding China and
Russia. Interestingly, the American Pentagon’s Indo-Pacific Strategy (June 2019) identified Mongolia as a “reliable, capable and natural partner of the United States,” while designating Mongolia’s two neighbours as the biggest security threats: China as a revisionist power and Russia a revitalized Malign Actor.\(^\text{10}\)

The American State Department’s Free and Open Indo-Pacific visionary document highlights Mongolia as one of the beneficiaries and supporters of its strategy. Japan also included Mongolia in its Partnership for Quality Infrastructure (PQI), a developmental assistance alternative to China’s BRI, and designated a new international airport and railway flyover (Sun Bridge) in Ulaanbaatar as PQI projects.

Like many small States, Mongolia’s challenge is determining how to manoeuvre in this round of great power competitions without compromising its sovereignty and undermining its institutions of democratic governance.

**Options for Mongolia**

Ideally, the best option for Mongolia is to maintain friendly ties with all the great powers and to benefit economically as it sits at the merging point of different geopolitical strategies. In fact, this has been the case to a certain degree. Mongolia’s nuclear weapon-free zone status has been endorsed by all permanent members of the United Nations Security Council. The country’s peacekeeping efforts, whether military deployments or hosting training events, have been supported by all the involved great powers.\(^\text{11}\) Both China and Japan have aided in road development, such as with the Chinese-built Moon Bridge (BRI funding) and the Japanese Sun Bridge (PQI project) in the capital city. At the moment, China and the United States are assisting to improve the capital city’s water supply and infrastructure.\(^\text{12}\) Hopefully, China and Russia will construct a natural gas pipeline through Mongolia, which
would increase trilateral economic cooperation. Current trends, however, force a consideration of the likelihood of consequences in the worst- and best-case scenarios.

The most likely worst-case scenario has China alone or together with Russia entering into conflict with the United States. This circumstance would force Mongolia to limit its relations with the United States and even to stand with its neighbours against the United States and its allies. The other worst-case scenario, which is less likely at the moment, is the emergence of Sino–Russian geopolitical tension. This would create the direst situation, in which Mongolia could easily fall into the control of either neighbour or become a battleground.

The best-case scenarios are also possible and would create a favourable overarching setting for Mongolia to manoeuvre and maintain its sovereignty. The best-case scenarios have all the great powers seeking strategic stability because they are intertwined with domestic challenges or geopolitically distracted elsewhere.

In all these scenarios, the primary objective for Mongolian leaders would remain the same—to maintain sovereignty and independence.

However, Mongolia’s options to maintain its sovereignty are limited. First, it is a regionless country. Therefore, it cannot rely on any regional security alliance, such as NATO or the Collective Security Treaty Organization. The only close alliance is the Shanghai Cooperation Organization, but Mongolia is wary of jeopardizing its sovereignty if it joins. Second, it is impossible for leaders in Ulaanbaatar to gain security guarantees from one or several of the great powers, with the possible exception of Russia. Leaders in Washington and Tokyo are not likely to make any such deal as with the Philippines or Taiwan. Mongolia is too cautious of losing its sovereignty to Russia and provoking China by renewing the mutual defence clause with Russia. Lastly, Mongolia is too
economically poor to build its defence capabilities in a way that is similar to Singapore, Switzerland and the Democratic People’s Republic of Korea. Therefore, the most suitable option would be to make strategic concessions to the great powers following the example of the Finnish experience during the Cold War.

This option requires that Mongolia avoid joining in the security alliance of any great power, just as Finland avoided joining NATO and the Warsaw Pact. In this sense, Mongolia should not attempt to upgrade its current level of confidence-building security defence relations with members of NATO, the Collective Security Treaty Organization and, potentially, the Shanghai Cooperation Organization (if it turns into a regional security organization). In regard to the Free and Open Indo-Pacific, Mongolia should limit its security cooperation to specific areas: peacekeeping, humanitarian assistance, disaster relief and defence diplomacy.

This type of neutrality policy would also require Mongolia to abstain from taking any stance on controversial matters related to its neighbours and their geopolitical competitors. Such avoidance would help Mongolia to promote itself as a neutral place for all great powers to negotiate, such as the Finnish model of the Helsinki process.

At the same time, Mongolia should strengthen its democratic governance: the parliamentary system, civil society and the rule of law. Democratic governance would distinguish Mongolia’s identity within the authoritarian great powers and ensure self-rule free from those great powers. One of the downsides of this type of neutral, pragmatic strategy, however, is its limit on participation in foreign policy decision-making processes. This requires that only professional diplomats handle foreign policy matters while encouraging informed public discourse. In return for this neutral policy, Mongolia would expect the great powers to respect its sovereignty and restrain any actions to influence its policies.
Conclusion

When the foreign ministers of the great powers gave some attention to Mongolia in the fall of 2020, Mongolia reacted with proactive diplomacy amid the pandemic. On 29 February, Mongolian President Battulga became the first foreign dignitary to visit China during the pandemic and extended a gift of 30,000 sheep as a goodwill gesture. On 21 June, the Mongolian airline, MIAT, conducted a long-awaited flight to North America and delivered more than US$1 million worth of assistance and 60,000 personal protective equipment to the United States. On 24 June, despite Russia having the second-highest number of coronavirus cases, the Mongolian military marched in the Victory Day Parade, marking the 75th anniversary of the Soviet victory in the Second World War, in which Mongolia stood as a close ally.

As with the proactive diplomacy, the renewed geopolitical tensions among the great powers will require unity, patience and deft diplomacy from Mongolian leaders to steer through the rough sea.
Endnotes


⁵ The Declaration of Heads of Member States of the Shanghai Cooperation Organization on 5 July 2005 stated: “Considering the completion of the active military stage of antiterrorist operation in Afghanistan, the member states of the Shanghai Cooperation Organization consider it necessary, that respective members of the antiterrorist coalition set a final timeline for their temporary use of the above-mentioned objects of infrastructure and stay of their military forces. The Declaration also required that Mongolia withdraw its military forces from Afghanistan, which it did in 2011.” Available at www.sectsco.org.

⁶ In 2018, the US Defense Department issued the National Defense Strategy in replacement of the Quadrennial Defense Review, which used to be the strategic and military doctrine from 1996.

⁷ Mongolian leaders began to use democracy as an instrument to deepen its relations with so-called “third neighbours”—a set of developed democracies supporting the country’s political and economic reform—to potentially “soft-balance” against potential Chinese and Russian influences. The third neighbour concept was clarified in the 2010 National Security Concept as well as the 2011 Foreign Policy Concept. The latter document officially designates the United States, Japan, European Union, India, Republic of Korea and Turkey as third neighbours.

⁸ Mongolia’s military deployment to Iraq and Afghanistan has contributed to the development of its military capabilities and has allowed it to expand its influence in the region.
political and defense ties with the United States, Germany, Poland and Belgium.

The Treaty on Friendly Relations and Comprehensive Strategic Partnership was signed in September 2019 during Russian President Vladimir Putin's visit to Ulaanbaatar. Both parliaments ratified this permanent treaty.

Russia provided armoured vehicles, China renovated the recreational facility for peacekeepers and provided equipment for the engineering units and the United States gave funding for the development of the peacekeeping training centre, training and education, deployable hospitals and other necessary equipment. Japanese Self-Defense Force engineers built roads for the peacekeeping training centre, whereas Korean companies built some training facilities.

The US Millennium Challenge Corporation is implementing the water supply project ($350 million grant) to improve the water supply system, whereas the Japanese government has provided a soft loan (1 million yuan) to construct a new wastewater treatment plant.
THE FREE AND OPEN INDO-PACIFIC STRATEGY AND MONGOLIA

J. Mendee
Introduction

Mongolia emerged as an important country in the Trump administration’s geopolitical strategy for a Free and Open Indo–Pacific (FOIP). The strategy takes a position against Mongolia’s powerful neighbours, China and Russia, along with North Korea, which maintains amicable ties with Mongolia. In its FOIP strategy document, the US Defense Department identifies Mongolia as a “reliable, capable and natural partner” in the same vein as Singapore, New Zealand and Taiwan. The US State Department also includes Mongolia as a beneficiary of new initiatives under the FOIP strategy.¹

Surprisingly, amid the United States – China trade war of July 2019, then-President Donald Trump welcomed Mongolian President Battulga Khaltmaa with short notice and announced the United States’ intention to help Mongolia diversify its trade due to its large economic dependence on China.² During that visit, the United States and Mongolia agreed to establish a strategic partnership, which also includes a commitment of cooperating to promote national security and stability across the Indo–Pacific region.³ In August 2019, US Secretary of Defense Mark Esper included Mongolia in his first international trip and stated that Mongolia was one of the key emerging partners in the Indo–Pacific region.⁴ Then in September 2020, US Secretary of State Michael Pompeo announced the inclusion of Mongolia in his trip to visit allies in East Asia—Japan and the Republic of Korea. Although the trip was ultimately cancelled due to an outbreak of COVID-19 cases among White House officials, Pompeo talked by telephone with President Battulga and highlighted shared commitments to democracy and regional security.⁵ From Washington’s perspective, Mongolia fits within its FOIP vision.
This policy paper explains the Trump administration’s FOIP strategy, reviews international reactions to the strategy and then discusses the opportunities and challenges it presents for Mongolia.

In November 2017, the United States introduced the FOIP strategy to defend its influence and interests in that region. A month later, the US National Security Strategy prioritized the Indo–Pacific region over other regions in the United States’ global politics and acknowledged the return of the great power competition in this region. The document posits that China aims to displace the United States in the Indo–Pacific area, promote a state-driven economic model and reorder the region in its favour. In 2018, the US National Defense Strategy, a long-term defence planning document, identified China and Russia as revisionist powers seeking to change the existing international order; therefore, the United States needs to establish a “networked security architecture capable of deterring aggression, maintaining stability and ensuring free access to common domains”.

Despite the ambiguity of the strategy, the US government implemented a series of initiatives in support of the FOIP. In May 2018, the US Pacific Command was renamed the Indo–Pacific Command, which is now responsible for protecting United States’ interests and strengthening ties with key allies and new partners in the region. The Trump administration increased security assistance funding for Southeast Asia, South Asia and the Pacific islands to improve maritime security. In addition, the United States launched three assistance projects: (1) the Digital Connectivity and Cybersecurity Partnership, (2) Enhancing Development and Growth Through Energy and (3) the Infrastructure Transaction and Assistance Network. These projects were created to compete with China’s Belt and Road Initiative by investing in global infrastructure connectivity in the Indo–Pacific region.
The Trump administration’s strategy received legislative backing when the US Congress passed the Asia Reassurance Initiative Act in December 2019. The act supports the Indo-Pacific strategy, requires annual reporting on the region and mandates that the US administration develop other strategies in priority areas, including trilateral security cooperation with Japan and South Korea, diplomatic coordination with allies, an Indo-Pacific energy policy and promotion of human rights and democracy.

The FOIP is not a new strategy. China’s economic development, military modernization and maritime expansion have been concerns for the United States since the late 1990s. The Bush administration sought ways to create quadrilateral security ties with Australia, India and Japan, entered a security partnership with India and developed security ties with Vietnam and other Southeast Asian nations. During the Obama administration, the United States began its strategic rebalancing with regards to the Asia-Pacific region, especially increasing its naval presence and exercises with treaty allies and new partners.

The FOIP is a maritime strategy centring on freedom of navigation, access to maritime infrastructure and security for maritime trade and critical resources. From the United States’ perspective, the FOIP was quickly initiated in response to the rise of China’s maritime and air and space capabilities, its increased presence in disputed waters in East and Southeast Asia and its investment into deep sea ports in the Indian Ocean.

The United States recognizes that the current defence alliance system, which is backed by mutual-defence treaties with Australia, Japan, New Zealand, the Philippines, South Korea and Thailand, cannot fully address the emerging security concerns. Therefore, all strategy documents of the United States stress the importance of new partners and security architecture in the Indo-Pacific region.
Moreover, the US administration tries to give an ideological appeal to this purely geopolitical and economic strategy. The strategy document describes the emerging geopolitical competition as one between “free and repressive visions of the world order” of the United States and its allies on one side and China and Russia on the other side.\(^{11}\)

**International reactions**

Australia, India and Japan are major supporters of the FOIP. All three are maritime States and concerned with China’s growing economic power, military capability and influence in the Indo–Pacific region. India and Japan have territorial disputes with China, whereas Australia is wary of growing Chinese influence in the South Pacific. Japan, under Shinzo Abe’s leadership in 2007, initiated the Quadrilateral Security Dialogue, known as Quad, with Australia, India and the United States.\(^{12}\) Beginning in 2015, Japan formally joined in the US–India Malabar, an annual naval exercise in the Indian Ocean.

China’s Belt and Road Initiative financing of major infrastructure projects in South Asia, especially in Pakistan, and increased Chinese naval presence in the Indian Ocean provided reasonable justifications for India to partner with Japan and the United States. In 2016, India became a major defence partner of the United States and expanded their trade relationship. Australia is an important mutual-defence treaty ally of the United States in the Pacific. However, because of its complicated domestic politics, the Australian stance on the FOIP fluctuates. For example, Australia joined the Malabar exercise in 2007 but then abandoned it so as not to antagonize China; it rejoined in 2020, when it began to pursue a harsh stance on China. But Australia, along with India and Japan, strives to maintain normal political and economic ties with China rather than antagonizing China militarily. Within the Quad, India’s close relations with Russia and its membership in the BRICS grouping (of Brazil, Russia, India, China and South Africa) and in the Shanghai Cooperation Organization call India’s real commitment for the FOIP into
question. Three other mutual-defence treaty partners—Canada, New Zealand and South Korea—have remained silent on the FOIP, apparently not keen to be caught in the geopolitical competition between China and the United States.

Two subregions critical to the FOIP strategy are Southeast Asia and South Asia. Although US administration officials define Southeast Asia as the centre of the Indo-Pacific region, US policies towards the subregion have not been consistent. The Bush and Obama administrations developed close ties with the Association of Southeast Asian Nations (ASEAN) region, whereas the Trump administration downplayed ASEAN’s role in its foreign policy. ASEAN members are divided on the FOIP even though some of them (the Philippines and Vietnam, for instance) like to balance with the United States against China and receive economic and security assistance. Most ASEAN members largely rely on China’s market and investments. Except for the four States that are party to South China Sea territorial disputes with China, all ASEAN members maintain close ties with China. As a result, they avoid openly endorsing the FOIP.

In South Asia, the United States reduced its security and defence commitments to Afghanistan and Pakistan while increasing its engagement with India, the Maldives and Sri Lanka—all three of which are critical for the US FOIP strategy. The United States will provide new development assistance to Nepal and Sri Lanka because both countries are considered new democracies and have passed the thresholds of good governance, economic freedom and democracy. However, Nepal and Sri Lanka are also identified as important South Asian countries for China’s Belt and Road Initiative projects.

Reactions from US allies in Europe have been mixed. Except for France and the United Kingdom, European allies are only responding to Washington’s pressure on banning China’s hi-tech companies from partic-
participating in the development of a 5G network. Having territories and military installations in the Indo-Pacific region, France has a defence arrangement, known as the Quadrilateral Defence Coordination Group, with Australia, New Zealand and the United States. The United Kingdom maintains close ties with Australia, Malaysia, New Zealand and Singapore through the Five Power Defence Arrangement. Yet, France and the United Kingdom have not made any explicit endorsement of the US initiatives; rather, both countries are advancing their own bilateral and multilateral agendas in the Indo-Pacific region.

Not surprisingly China criticizes the United States’ FOIP strategy as the re-emergence of a cold war-type of mentality and destabilizing of regional security. Chinese experts perceive the quadrilateral security cooperation of Australia, India, Japan and the United States as an emergence of an Asian North Atlantic Treaty Organization (NATO).\(^{15}\) The United States’ recognition of Russia as a revisionist power in the Indo-Pacific region serves as an endorsement of its role in the region and its importance in global politics. Both have been key objectives of President Vladimir Putin’s foreign policy since 2000.

Opportunities and challenges for Mongolia

Mongolia, like Nepal, seems to have little geographical connection to the American FOIP strategy, but it is included because of its democracy and location next to China and Russia the two so-called revisionist powers as referred to by Washington. Therefore, the FOIP presents opportunities as well as challenges for leaders in Ulaanbaatar.

First, it is recognition of Mongolia as an important partner, democracy and sovereign State by the United States and its key allies. Mongolia has sought such recognition for a century as it survives between two expansionist great powers. Only after the Kremlin’s approval and the demise of Taiwanese President Chiang Kai-shek, who inherently op-
posed Mongolia’s independence, did Mongolia gain United States’ recognition, in 1987. The United States established its embassy in Ulaanbaatar basically to observe the Sino–Soviet rapprochement and Soviet military withdrawal from Mongolia. Then, Mongolia’s self-led democratization process in 1990 gained interest by the United States to assist the country in its political and economic transition, which the Americans saw as a model for other Asian communist States.

As American interests in Mongolia waned in the late 1990s, Mongolia made an unexpected move to deploy its military in support of US military operations in Afghanistan and Iraq. This resulted in Mongolia’s inclusion in the US Pentagon’s map—as a reliable and steadfast partner for peacekeeping. Even though American economic interests emerged in Mongolia during the commodity boom, major American companies did not succeed at investing in large mining projects, such as the Tavan Tolgoi coking coal deposits. Now, Mongolia’s geopolitical location is an allure to the American geopolitical strategy. Such recognition and interest from the United States are crucial for Mongolia, given its geographical isolation.

Second, the FOIP strategy aligns with Mongolia’s security and foreign policy objectives. In addition to prioritizing equidistant relations with its two neighbours, the revised National Security Concept (2010) and the Foreign Policy Concept (2011) stress the importance of developing close political, economic and cultural ties with “third neighbours” (such as the European Union, India, Japan, South Korea, Turkey and the United States) and active involvement in the Asia–Pacific region in general and East and Northeast Asia in particular.

Mongolia has special relations with Australia, India and Japan—major supporters of the American FOIP strategy. Through the large mining project, Oyu Tolgoi, Australia now has strong economic interests in Mongolia. Based on historic cultural ties and geopolitical interests, In-
dia declared a Strategic Partnership with Mongolia in 2015, and Mongolia expressed its support to India’s Indo-Pacific Vision. Japan declared a Strategic Partnership with Mongolia in 2010, entered into a free trade agreement with Mongolia in 2015 and included Mongolia in its own FOIP strategy. Interestingly, in regard to Mongolia’s relations to the Asia-Pacific region, the US Indo-Pacific Command has had a crucial role in facilitating Mongolia’s participation in the regional political and security networks. Therefore, the FOIP strategy provides a unique opportunity for Mongolia to be a part of the larger region.

At the same time, if Washington attempts to deepen its security ties with Mongolia or to include Mongolia in its coalition to pressure Beijing and Moscow, it will increase Mongolia’s vulnerability in relation to its powerful neighbours.

Ideally, Mongolia wants to be a part of the regional security architecture, which would provide it some type of security guarantee from its neighbouring great powers. In reality, however, none of the FOIP-supporting countries endorse binding arrangements with Mongolia. Mongolia’s increased security ties under the FOIP strategy would contradict its non-aligned principles and trigger unnecessary security concerns from Beijing and Moscow. Mongolia’s enhanced security cooperation with India, Japan and the United States would be perceived as a Mongolian balancing act against China and the American encirclement strategy. Similarly, Mongolia’s ties with NATO members would easily add another concern for Moscow, which is already wary of NATO’s engagements in Eastern Europe and Central Asia. Therefore, Mongolia should limit its security engagements to defence diplomacy exchanges, peacekeeping, humanitarian assistance and cybersecurity.

The other challenge is the US administration’s attempt to use Mongolia as a signalling post for its messages to China or Russia. Due to Mongolia’s competitive elections and its democratic institutions protecting
human rights, especially political and religious freedom, the country is considered a likeminded ally by the United States. This has led to the United States sometimes using Mongolia as a signalling post and even pressuring Mongolian officials to engage in democracy promotion not only with its two neighbours but also with important partners in the wider neighbourhood (North Korea, Kazakhstan and the Lao People’s Democratic Republic). For example, in 1995, then-First Lady Hillary Clinton denounced human rights abuses in China during her visit to Mongolia. Later, from Ulaanbaatar, President George Bush in 2005 and then-State Secretaries Madeline Albright in 1998, Hillary Clinton in 2012 and John Kerry in 2016 praised Mongolian democracy as an exemplary model for authoritarian States, which certainly was directed at Mongolia’s neighbours.\(^\text{17}\) This naturally triggered concerns in Beijing and Moscow. Therefore, the external promotion of Mongolia’s fragile democracy in geopolitical competition is rather counterproductive and potentially hazardous for the country.

Conclusion

The FOIP is a geopolitical strategy of the United States to protect its strategic and economic interests in the Indo-Pacific region, where China’s growing economic and military power would inevitably change the existing balance of power.

The core intent of this geopolitical strategy—to contain China’s influence—remains the same even though the presidency has changed in Washington. As frequently stated by Joe Biden during his pre-election campaigning, his administration would collaborate more with its allies in Asia and Europe than the Trump administration committed to doing.\(^\text{18}\)

Considering the popular concerns of all key partners and ASEAN members to neither antagonize China nor be drawn into Sino–American
geopolitical competition, the new administration in Washington might invest resources to increase the American presence and involvement in the region, particularly in Southeast Asia.

Although Mongolia will not be a priority country for the Biden administration’s foreign policy, Mongolia should seek opportunities to deepen political, economic and cultural relations with the United States and its key allies while keeping security cooperation at the current level of defence diplomacy, peacekeeping, cybersecurity and humanitarian assistance. It is desirable from the Mongolian perspective that the United States remain careful about using Mongolia for its geopolitical agenda against the neighbouring great powers.

The bottom line for Mongolia is to continue its third neighbour policies and outreach to the Asia–Pacific region rather than endorsing an ambiguous FOIP strategy.
Endnotes


8 Congressional Research Service, *The Asia Reassurance Initiative Act (ARIA)*
The Free and Open Indo–Pacific Strategy and Mongolia


Particularly, during the Obama administration, the United States acceded to the ASEAN Treaty of Amity and Cooperation (2009), established an annual United States–ASEAN meeting and even declared a strategic partnership with $6 billion.


US Defense Secretary Chuck Hagel suddenly visited Mongolia amid the European Union and NATO debate on how to respond to Russia’s takeover of Crimea.
in 2014. Defense Secretary Mark Esper visited not long after the release of the Pentagon’s FOIP strategy in 2019. Both could be interpreted as a signal to Mongolia’s neighbours.

WHAT ARE RUSSIAN INTERESTS IN MONGOLIA?

J. Mendee & B. Munkhtulga
What are Russian interests in Mongolia?

In recent years, Mongolia emerged on the Kremlin’s foreign policy agenda for the first time. Mongolia was included in its 2013 and 2016 foreign policy concept. The aim was simple to strengthen the “traditionally friendly ties with Mongolia”.\(^1\) Then, in 2020, the Russian government concluded a permanent treaty on the comprehensive strategic partnership with Mongolia.\(^2\) Following the treaty, a long-overdue visit of the Mongolian prime minister to Mongolia was organized, and since then, intergovernmental consultations, especially between the foreign and defence ministries, have been on the rise. In early 2021, Gazprom, the Russian state-majority-owned multinational energy corporation, along with Russian officials, declared its intention to build a gas pipeline through Mongolia to China. Surprisingly, there were no official statements from Chinese buyers.

The pipeline project certainly serves Mongolia’s dream of becoming an economic bridge between the two major economies through rail, road, pipe and grid connections. But some analysts have expressed doubts and even concerns over the increased Russian interest in Mongolia. From an international relations perspective, Russia’s behaviour is simply explained by the great power’s long-running behaviour. Russia’s makes moves to assert its influence in Mongolia as a traditional buffer State and to respond to its geopolitical competitors, such as China and the United States. For example, Russia’s declaration of the permanent comprehensive strategic partnership followed immediately after the United States declared its strategic partnership with Mongolia and after China upgraded its strategic partnership with Mongolia to a comprehensive strategic partnership. Russia has also increased its pressure on Mongolia to join its regional initiatives (such as the Eurasian Economic Union) and to use its far eastern ports rather than the Chinese Belt and Road Initiative and Chinese ports.
This paper looks at the Russian interests in Mongolia in three aspects—geostrategic, economic and cultural—and argues that the geostrategic interest is more prominent than the other two. The Russian economic interests are weak and the cultural ties are on the decline. And despite the difficulties, Mongolia needs to find ways to accommodate the Russian geostrategic interests. The most realistic option would be to increase cross-border trade and economic cooperation while avoiding getting caught up in the Russian game against its geopolitical competitors, China and the United States.

For now, armed conflict or even tension between Russia and China is unthinkable. Both possess nuclear weapons, which should deter an all-out war. Current leaders are committed to a stable partnership, mostly in economic terms, but there is some convergence of interests at the international stage and cautious military collaboration. This amicable scenario does not stop natural and traditional geopolitical contests between the two great powers over their spheres of influence. And we cannot be certain what will be the intentions of the next generations of leaders in Moscow and Beijing or how future global or domestic crises will change the behaviours of these great powers. Therefore, Mongolia remains geostrategically important for both: Russian strategic and military thinkers want to keep Mongolia as a friendly or allied buffer State in defence of Siberia and the Russian Far East, whereas Chinese counterparts worry that Mongolia may become a military stronghold for China’s geopolitical competitors.

Mongolia’s importance is historic. From 1921, the Soviet Union then / Russia used Mongolia as a buffer State on three occasions. From 1921 to 1925, the Soviet military operated in the Mongolian territory to destroy the fleeing White Army units before they could gain strength and establish a communist regime, which would then serve as a model and
a base for spreading communist internationalism into Tibet and China. From 1936 to 1945, the Soviet Union deployed its military to fight against the Japanese in defence of Siberia and the Russian Far East and made Mongolia a geostrategic buffer State. From 1961 to 1989, the Soviet Union’s political and military presence was large in scale in Mongolia to prevent a potential war between the great powers. On all three occasions, Mongolia came under the complete control of the Kremlin, and then the Soviet military was withdrawn due to Chinese demand. It is interesting to remember that military leaders in the Kremlin were quite reluctant to abandon their key geostrategic buffer. After the sudden decision made by Soviet leader Mikhail Gorbachev to complete the withdrawal from Mongolia, the Soviet military leaders initially opposed him and tried to keep some forces and infrastructure. It became impossible because of Chinese persistence for the complete withdrawal, along with the new Soviet foreign policy and economic rationale and Mongolia’s desire to join the Non-Aligned Movement.

Starting from its 1992 Constitution, Mongolia quickly institutionalized its neutrality and maintained it from then on. Even though its military neutrality serves the security needs of the two neighbours, the Mongolians and the Russian military share interest in maintaining close collaboration based on their traditional ties. Throughout the 1990s, the Mongolian military requested a revival of military and technical cooperation, mostly to maintain and upgrade its Soviet-era weaponry and to continue training its personnel.

The resumption of military and technical cooperation came back gradually but only at a small scale around 2003. This was connected to the Russian leaders’ renewed geopolitical ambitions after a decade of the country’s weakness. As tension with NATO and the United States began rising over the importance of Central Asia in 2005, the Georgian conflict in 2008, the takeover of Crimea in 2015 and the ongoing conflict in the Ukraine, the Russian leaders increased their focus on buffer States. At
the moment, the Russia is concentrating its efforts in Eastern Europe, the Caucasus region and Central Asia. It maintains a sizable force in Tajikistan, re-opened its bases in the Kyrgyz Republic and strengthened its security alliance with Kazakhstan.\footnote{Surely, Mongolia is included in this overarching geostrategic calculation of the Kremlin. Yet, Mongolia’s importance remains low due to the current amicable setting between Moscow and Beijing. This provides opportunity for Mongolia to avoid any political or security type of alignment with Russia while welcoming economic projects connecting the Sino-Russian economies. The only way for Mongolia to avoid falling into the Kremlin’s control again is to respect the traditional Russian geostrategic concerns while maintaining a neutral position over the great power competition, much like Finland did during the Cold War.}

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**Weak economic interests, strong leverage**

Despite the trans-Mongolian railway and the impending gas pipeline, as named the Second Power of Siberia, Russia has little economic interests in Mongolia.

The Soviets built the trans-Mongolian railway in the 1950s when all three States—China, Mongolia and the Soviet Union—dreamed of a peaceful communist neighbourhood. This railway was part of the broad gauge (1,520 mm) rail network of the Soviet Union then /Russia, uses former Soviet now Russian locomotives, trains, technology and engineering and requires a gauge change at the Sino-Mongolian border. Russia inherited 50 per cent ownership of the trans-Mongolian railroad, which gave it strong leverage in Mongolia’s railroad politics. In fact, any railroad development project in Mongolia cannot go forward without Russian involvement or, frankly, approval. For instance, the Kremlin stopped the Mongolian government’s decision to use US$185 million of American development aid to improve the transit capacity of
the trans-Mongolian railroad in 2005. Later, the Russian railroad authority explicitly sided with Mongolian political and business factions to reject the introduction of the Chinese standard gauge to connect major mining deposits in the southern region with Chinese rail networks. As a result, the Mongolian parliament in 2010 adopted the Mongolian State Policy of Railway Transportation treaty, which adopted the Russian standard gauge over the Chinese gauge for any new railway extensions. Then in 2020, Russian secured the Mongolian government's commitment to its standard gauge in that treaty. However, when it comes to railroad development, Russia prioritizes its Far Eastern railroads over the trans-Mongolian railway. Thus, Russian involvement in Mongolia's railroad politics could be explained by the Kremlin's geopolitics to maintain its control over key infrastructure in the former Soviet sphere of influence.

The gas pipeline will have a similar fate. The discussions about routing of Russia’s Second Power of Siberia gas pipeline through Mongolia began in September 2021. This is not because Russia considered Mongolia’s long-running request for a gas pipeline. Rather, the Kremlin changed its mind because the initial plan of building a pipeline that bypassed the Mongolian western region to Xinjiang, China, was deemed economically and socially costly. But now it seems a win–win solution for all three States and a boost to the China–Mongolia–Russia Economic Corridor.

It is clear that Russia, which has been experiencing all types of transit challenges in Eastern and Central Europe, is seeking all possible options to protect its key economic interests. This may tempt the Kremlin to use its strong leverage within Mongolian politics with railroad development. Russia also used its leverage on the uranium mine in Mongolia. In July 2009, after the Mongolian prime minister’s visit to Moscow, the Mongolian parliament quickly passed the Nuclear Energy Law, which stipulated the establishment of a joint uranium venture with Russia
and revoked the Canadian Khan Resources’ mining license to develop a uranium mine that the Soviets had abandoned in the 1990s.\textsuperscript{10} Successive cash-strained Mongolian governments have struggled to compensate the Canadian company following an international arbitral tribunal decision. The railroad and uranium mine experiences demonstrate that Russia has the ability to influence Mongolia’s domestic politics if it wants—even if that action triggers a backlash from Mongolian society and political leaders.

Except for two noticeable but unsuccessful surges—the development of the Tavan Tolgoi coal deposit and establishment of 100 gas stations, Russian economic interest in Mongolia is on a downward trend. The clearest sign of decline was Russian Rostec selling its 49 per cent share of Erdenet, the largest copper-molybdenum factory, and in Mongolrostsvetmet, a joint mining company (fluorspar, iron ore and gold) in 2016.\textsuperscript{11} The Russian employees went from more than 3,000 in 1990 to fewer than 200 by the time of the sale. According to the Mongolian government, there are 904 ventures with Russian investment currently, but they constitute only 6 per cent of all economic entities with foreign investment.

And yet, Russia holds two strong leverage points over the Mongolian economy: One is fuel, the other is electricity. Mongolia relies heavily on Russian fuel exports. Although Mongolia’s fuel consumption is a small fraction of the Chinese market, its consumption is on the rise due to increased industrial activities (mining, construction, agriculture), its growing number of cars and potential expansion of flights as the new airport begins operating as a logistical hub. A shortage of or a price increase on fuel products would easily trigger political and socio-economic instability in Mongolia. In 2014, Russian Rosneft Chairman Igor Sechin made a quick visit to secure the Russian interest in providing crude oil to the new refinery in Darkhan, Mongolia.\textsuperscript{12} However, when the Mongolian government shifted the refinery location to Dornogobi,
a southern Mongolian aimag in 2018, the Russian interest, or confidence, in Mongolia’s refinery project waned.

Mongolia, especially its northern parts, including where the Erdenet copper factory is located, is dependent on electricity imports from Russia. Although the electricity dependency on its neighbour has been in decline as Mongolia develops its own energy sources, the country still imports up to 300 million kWt per hour of Russian electricity, and its main power stations (No. 3 and No. 4) are dependent on Russian technology and supply. Russia boycotted Mongolia’s plan to build a hydro-power plant on its northern Eg River due to environmental impact concerns over the Russian Baikal Lake. Even though a Chinese bank (China Export-Import Bank) approved a US$1 billion loan package for the plant in 2015, it is withholding the funds until Mongolia and Russia reach a compromise. Mongolians, however, suspect the Russian move is intended to maintain its volume of electricity exports to Mongolia.

Decline of cultural ties

The cultural ties have declined substantially since the 1980s. From the 1960s to the 1980s, studying in the Soviet Union was the most competitive and desirable option and Mongolian parents searched all ways to enrol their children in Soviet schools; knowing the Russian language was an important criterion for career and status in Mongolia; Russian literature, journals and newspapers were widely read among Mongolian intellectuals; and Russian TV programmes and movies had strong impact on cultural trends and styles in Mongolia. Although it is not openly debated, Mongolians were on the cultural spectrum that seemed to span from a nomadic tradition at one end and Sovietization at the other end. Today, the Russian cultural influence has been marginalized for several reasons.

It began when the geostrategically motivated Russian presence end-
ed in 1992. All Soviet specialists, military personnel and accompanying family members left Mongolia. Only a handful of Russians chose to remain in Mongolia, a place most Russians considered a foreign land with little hope for their future. After the Russian state-owned Rostec sold its shares of the Erdenet copper factory and the Mongolrostsvetmet mining company in 2016, the number of Russians in the country drastically reduced to around 1,000, which included Russians working at the only remaining joint venture, the UB Railroad, and the diplomatic and trade missions. Only one Russian Orthodox Church (Trinity Church) remains functioning. The Russian Cultural Center operates in Ulaanbaatar to bridge the cultural ties between the two nations.

Declining Russian educational influence has been another factor. As Mongolia opened up, so too did the educational choices available to its people, far more than during the socialist period. Just like Russians, many Mongolian parents now want their children to study in North America and Europe, which requires they learn English, German or French. Nowadays, Mongolian parents seek all ways for their children to study at the international schools, public schools with the Cambridge programmes or specialized language schools. A few Russian schools or university programmes remain, but they are just one among many choices. Mongolians have been fortunate to receive generous grants and scholarships from many countries, including China, Taiwan, South Korea, Japan, Turkey and Germany. Again, Russian government grants and scholarships are now one of many options. Following a gap period from 1990 to 2000, the Russian government has been slowly increasing its scholarships for Mongolian students, with around 3,500 of them currently studying on a Russian scholarship.

The other reason for the declining Russian cultural influence is the reduced people-to-people interactions. Unlike Central Asian or other countries that border Russia, Mongolia does not export a significant number of migrant workers to its neighbour, who would otherwise
nurture cultural ties. Rather, Mongolian migrant workers have headed to South Korea, Japan, North America and Europe, where they have had a crucial role in bridging Mongolia with those cultures and societies. Until Russia finally agreed to introduce a visa-free regime with Mongolia in 2014, Mongolian businesses and tourists were discouraged by a complicated and tiring visa process and unfriendly customs procedures.\(^{14}\) Instead, they chose Beijing, Seoul and Berlin as a gateway for their business or travel adventures. Many Mongolians have enjoyed China’s visa-free regime that was established in 1989.

In a nutshell, the Russian cultural influence no longer has a strong natural basis in Mongolia. It dominated during a certain period of time, when the Russians had strong geostrategic interests and its culture dominated the Soviet bloc and when Mongolia was closed off to East Asia and the world. In today’s openness, Russian culture is one of many choices for Mongolians, whose cultural spectrum now seems to stretch between nomadism and globalism.

**Concluding thoughts**

Unarguably, the key Russian interest in Mongolia is geostrategic in nature. It waxes as the Kremlin feels challenged by its geopolitical competitors and wanes as it becomes geopolitically distracted elsewhere. For Mongolia, it is vital to maintain close defence and security ties.

Despite the Kremlin’s recent statements of strengthening new types of economic partnerships in areas of infrastructure, agriculture and atomic energy, Russian businesses are not so interested in Mongolia, or what they see as a small, complicated and little-connected market. However, Russian enterprises are interested in businesses and projects reaching out to Chinese markets through Mongolia, be it through pipelines, rails, roads or grids.
The cultural ties between the two nations have weakened in the absence of cultural similarity, a large Russian diaspora, migrant workers and government-funded initiatives. Like Russia, Mongolia is open to a variety of cultural waves or soft powers. As the generations of Mongolians who grew up in the 1950s and 1960s, who were fascinated with Russian culture, are losing their political and social influence, new generations of open-minded leaders are unlikely to advocate one foreign culture over another. Instead, they appear to pursue more cosmopolitan and nationalistic stances.

Within this environment, the most practical collaboration for Mongolia is to promote cross-border relations in all regions. These cross-border relations, including joint ventures, trade and tourism, would at least re-nurture people-to-people ties and promote good neighbourly relationships.
Endnotes


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MONGOLIA'S BALANCING ACT
BETWEEN THE TWO KOREAS

J. Mendee & M. Sainbuyan
Seemingly out of the blue, Mongolia made headlines in the spring of 2018 for offering to be the host of a summit between US President Donald Trump and North Korean leader Kim Jong-un. Although it was not ultimately chosen then, Mongolia could once again underline its strategic role in Northeast Asia as one of the few trusted partners of North Korea while maintaining friendly relations with the United States. Mongolian relations with North Korea have a long history, dating back to 1948, when it became the second country after the Soviet Union to recognize North Korea. Even Kim Il-sung, the founder of North Korea, visited Mongolia twice.¹

Last year marked the 30th anniversary of diplomatic relations between Mongolia and South Korea. Although its relationship with Mongolia is more recent when compared with its northern neighbour, South Korea is already Mongolia’s fourth-biggest trade partner but aspires to move up. The New Northern Policy reinitiated in 2017 by South Korean President Moon Jae-in considers Mongolia a key partner, and its 9-BRIDGE Strategy includes Mongolia in the realms of power generation and railways.² In 2020, the two countries were supposed to elevate their cooperation to Strategic Partnership from the current Comprehensive Partnership for the celebration of 30 years of diplomatic relations. Due to the COVID-19 crisis, the agreement was postponed.

Maintaining diplomatic equilibrium between the two Koreas puts Mongolia in a unique position in Northeast Asia and in the world. This paper first discusses the relationship between Mongolia and North Korea, then explains how the relationship between Mongolia and South Korea has expanded within a short time, followed by an examination of the opportunities and challenges for bilateral and trilateral relations.
North Korea

Historically, Mongolia and North Korea share several characteristics. Both had a similar socialist past and both gained independence with the support of the Soviet Union. After establishing diplomatic ties with Pyongyang in October 1948, Mongolia became the second nation in the world (after the Soviet Union) to recognize North Korea’s sovereignty. Although Mongolia was not involved in the Korean War, the country offered humanitarian as well as ideological support for the people of North Korea. Even during the bombings in 1950, Sambuu Jamsran, the then-Mongolian Ambassador to North Korea, was the only diplomat at that level who refused to leave Pyongyang in a show of solidarity for the country. Mongolia donated 200,000 head of livestock to overcome the hardships of the war. And it took in more than 200 Korean orphans after the war. The sincere show of empathy from Ulaanbaatar garnered a positive response from Pyongyang. Kim Il-sung made his first state visit to Mongolia in 1956 to express his gratitude, which was a watershed moment in their developing relations.

After the collapse of the Soviet Union, Mongolia and North Korea followed different paths: Mongolia made political and economic reforms, demilitarized, declared itself a nuclear weapons-free zone and developed close ties with the United States and its allies. North Korea rejected political and economic reforms, nuclearized and deepened hostile relations with the United States.

Due to Mongolia’s transition to democracy, bilateral relations stagnated for several years. But Mongolia began to resume its engagement policy towards North Korea in the late 1990s, even granting food aid in 1997 despite its own economic difficulties. During the visit of South Korean President Kim Dae-Jung to Mongolia in May 1999, North Korea condemned Mongolia’s support for the South Korean Sunshine Policy, and Pyongyang promptly closed its embassy in Ulaanbaatar, which it
did not reopen until 2005. Six months later, former Mongolian Prime Minister Amarjargal Rinchinnyam visited Pyongyang to reaffirm the country’s non-isolationist stance towards North Korea. Although North Korea regarded Mongolia as a traitor after its democratization and diplomatic cooperation with its adversary, South Korea, it did not cut ties.

Despite the diverging trajectories, the two nations maintained their bilateral relations and attempted to further develop them, if only partially, because of their connected socialist pasts as well as their similar geopolitical circumstances. Additionally, the economic leverage between Pyongyang and Ulaanbaatar cannot be ignored: North Korea can offer its harbours to Mongolia, which has aimed to diversify its sea access beyond China, and Mongolia could offer lessons to North Korea on transitioning the economy as well as managing its natural resources. In 2003, North Korea finally agreed to let Mongolia use its Rajin–Songbon port for sea access. In 2015, Mongolia was eventually permitted to test railway shipping of 25,000 tonnes of coal through North Korea’s Rajin port, although it was stopped due to the United Nations sanctions imposed against North Korea’s nuclear arms testing in 2017.

The sanctions further affected around 1,200 North Korean workers in several sectors in Mongolia, including cashmere production, restaurants and construction, through a 2008 labour agreement between the two governments to send around 5,300 workers over a five-year period. The Mongolian government immediately sent them all back home.

In recent years, Mongolia has been careful in its handling of North Korean defectors. North Korean defectors typically flee to a third country after crossing the border with China to request entry to South Korea because China will forcibly repatriate them if they are discovered. Due to Mongolia’s proximity to China and its reputation for the humane treatment of refugees, some North Koreans choose it as the third country, despite a long and dangerous journey over the Gobi Desert. Even

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Mongolia’s Balancing Act Between the Two Koreas
though the Mongolian government has not provided an official number of North Koreans requesting entry to South Korea, 7,000–8,000 North Korean defectors reportedly were repatriated to South Korea from Mongolia as of 2008, out of a total 20,000 defectors.9

Mongolia’s policy towards North Korea is clear and neutral. Mongolia is not a member of the six-party talks aimed at ending North Korea’s nuclear programme through a dialogue, which involves China, Japan, the Russian Federation, the United States and the two Koreas. Mongolia does not have a geopolitical agenda, like the great powers, which have led a series of initiatives. Amid the COVID-19 pandemic crisis, Japanese Foreign Minister Toshimitsu Motegi visited Mongolia in October 2020 to affirm cooperation on the swift resolution of Japanese nationals abducted by North Korea. Like many other neutral states, Mongolia took on a mediator role between North Korea and Japan over that abduction issue in 2007, 2012, and 2014.10

Holding a neutral policy helps Mongolia promote itself as a Helsinki-type dialogue mechanism when it comes to the inclusion of North Korea. In 2013, then-President of Mongolia, Elbegdorj Tsahia, created the Ulaanbaatar Dialogue Initiative on Northeast Asian Security, which established itself as a regular venue for track 1.5 interactions from 2014 to 2019. It was cancelled in 2020 due to the pandemic.

Until the start of the coronavirus pandemic and despite other difficulties, Mongolia has maintained bilateral ties with North Korea. For instance, Mongolia’s Joseon Association hosted meetings of the International Institute of Juche Idea in April 2018 and the Asian Regional Institute of Juche in June 2019 with North Korean counterparts. These organizations were established to disseminate the Juche idea, meaning self-reliance, which is an official ideology of North Korea developed under former leader Kim Il-sung. Regular political, cultural and educational exchanges stopped when both countries closed their borders due to
the pandemic. Resumption of bilateral relations as they were before the pandemic is presumed in the post-COVID-19 outlook for Mongolia and North Korea.

South Korea

All external affairs of Ulaanbaatar were dictated by the Kremlin until 1990. When Ulaanbaatar decided to establish diplomatic relations with Seoul in March 1990, it was the first foreign policy decision made independently of the Kremlin. After establishing diplomatic ties, Mongolia sought economic aid for several years from its new partner for structural reforms. In 1994, Mongolia adopted a foreign policy that highlighted “third neighbours” in addition to the two giant neighbours (China and the Russian Federation). South Korea was among the developed third-neighbour countries, which reaffirmed its importance to Mongolian foreign policy. Since then, the third-neighbours outlook has prevailed in Mongolia’s foreign policy towards South Korea to avoid the dominance of China and the Russian Federation. Also, the geographic proximity, a lower cultural barrier for learning each other’s languages and Mongolia’s transition to democracy have helped to fast-forward bilateral relations between them. Ulaanbaatar and Seoul have thus achieved a new momentum in bilateral relations within a little more than 30 years of diplomacy.

Despite the small size of the Mongolian economy, South Korea always saw Mongolia as having a complementary value: South Korea is an energy-importing country with advanced technologies while Mongolia has abundant natural resources. Today, South Korea is Mongolia’s fourth-biggest trade partner but aspires to be its third-biggest partner, after China and the Russian Federation. In 2019, bilateral trade between Mongolia and South Korea was worth $295 million, whereas the trade flow in 1990 was merely $900,000. Although Mongolia faces trade deficits (as depicted in the following chart), South Korea is its second-big-
gest donor country. As of 2018, Mongolia received nearly $239 million in grant aid and $143 million in loans and equity investments from South Korea. After onset of the COVID-19 pandemic, South Korea donated 10,000 test kits to Mongolia. The South Korean outbound investment to Mongolia is not negligible, accounting for 2.1 per cent (nearly $437 million) of the total foreign direct investment stock in Mongolia as of 2019, according to the National Statistics Office of Mongolia.

**Chart 1: Mongolia’s trade with South Korea, 1990–2019 (US$ million)**

[![Graph showing Mongolia's trade with South Korea, 1990–2019](chart1.jpg)](chart1.jpg)


The human interactions between Mongolia and South Korea are the most manifested cultural aspect of their bilateral relations. After Mongolia stepped into a free market economy, Mongolians started searching for employment in South Korea to support their families back home. According to unofficial sources, there were more than 50,000 Mongolian nationals in South Korea in 2019, forming the biggest Mongolian diaspora in the world. The year before onset of the COVID-19 pandemic, 113,599 Mongolians entered South Korea, while 103,379 Koreans entered Mongolia, making up 16 per cent of all foreigners who arrived in 2019 (as depicted in the following chart).
There are several reasons why South Korea became the top destination for Mongolians. First, Mongolian youths pursue higher education there because it is not as expensive as other developed countries, like Australia, Canada and the United States. As of 2019, there were 7,381 Mongolian students in South Korea, making it the top education destination for Mongolians. Second, medical tourism to South Korea is common for Mongolians because it is considered one of the best medical providers in the world. In 2018, 4,042 Mongolians travelled to South Korea for medical purposes, putting it in the top-five such destinations, after China, the United States, Japan and the Russian Federation. Now, Korean tourism into Mongolia is increasing because it is considered one of the closest tourism destinations.

Following the strong exchange of people, Korean businesses have been flourishing in Mongolia. The airline route between the two countries was monopolized by Korean Air and Mongolian Airlines (MIAT) for nearly 30 years due to the 1991 aeronautical agreement allowing only one carrier from each country to provide air travel service. The monopoly was lost eventually after criticism mounted over the expensive tickets and lack of seats. Mongolia’s remoteness turned South Korea’s Incheon airport into a
layover hub to Mongolia; before the pandemic, the Mongolian and South Korean airlines operated 27 flights per week. Additionally, Korean chains have expanded rigorously into Mongolia, including a cell phone carrier, retailers, hotels, restaurants and coffee shops. The success of Korean businesses in Mongolia is also partially rooted in South Korean pop culture. From the 1990s, a phenomenon known as the “Korean wave” (Hallyu) emerged as Korean dramas and K-pop gained popularity across Asia. Mongolia was no exception. Before the COVID-19 pandemic, South Korea actively promoted a positive image to Mongolia by annually organizing Korea Week in Ulaanbaatar and inviting Korean artists.

Government-backed Korean institutes in Mongolia, such as the Korea International Cooperation Agency, the Korea Trade–Investment Promotion Agency, the Korea Tourism Organization and the Korea Chamber of Commerce and Industry, have helped Korean businesses by providing market research and development assistance. With Korean churches and religious communities prevalent in Mongolian Christianity, South Korean pastors have established educational institutes (universities, secondary schools and language centres) in the country. The Mongolia Mission was first organized by Koreans back in 1992, while the first Salvation Army church opened in 2010 with Korean support.

Last but not least, South Korean President Moon Jae-in’s ambitious strategy towards Eurasia is the New Northern Policy, with which the country aims to bring peace to the Korean Peninsula and promote South Korea’s long-term economic opportunities. To carry out this new policy, the 9-BRIDGE strategy was introduced in 2017 to connect the Korean Peninsula to the Eurasian landmass via transportation, logistics and energy infrastructure, after China and the Russian Federation agreed to synergize their (respectively) Belt and Road Initiative and Eurasian Economic Union to create a common space in Eurasia in 2015. Seoul’s approach to this ambition is to collaborate with the great powers in the region—China and the Russian Federation. As an energy-importing nation, South Korea hopes to
secure energy sources from mineral-rich Eurasian countries and expand its exports of manufactured goods in return. However, peace and stability in the Korean Peninsula have been a top priority for South Korea, and it sees that Mongolia preserving its historical ties with North Korea could help bring Pyongyang to the table to discuss denuclearization. Also, from South Korea’s perspective, Mongolia’s geopolitical and geo-economic factors are crucial for the Korean Peninsula as well as Eurasia.\textsuperscript{14} In addition to sustaining diplomatic relations with both Koreas, Ulaanbaatar’s close ties with Beijing and the Kremlin are considered important for Seoul.

Opportunities and challenges for Mongolia with both Koreas

Historically and culturally related, Mongolia and the two Koreas have opportunities and challenges for further developing their relations. The historical and current geopolitical concerns over China and cultural and geographic proximity make all three countries natural partners: Mongolia has natural resources, livestock and land; North Korea has a labour force; and South Korea has cutting-edge technology and a link to the market within the Organisation for Economic Co-operation and Development sphere.

Also, Mongolia’s lack of nuclear arms provides it with a currency to facilitate and mediate rival nations in Northeast Asia and the world. The country is unique in its geographical and geopolitical location to two neighbours that happen to have nuclear weapons. This particular set of circumstances could help Ulaanbaatar become a potential mediator in the region. It certainly has the potential to organize future North Korea–United States summits, owing to its experience with the Ulaanbaatar Dialogue, the Asia–Europe Meeting in 2016 and the Japanese abductee meeting with families in 2014.\textsuperscript{15}

One of the challenges for Mongolia and the Korean Peninsula is the ongoing conflict between the two Koreas, which never signed any peace treaty after the Korean War. In a worst-case scenario of conflict between Seoul
and Pyongyang, Mongolia would encounter economic difficulties in terms of trade and investment with South Korea. The large Mongolian diaspora in South Korea would fall into direct danger, and Mongolia would need to an exit to the world other than South Korea. Internationally, Mongolia would be pressured by the United States and its allies to maintain a neutral stance, similar to its position with China and the Russian Federation.

Another challenge for the three countries is their ideological differences. Mongolia and South Korea are democratic countries that uphold human rights, whereas North Korea is an authoritarian State, which makes long-term regional cooperation difficult. One such example is the Greater Tumen Initiative, previously known as the Tumen River Area Development Programme, which is a subregional cooperation mechanism to accelerate the integration of Northeast Asian countries under the support of the United Nations Development Programme since 1995. The programme involved six parties initially (China, Japan, Mongolia, North Korea, the Russian Federation and South Korea), but became five parties after North Korea cancelled its representative in the early 2000s. Many observers assumed that this regional cooperation would mitigate tensions between the parties while fostering peace in one of the most complicated regions. However, it remains a paper-based ambition due to various factors, including concerns for national security for the Korean Peninsula and lack of Japanese engagement. The complicated geopolitics between the Northeast Asian countries continue to impede the programme’s economic benefits for Mongolia as well as the other members.

Conclusion

Maintaining balanced relations between the two Koreas distinguishes Mongolia’s role in the world. As one of the few nations that has sustained a friendly relationship with North Korea, Mongolia protected its ability to mediate potential conflicts in the Korean Peninsula. However, with democratization and the opening up of trade boosting South Korea’s value as a
partner in both economic and cultural spheres, Mongolia now finds itself needing to balance its economic ambitions. While shedding its reliance on the giant neighbours of China and the Russian Federation through increased relations with South Korea, it needs to nurture its relationship with North Korea and its ability to act as a credible mediator for any future conflicts in the region. Mongolia's foreign policy in the Korean Peninsula is likely to persist in the foreseeable future. Taking a proactive and engaged role in the Korean Peninsula will enhance Mongolia's visibility to Northeast Asia as well as in the international arena. And that will provide Mongolia with more opportunities to be part of initiatives that the great powers carry out in the region, which will also help reassure its independence from and sovereignty with China and the Russian Federation. However, North Korean leader Kim Jong-un’s announcement, just days ahead of the US presidential inauguration, of new developments in nuclear weaponry may complicate the situation more than it already is. Mongolia’s engagement in the Peninsula might now be needed more than ever.

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CHAPTER TWO

Inner Asian Geopolitics
SHANGHAI COOPERATION ORGANIZATION: MONGOLIA’S MEMBERSHIP DEBATE

J. Mendee
Shanghai Cooperation Organization: Mongolia’s membership debate

The COVID-19 pandemic has ruined Russia’s master plan for hosting the Shanghai Cooperation Organization (SCO) Heads of State Summit along with the BRICS forum in St. Petersburg in 21–23 July 2020. It also thwarted India’s first-ever opportunity to lead the SCO Heads of Government (prime ministers) Summit in New Delhi in November.¹ Both meetings were organized virtually in November 2020, when SCO member States approved strategy and actions plans until 2025. In September 2020, Russia hosted the SCO’s Foreign Ministers’ Meeting and Defence Ministers’ Meeting, separately, in Moscow. The highlight of these events was the meeting between the foreign and defence ministers of India and China after the mid-2020 military standoff at the disputed border area that left 20 Indian soldiers dead. In October, just a day after the SCO observers praised the Kyrgyz parliamentary election, violent post-election protests overwhelmed the republic and forced President Sooronbay Jeenbekov to resign.² Except for Russian President Vladimir Putin, all Heads of State remained silent on the domestic political development in the Kyrgyz Republic.

After his meetings with Chinese Foreign Minister Wang Yi in Ulaanbaatar and Russian Foreign Minister Sergey Lavrov in Moscow, the Mongolian Foreign Minister Enkhtaivan Nyamtseren affirmatively stated on 3 November 2020 that Mongolia does not need to join the SCO as a full member.³

This paper examines Mongolia’s earlier stance regarding the SCO, discusses two initiatives—declaring permanent neutrality and becoming a SCO member, introduces common reasons for supporting and opposing the SCO membership and concludes with potential SCO scenarios for Mongolia.
Earlier evolution of the Shanghai Cooperation Organization and Mongolia’s stance

In April 1996, the presidents of China, Russia and three newly independent former Soviet republics—Kazakhstan, Kyrgyzstan and Tajikistan—met in Shanghai (later known as the Shanghai Five) to sign the Treaty on Deepening Military Trust in Border Regions. This was a critical issue for all five States because the Soviet Union then Russia had maintained large military installations and infrastructure in these Central Asian States against China as well as in support of its war in Afghanistan. In the following year, in Moscow, these five States signed the Treaty on Reduction of Military Forces in Border Regions as a significant step in confidence-building and the reducing of security concerns, especially for Beijing. These treaties have required a series of measures for demilitarizing and verifying the military force reduction process.

At that time, Mongolia was not invited to the Shanghai Five meeting for three reasons: First, the Soviet military withdrawal from Mongolia was agreed in 1986 and completed by 1992. Second, Mongolia had downsized its military following the Sino-Mongolian normalization in 1989 and had declared in its new Constitution and policy documents to maintain a small, capable, professionally oriented self-defence force. Third, Mongolia and China had concluded a border treaty and demarcated the common border in the early 1960s. In contrast, China’s border with Kazakhstan, Kyrgyzstan, Russia and Tajikistan had not been fully settled.

When the Shanghai Five meeting reached its initial objectives by 2000, the five States began to formalize the meeting as a mechanism to promote regional cooperation and to deal with immediate challenges such as transnational issues (crime and religious extremism). The presidents of these five States, plus Uzbekistan, declared the establishment of the SCO in 2001 and signed the SCO Charter, which explains the purpose,
structure and operating framework for the organization. The timing of this establishment coincided with the 9/11 terrorist attacks in the United States, China’s increased concern over the so-called three evils (terrorism, separatism and extremism), a series of suicide attacks in Russia and the activities of armed groups along the border between Uzbekistan and Kyrgyzstan.

As a result, the SCO quickly shifted its attention to counterterrorism and agreed to establish the Regional Anti-Terrorist Structure, a permanent body for coordination and information sharing, in Uzbekistan. In this period, neither the SCO members nor Mongolia were interested in each other. Although Mongolia borders the Chinese Xinjiang Uyghur region, the area is well controlled, and Mongolia does not face any terrorist threats. As well, Mongolian policy and academic practitioners have not been in favour of the SCO because it would be dominated by China and Russia. The majority of these practitioners have preferred to reach out to other regional organizations, such as the Organization for Security and Co-operation in Europe and the North Atlantic Treaty Organization (NATO), rather than join the SCO.

In 2004, the SCO emerged as an ambitious regional organization. The permanent secretariat, which is located in Beijing and serves as a coordinating and implementing body, has established partnerships with the United Nations (as an observer), the Commonwealth of Independent States of the former Soviet republics and even regional organizations like the Association of Southeast Asian Nations, the European Union and the African Union. Since then, the SCO has become more active and organized through annual summits: the Council of Heads of State (presidents) in the spring and the Council of Heads of Government (premiers and prime ministers) in the fall. During this period, the SCO began taking steps as if it was becoming a political and military alliance against the United States and its allies in Europe. The Defence Ministers’ Meeting and military exercises have now become regular
events. In 2005, the SCO issued a demand to the United States and NATO forces to withdraw from Central Asia. In the same year, the SCO signed an agreement with the Collective Security Treaty Organization, which is a Russia-led military alliance that includes former Soviet republics.

The militarization and security cooperation were primarily pushed by Russia rather than China, which has seen the SCO as a venue to promote political and economic ties. In that period, more countries expressed interest in either joining or collaborating with the SCO. In Mongolia, the SCO membership discourse resurged. Some people in Ulaanbaatar began to see the benefit of joining the SCO, such as (1) a one-stop diplomatic venue to meet multiple leaders, (2) participation in regionalization efforts, especially economic, and (3) participation in regional law-enforcement activities.

But many people were still hesitant to join the SCO due to China and Russia explicitly using the venue for their foreign policy agendas. As a result, Mongolia became the first observer of the SCO in 2004. Since then, the observers have expanded: India, Iran and Pakistan became observers in 2005, Belarus in 2008 and Afghanistan in 2012. It also set up a mechanism, the Dialogue Partner, which now includes Armenia, Azerbaijan, Cambodia, Nepal, Sri Lanka and Turkey. Unarguably, the SCO has become an important regional organization that includes two great powers and Central Asian States, excluding Turkmenistan, which is a declared neutral State.

Sudden calls for permanent neutrality and full membership

In 2014, President Elbegdorj Tsakhia hoped to welcome the Chinese and Russian presidents together for a trilateral summit in Ulaanbaatar. Instead, both presidents made separate visits to Mongolia and then engaged in the first trilateral summit on the sidelines of the SCO sum-
mit in Dushanbe, Tajikistan. In the following year, at the SCO summit in June, the three leaders agreed to merge three different concepts—Mongolia’s Steppe Road, Russia’s Eurasian Economic Union and China’s Belt and Road Initiative—through the creation of the China–Mongolia–Russia (CMR) Economic Corridor. Interestingly, on 8 September 2015, President Elbegdorj suddenly summoned the National Security Council, the country’s highest-ranking consultative body and which consists of the president (chair), the speaker of the Parliament and the prime minister, to issue a recommendation to declare permanent neutrality status internationally. Immediately, the Presidential Office submitted a draft bill on the Permanent Neutrality of Mongolia to the Parliament. However, the Parliament members were reluctant to consider the bill because the presidential initiative already divided diplomats and academics, many of whom were opposed to legalizing the country’s neutrality stance permanently. It is not clear whether President Elbegdorj wanted to leave the foreign policy legacy in his second term or if he was under pressure from Beijing or Moscow. At that time, China had been encouraging Mongolia to upgrade its observer status to full membership in the SCO, while Russia was welcoming Mongolia to join the Eurasian Economic Union. Their agreement to conduct the trilateral summit on the sidelines of the SCO summit could be perceived as joint efforts to include Mongolia in the SCO. In 2016, at the third trilateral summit in Tashkent, Uzbekistan, the three presidents signed a document for constructing the CMR Economic Corridor. In June 2017, the Chinese and Russian presidents did not organize a trilateral summit with Mongolia during the SCO summit in Astana, Kazakhstan because the Mongolian presidential election was scheduled for two weeks after the summit.

A month before attending his first SCO summit, in Qingdao city of China’s Shandong Province in 2018, newly elected Mongolian President Battulga Khaltmaa highlighted the need to collaborate closely with the two neighbours economically. According to him, this would require
Mongolia to enter into a free trade agreement with the Eurasian Economic Union and to become a full member of the SCO. The president’s statement regarding the SCO quickly backfired in the media and even led to intense, controversial debates.

On 10 June 2018 at the SCO summit and the Mongolia–China–Russia summit in Qingdao, President Battulga stated that “Mongolia is studying the possibility to upgrade the level of its participation in the SCO,” followed by his first foreign policy press conference with the Mongolian media to explain the economic rationale for joining the SCO as a full member.

There are two possible explanations for President Battulga’s move. One is purely economic, which is to attract infrastructure investment for the CMR Economic Corridor and to reduce trade barriers, especially customs tariffs, with the two neighbours. The other is to conduct foreign policy distinct from his predecessor by joining the Chinese and Russian regionalization initiatives instead of declaring permanent neutrality. His sudden move to become a full member of the SCO, however, was not supported by the Parliament and instead resulted in a non-ending debate between supporters and opposers.

In 2019, at the SCO summit in Bishkek, President Battulga reaffirmed that Mongolia remained studying the possibility of full membership and explained that the Mongolian public was extremely divided on this matter. Political leaders along with foreign policy experts agreed to dispatch a study group to SCO member countries. The study group of foreign policy experts visited China and India in 2019, but its planned trips to other member States were interrupted by the coronavirus pandemic.

Interestingly, both of these sudden initiatives ended in 2020. On 6 May 2020, the government annulled its earlier decision to declare perma-
nent neutrality internationally. On 10 November 2020, at the virtual 
SCO summit, President Battulga did not talk about upgrading the coun-
try’s status to full membership but stressed “the importance of the ac-
tive involvement of the SCO observer States in economic, humanitarian
and other practical activities” as well as “the road map for the develop-
ment of cooperation between observers”. 14 This, then, signalled the end
of the full membership initiative.

**Reasons for supporting or opposing Shanghai Cooperation Organi-
zation membership**

Despite the lost momentum for full membership, intense debate will
likely surge following any major change in the country’s external and/
or internal settings.

At the moment, three major reasons are usually put forward in sup-
port of SCO membership. The first relates to the recent membership of
India and Pakistan. Both countries were accepted as observers in 2005
and then succeeded in becoming full members in 2017. Their mem-
bership eases Mongolia’s two reservations: (1) the perception by “third
neighbours” that Mongolia is joining an authoritarian club and (2) that
Mongolia is falling under joint control by China and Russia. India and
Pakistan are considered parliamentary democracies, like Mongolia.
Thus, if they have joined, the SCO cannot be labelled as a club of au-
thoritarian States. Moreover, as a strategic partner of Mongolia, India
could support Mongolia in withstanding any pressure from its power-
ful neighbours. 15

Another reason is the economic benefit from integration with Eurasian
economies as a result of China pushing more economic integration (bank-
ing and finance) and infrastructure investment through the SCO. China
established the SCO Development Bank, the SCO Development Fund and
the Silk Road Fund and even pledged, in 2020, more funds to develop
the SCO economic demonstration zone in Qingdao, a major city in eastern China, as well as the SCO agricultural hi-tech demonstration zone in northwest Shaanxi Province. These zones would increase economic cooperation with SCO member States.

The final reason is to support Chinese and Russian initiatives and to maintain amicable and neighbourly relations instead of refraining from participation in their regionalization efforts. Mongolia’s economy is largely dependent on these neighbours, and both neighbours have strong leverage to pressure Mongolia. In the past, China used railway and market access and Russia instrumentalized the fuel supply to influence Mongolia’s policies. The realization of the CMR Economic Corridor or the reduction of customs taxes, tariffs and fees would require Mongolia’s participation in their joint regionalization efforts, such as the SCO.

Table 1 Reasons for membership

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<tr>
<th>India and Pakistan joined</th>
<th>The SCO is no longer an authoritarian club.</th>
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<td>Economic benefits</td>
<td>The SCO would provide access to Chinese funding.</td>
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<td>It would also provide economic integration in Central Asia and Eurasia.</td>
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<td>Friendly neighbour</td>
<td>Membership would require endorsement of the regional integration efforts of China and Russia.</td>
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<td></td>
<td>Membership would secure preferential market access and the realization of the CMR Economic Corridor.</td>
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In contrast, there are three prevailing counterarguments. Foremost, the SCO is becoming a political and security organization, which would be used by China and Russia against the United States and its allies. In support of this argument is the following evidence: In 2005, China and Russia convinced all the Central Asian SCO members to demand the immediate withdrawal of the United States military from the Kyrgyz Republic and Uzbekistan. Also, the SCO regularized the Defence
Ministers’ Meeting beginning in 2003 and has now conducted multiple exercises, ranging from small-scale exchanges to large ones, such as the Peace Mission, on a regular basis. Despite formal statements denouncing the military alliance, these types of political and defence cooperation raise reservations in Mongolia: (1) There is fear of losing its independent foreign policy to develop ties with the United States and its allies and (2) fear of being pressured to stop defence cooperation with NATO members and US allies in Asia.

Another argument is the denial of the economic benefits of the SCO. The SCO’s future is uncertain because all members have different expectations and objectives for the organization. China wants to deal with Central Asian States through the regional organization to secure their commitments towards China’s security need to maintain stability in its volatile Xinjiang Uyghur region, which is culturally and historically connected to the Central Asian States. Russia wants to maintain its special geopolitical privileges in Central Asia and thus prioritizes security cooperation and protects its interests in the energy sector. As a new member, India pursues the geopolitical role of being involved in Central Asia while checking Pakistan’s involvement in the region. Kazakhstan and Uzbekistan, the two-larger Central Asian States, use the SCO for regime security, in light of the United States and European Union raising human rights issues. Therefore, the SCO’s economic benefits from integration are simply rhetoric. Mongolia already has established good bilateral mechanisms for economic cooperation with its two neighbours.

The other argument is that Mongolia’s identity and integration have aligned more with Northeast Asia than Central Asia. Mongolia’s connection with the Central Asian States are extremely limited, except with Kazakhstan. Because of Mongolia’s Kazakh minority, who mostly reside in far-western Bayan-Ulgii Province, Mongolia maintains economic and cultural ties with Kazakhstan. However, bilateral trade between Mon-
golia and Kazakhstan is insignificant due to underdeveloped infrastructure. In contrast, Mongolia's largest trading partners are in Northeast Asia: China, Japan and South Korea. Mongolia has strong economic and cultural connections with South Korea: 40,000–50,000 Mongolian migrant workers, regular daily flights between Ulaanbaatar and Seoul and a growing Korean cultural and business presence. Mongolia and Japan have established a free trade agreement (Economic Partnership Agreement) and developed a strong cultural tie, for example, through Japanese sumo wrestling, in which Mongolian wrestlers have been in the lead since 2003. Unlike Mongolia–Russia trade, which is basically oil and energy imports, Mongolia's reliance on China's trade and infrastructure has grown significantly. From this reality, those against SCO membership stress the importance of joining organizations and initiatives in Northeast and even Southeast Asia.

**Table 2 Reasons against membership**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Description</th>
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<tr>
<td>Chinese and Russian</td>
<td>Independence and sovereignty would be jeopardized.</td>
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<tr>
<td>Russian alliance</td>
<td>Bilateral ties with third neighbours (such as the United States) would be impacted.</td>
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<tr>
<td>Uncertain future of the</td>
<td>All major powers have different agendas.</td>
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<tr>
<td>SCO</td>
<td>It is better to deal with China and Russia bilaterally than through the SCO.</td>
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<tr>
<td>East Asian identity</td>
<td>Integration with Central Asia is unlikely.</td>
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<td></td>
<td>Integration with East Asia is successful and promising.</td>
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Concluding thoughts on potential Shanghai Cooperation Organization scenarios

The most likely future scenario would be that the SCO continues serving as a key political dialogue mechanism for member States, especially because many members have long-running bilateral tensions, such as China and India; India and Pakistan; and the Kyrgyz Republic and Uzbekistan. Although it is difficult to imagine the SCO solving these lingering conflicts, it would provide a multilateral platform for all mem-
bers to engage in dialogues relevant to the broader region. Because all three major players—China, India and Russia—have different regionalization agendas and interests, it is unlikely all of the SCO members would succeed in developing a shared vision for the region. In this case, Mongolia should be a part of the dialogue mechanism, with a chance to sit at the table and contribute its voice.

Another likely scenario would be the SCO becoming a key mechanism for regional economic cooperation. All members, including India and Russia, want to benefit and be part of China’s BRI to develop infrastructure connectivity through Eurasia to South Asia, Europe and the Middle East. Russia has been advocating the merging of its Eurasian Economic Union and China’s BRI as the Greater Eurasian Partnership. Iran and some of the Dialogue Partners (Azerbaijan and Turkey) are seeking to be a part of the network. India and Pakistan are also promoting separate projects to improve connectivity between South Asia and Eurasia through Central Asia. In fact, the SCO has been quite innovative in facilitating intergovernmental economic and financial discussions as well as arranging events for businesses, such as expositions and exchanges. In this scenario, Mongolia should be a member because it might help the country to address its infrastructure deficits and the economic connectivity dream.

The least likely scenario would be the SCO becoming a military alliance, like NATO, the Collective Security Treaty Organization or mutual-defence treaty partners. For one, Russia’s current move to strengthen defence ties between the SCO and the Collective Security Treaty Organization is mostly tactical to assert its influence in Eurasia and to increase its bargaining power with the United States and its allies in Europe. Russia has traditional reservations against China as a natural geopolitical competitor over the Russian Far East, Mongolia and Central Asia. Second, it is unlikely that India and Pakistan would endorse a military alliance against the United States; rather, India would seek strong secu-
rity ties with the United States and Russia, with China in mind. Pakistan relies on US military assistance and is one of the 17-member Non-NA-TO Major Ally, a group of countries with special defence and security ties. The only area that is of interest to all members is cooperation against terrorism. This is the scenario in which Mongolia should remain as an active observer, with limited engagement through the law enforcement agencies regarding non-traditional security threats.

The bottom line is that unless the overall geopolitical landscape changes dramatically, Mongolia’s observer status remains a viable option to be a part of the SCO while not jeopardizing its foreign policy manoeuvrability.
Endnotes


3 QWHUYLHZZLWK0QLVWVHURI)RUHLJQ$QLUV>LQ0ROJROLDQ@*RJRIHVZ1RY 2020. Available at https://gogo.mn/r/qm99v.

4 &26HFUHWULDWD6KDQJKDL’HFODUDWLQRQWKHHVWDEOLVKPHQWRIWK6 Available at http://eng.sectsco.org/documents/.

5 SCO Secretariat, “General information”. Available at http://eng.sectsco.org/cooperation/.

6 The Declaration of Heads of Member States of the Shanghai Cooperation Organization on 5 July 2005 stated: “Considering the completion of the active military stage of antiterrorist operation in Afghanistan, the member states of the Shanghai Cooperation Organization consider it necessary, that respective PHPEHUVRWIKHQDQWLUUULVWFRDOLWLRQVWHWDQDOWLPQHRLQHIRUWKH use of the above-mentioned objects of infrastructure and stay of their military FRQWLQJHQWVRQKHHUULWRULHVRWRIWH6&2PHPEUVWDWHV-XQH$YDLODW Available at www.sectsco.org.

7 7KUHHKHDGVRIWVWDWPWHLQ’XVKDQEHLQ0ROJROLDQ@i211HZV6HS $YDLODE0HDW https://ikon.mn/n/aal.

8 1DWLRQDO6HFUXULW\&RXQFLORI0ROJROLDQDFVXOGRZQHRUWKH6 Available at https://news.mn/r/779104/.

9 8SJUDGHHRRSHUDLWRQZLWKWH6&2>LQ0ROJROLDQ@1HZV010D\ Available at https://news.mn/r/779104/.

10 3UHVLGHQWRI0ROJROLD3UHVLGHQWDDGUHVVWHVWHPHWLQJRI6&2FRXQFLORIKHDGVRIHPHEHVWDWHV3UHVVUOHHDVH-XQH$YDLODE0HDW//


MONGOLIA’S EXPERIENCE IN AFGHANISTAN-
PAST SUCCESS, FUTURE STRATEGY

G. Tuvshinzaya
It is tough to imagine what the locals thought when Mongolian troops showed up in Afghanistan in 2003. Eight hundred years ago, Mongols led by Genghis Khan devastated the once-flourishing empire in today’s Afghanistan. This time, however, the Mongolian contingent arrived in an already war-torn nation to protect and support peace. And this experience likely will have lasting defence and geopolitical impacts on Mongolia in the years to come.

Whether the overall outcome of war in Afghanistan has been positive or not is still has not been settled yet. But Mongolians have certainly punched above their weight in the past 18 years by contributing nearly 6,000 troops to the protection and peace-support missions in Afghanistan. This level of sustained sizable commitment was propelled by Mongolia’s eager desire to bolster its sovereignty by being an active member of the international community.

The experience of Mongolia in Afghanistan and in other global hotspots is possibly an example for the Western point of view of an effective partnership model that could be replicated elsewhere. With geopolitical instability and climate change risks increasingly becoming threats throughout the world, improved defence and peacekeeping capability of small nations, such as Mongolia, will significantly contribute to the rule-based international order. Mongolia’s experience also has an added relevance due to its sustained democratic governance and inherent foreign policy constraints.

Back to Kabul

The tomb of Babur in Kabul, who was a Mughal emperor and Genghis Khan descendant, reflects the complicated and intertwined relationship that Mongols and their descendants have had with Afghanistan:
An inscription in the tomb says, “If there is a paradise on Earth, it is this, it is this, it is this!”²

Historians note that Genghis Khan and his descendants’ armies obliterated the complex irrigation system that allowed Afghanistan to support its sizeable population as well as its advanced civilization up until the thirteenth century. The human cost of these campaigns devastated the entire region, which eventually became part of the Chagatai Khanate—ruled by Genghis Khan’s second son, Chagatai Khan. But one must also not forget that both Tamerlane, who held the Genghis lineage through marriage, and his great-great grandson Babur sought to unify and revive the region under one powerful ruler in the sixteenth century.

The second time Mongolians returned to Afghanistan was in 1978, when the Soviets aggressively pushed their agenda and rallied all the communist countries³ to open up their embassies in Kabul. From 1978 to 1992,⁴ the then Mongolian People’s Republic maintained an embassy at the upscale Wazir Akbar Khan neighbourhood in northern Kabul, where until only recently the American, Canadian and German embassies were also located.⁵ When civil war broke out in the country in 1992, the Mongolian Embassy closed. Russian paratroopers reportedly evacuated embassy staff from Kabul. The situation must have been similar to what the world witnessed on news channels in late summer 2021.

Although the Mongolian Embassy was maintained mostly to show communist solidarity with the Soviet invasion of Afghanistan, attempts were made by the Mongolian side to share their experience of “bypassing capitalism”—from feudalism straight to communism and defying the Marxist trajectory of historical development. The bilateral relations of the two countries culminated in 1982 with the visit to Mongolia by communist Afghan leader Babrak Karmal and the infamous intelligence chief, Assadullah Sarwari, serving as an ambassador to Mongolia for six years. By the early 1990s, these visits had become only curious
footnotes in the diplomatic annals of the two countries.

Then came war in Afghanistan. In 2003, two years after the American invasion of Afghanistan and fresh out of a hugely successful partnership with the United States and Polish troops in the Iraq war, Mongolia sent two teams of instructors to train the Afghan National Army artillery unit. This marked the beginning of the Mongolian presence in Afghanistan for the third time in 800 years. Highly proficient with Soviet weapons, the Mongolian Armed Forces instructors were eventually invited again to train the Afghan National Army on the maintenance of their Soviet-made combat helicopters.

After proving that they are reliable partners, the Mongolian troops were requested to perform force protection duties in various hotspots in Afghanistan. The Mongolian contingent, comprising one to three company-sized deployments at any given moment, ended its mission participation in June 2021, together with most of the NATO forces—just a month or two before the complete American pull-out in August.

When the Mongolian contingent arrived in Kabul in 2003, they certainly did not find the paradise that their ancestor Babur had described. What they did find instead was a war-torn dilapidated country that had lived through two decades of continuous devastation, first waged by the Soviets and later by the Taliban. The Mongolian contingent’s mission was to help rebuild the country into a peaceful and prosperous nation, together with the United States and NATO forces.

Foreign policy by other means

It is easy to conclude that both during the Soviet and American invasions, Mongolia found itself in Afghanistan as a result of prevailing geopolitical gravitational pulls. But a more careful look reveals that Mongolia, a landlocked democratic country wedged between the Russia
and China, wilfully sent its troops to Afghanistan to carve out breathing space for itself by becoming an indispensable and reliable partner in international peacekeeping and peace support missions.

First coined by the United States Secretary of State James Baker during his visit to Mongolia in 1991, the Mongolian “third-neighbour policy” attempts to balance its two immediate neighbours’ interests by forging close relations with advanced democracies around the world. Although the policy has its natural limitations, so far it has proven its versatility by ensuring the successful development of Mongolia’s democracy in the past 30 years amid an authoritarian neighbourhood.

One of the cornerstones of the third-neighbour policy has been the increase of Mongolia’s defence and peacekeeping capabilities. Now-retired Lieutenant General Molomjamts Luvsangombo once remarked that in a “direct sense, Mongolia neither has sufficient capability to protect itself nor to threaten others”. This means Mongolia’s increased defence capabilities would not amount to any threat to its two neighbours—countries that are consistently among the top five in the world in terms of military spending. Instead, as the current Chief of the General Staff, Lieutenant General Ganzorig Dovchinsuren, wrote in 2012, “using military as a public diplomacy vehicle is useful for Mongolia in order to strengthen its position in international affairs.”

The reputation and goodwill that thousands of Mongolian troops have earned by serving in the most dangerous hotspots around the world enhance the country’s reputation abroad and create invaluable foreign and economic policy leverage. It is not coincidence that the fact sheet on the bilateral relationship released by the White House stated the following two items on the same page: that Mongolian troops fought “side by side with American forces in Iraq and Afghanistan” and that Mongolia signed a $350 million infrastructure grant with the Millennium Challenge Corporation, an American foreign aid agency.
Because the Mongolian Armed Forces do not pose any threat to its immediate neighbours and by assuring Russia and China that its increased defence capabilities have only foreign policy aims, Mongolia managed to become a significant troop contributor to the war in Afghanistan and other United Nations missions throughout the world. Akin to the geopolitical strategies of small nations like Singapore, Mongolia strives to ensure its sovereignty by becoming indispensable to the international community. Unless Mongolia faces significant geopolitical or defence capability curtailment, this strategy will likely continue in the future.

A partnership model

Mongolia’s experience in Afghanistan could serve as a model for Western nations to forge an effective defence partnership with small nations. Because the United States and other Western nations are increasingly trying to create a free and open Indo-Pacific region, success stories of countries such as Mongolia are crucial. In a recently declassified document that outlined the American strategic framework for the Indo-Pacific region, the National Security Council highlighted that the United States will “engage South Korea, Taiwan, Mongolia, Japan and other regional democratic partners to demonstrate their own successes and the benefits they have accrued”.

In view of the American and NATO failure to reform the Afghan National Army, perhaps lessons should be learned from the Mongolian Armed Forces’ successful 18 years of operations in Afghanistan without a single casualty.

One of the most important propellers of this successful defence partnership has been mutual political will. From the outset, Mongolian politicians created strong consensus on sending troops abroad to create leverage for the country’s foreign policy. It made sense for the United States to support the ambitions of a newly democratic nation that was trying to bolster its peacekeeping and peace support capabilities. The fact that American
ambassadors made sure to be present at the farewell ceremony of the troops departing to Afghanistan and that Mongolian presidents personally awarded medals to the troops who successfully completed their mission is a testament to the sustained political will from both sides.

Another reason that has increased the effectiveness of the American defence training and assistance in Mongolia is its strong military heritage. Even though the last time that the Mongolian army had engaged in large-scale combat was in 1945, Mongolia has maintained military conscription to this day. Similar to Israel and Singapore, all eligible Mongolian males are required by the Constitution to serve either in the armed forces or in border defence.

Harsh discipline and training regimes are enforced among the enlisted, non-commissioned and commissioned officers with the belief that all military personnel are carrying on the military legacy of Genghis Khan. This is an environment vastly conducive to building defence capabilities. Any investment and training will yield far higher results in Mongolia than in many other countries. Leveraging the common unifying myth or ideal could perhaps be the most underrated requisite for building an effective army.

The foundation of this successful approach could be summed up with the assertion that if both sides can do less than they pretend, they can do much more than they fear. When it comes to the Afghan army, for example, both the American and Afghan sides pretended to accomplish a great deal. However, when it came to the actual defence of the country, all the efforts to build the Afghan army over the past 18 years vanished in a matter of days.

The American approach towards Mongolia has been much more practical, and they never pretended to accomplish grand goals. Instead, their focus was to build up the specific peacekeeping capabilities that
would help Mongolia to accomplish specific missions. As a result, the United States has done much more than they had initially thought possible in Mongolia.

**Mongolia after Afghanistan**

What does the 18 years of experience in Afghanistan mean for Mongolia? On top of the mission experiences and the contribution to peace in Afghanistan, this almost two decades of deployment will have immense foreign policy implications on Mongolia—perhaps much more than many people currently realize.

A consensus that emerged long before the American pull-out from Afghanistan is that democracy-building in many parts of the world is a futile if not dangerous goal. Yet, it is also true that the world cannot turn a blind eye to oppressions by authoritarian governments against their own people. As many foreign experts and policymakers have repeatedly pointed out, what is remarkable about Mongolia is that the country has managed to successfully consolidate democracy in an infamously authoritarian neighbourhood. Mongolian democracy inarguably has its own issues, but Mongolia has managed to develop its own unique way over the past 30 years.

In the future, there is a possibility for Mongolia to leverage its successful experiences of participation in missions in Afghanistan and building democracy. Mongolia’s lessons from successfully overcoming its challenges when building democratic institutions could be more applicable and relatable to fledgling democracies around the world. Democracy promotion might be more effective if supported by newer than by mature democracies.

For Mongolia, the country might be more ready than ever to engage in such a mission after Afghanistan. Mongolian troops are now deployed
only to South Sudan. Nearly 1,000 troops served in Afghanistan at any given moment in the past, which means at least that many troops can be ready to be deployed to anywhere in the world.

The experience in Afghanistan has given Mongolian troops an ability to operate together with many United Nations troops from contributing nations as well as NATO troops. If the Western nations are willing to provide more diplomatic leverage to Mongolia’s third-neighbour policy, the available capacity in the country seems to suggest that it is ready to jump on the opportunity.

Even though Mongolian troops have left Afghanistan, one place where Mongolia is increasingly likely to continue to engage with Afghanistan is the Shanghai Cooperation Organization (SCO). Both Mongolia and Afghanistan have been observer States in the SCO for numerous years. Their possible accession to the SCO as full members is strongly speculated among analysts.

Yet, there seems to be many geopolitical forces in place that are preventing the two countries from becoming fully pledged members. As a country that is surrounded by SCO member countries, Mongolia has successfully staved off full membership proposals since 2004. Except Turkmenistan and Iran, which have non-membership and observer country status, respectively, the remaining four neighbouring countries of Afghanistan are already members of the SCO. Within this context, Mongolia might be a useful case study for the new Afghan rulers should they choose to chart their own independent path within the SCO.

Due to its inherent foreign policy constraints dictated by its size, it is unlikely that Mongolia will undertake any active foreign policy directly towards Afghanistan. However, within the framework of democracy promotion and the SCO, Mongolia could take on an important and per-
tinent role in the stabilizing efforts in Afghanistan. For policymakers in Washington and Brussels, this is a crucial fact that should not be ignored. Despite its size, Mongolia has the potential to continue punching above its weight.

Endnotes

1 Over the past 18 years, Mongolia sent around 6,000 troops to peace-support missions in Afghanistan—more than 3,300 of them served with American troops, and more than 2,600 of them were deployed to missions with German troops. See https://niss.gov.mn/archives/2304.


4 Montsame, “Non-Resident Ambassadors have Presented their Credentials”, 3 April 2018. Available at www.montsame.mn/cn/read/85599.

5 It is said that legally, Mongolia still owns the old embassy building in Kabul under the then-address Wazir Akbar Khan Mena, Sarak T. House 8714, Kabul. Information on the state of the building today is scarce.


7 ibid.


Mongolian Kazakhs: From Bayan-Ulgii to the World

J. Mendee, L. Altanzaya & B. Undrakh
Mongolian Kazakhs: from Bayan-Ulgii to the World

Aisholpan Nurgaiv is the brave teenage girl from Bayan-Ulgii Province of Mongolia who became a world star after featuring in the documentary “The Eagle Hunters”. She is well-liked on YouTube and Facebook and has been the subject of many news stories, including by the BBC.\(^1\) At age 10, she learned horseback eagle hunting, a traditional hunting method of Kazakh nomads. Competing in this male-dominated sport, she has inspired her female friends and elevated her hometown—Ulgii, which is the provincial centre—and Mongolian Kazakh culture to the world’s attention. She is one of 121,000 Mongolian Kazakhs.\(^2\)

Kazakhs in Mongolia are an ethnic minority with their own language, religion and culture. And they fear losing that culture and their social status. Mongolians in overly Kazakh-dominated places (such as Bayan-Ulgii Province) complain about marginalization and Islamic cultural takeover. Some Mongolians quietly question the trustworthiness and credibility of Kazakhs towards Mongolia and have even made derogatory comments in social media that were offensive or demeaning to Mongolian Kazakhs. Another issue for this portion of the Mongolian population is external in nature: The Kazakh people represent Mongolia’s connection to China’s Xinjiang Uygur Autonomous Region, Kazakhstan and the Russian Kazakhs and Tuvans. Some Mongolians even suspect Kazakhs could be connected to the Islamic extremist groups or support the cultural push of Turkey and Kazakhstan into Mongolia. With these sensitivities in mind, this paper looks at Mongolian Kazakhs and their role in the country’s foreign relationships.

The brief overview is divided into three sections: The first section looks at the why, when and how Kazakhs migrated into Mongolia and integrated into its society during the socialist period. The second section discusses how Mongolian Kazakhs enjoyed political and civic rights—practising their religion and travelling abroad. The final section
highlights the importance of the Kazakh ethnic people in promoting Mongolia’s link with China’s Xinjiang Uygur Autonomous Region, Kazakhstan, Turkey and beyond.

Choosing Mongolia as homeland, enduring the socialist period

Getting the homeland

The Kazakh migration dates back to the late nineteenth century. During the Manchu-ruled Chinese Qing Dynasty, Kazakh nomads wandered freely over the Altai Mountain range in search of good pasture and convenient weather under the Treaty of Tarbagatai between the Qing Dynasty and Tsarist Russia. Since then, there have been three major influxes of Kazakh migrants into Mongolia.

The first occurred during the Dungan Revolt (1862–1877), in which Muslims rioted against the Qing authority and inflicted massive atrocities between different ethnic groups residing in the Chinese north-western region. After fierce, costly military campaigns, the Qing re-established their control over Xinjiang but imposed repressive measures and taxes. Fleeing from violence, taxing and famine, Kazakh nomads sought and received permission from Mongolian nobles to settle in their territories.

The second influx followed the Chinese 1911 Revolution (Xinhai Revolution), which ended the Qing Dynasty and resulted in the founding of the Republic of China. Around 400 Kazakh families fled from the new Chinese administration policies and the pillages and violence between warlords. They requested citizenship from the Bogd Kingdom of Mongolia in 1912. In November of that year, Bogd Khaan issued a decree to recognize Kazakhs in western Mongolia as subjects of the kingdom. Interestingly, in 1913, the Mongolian military provided protection for the return of Mongolian Kazakhs who fled to Russia because of the...
brutal treatment of Noyon Khutagt Dambijantsan (known as Ja Lama). Many of these Kazakhs participated in the 1921 People’s Revolution, and many fought against fleeing White Russian military units and bandits in Mongolia. In 1922, Kazakh tribal leaders in western Mongolia requested the new government to take Kazakhs as citizens and provide them somewhere to settle. The government granted them citizenship and designated territory for Kazakhs and Tuvans in western Mongolia.

The last major influx occurred in the 1930s and 1940s, when China was caught up in a civil war between the Kuomintang government and the communists. During this period, Central Asian regions, including Xinjiang, became a battleground between powerful geopolitical competitors—China and the Soviet Union—and multiple local warring factions. Again, Mongolian leaders protected Kazakhs and Mongols in the western region from cross-border armed bandits and warlords. The State Small Khural established a Committee for Minorities in 1930 and issued a resolution to improve the socioeconomic conditions of ethnic minorities (Kazakhs and Tuvans). In 1940, the State Small Khural approved a new province for the Kazakhs, although they included Uriankhai Mongols as well and they became an ethnic minority in the Kazakh-dominated province named Bayan-Ulgii.

Although the migrating Kazakhs’ dream of a homeland was accommodated, Mongolian Kazakhs suffered from the brutality of the revolutionary period and Stalinist purges. Between 30,000 and 40,000 Mongolian Taiji (most of them nobles who were descendants of Chinggis Khaan), intellectuals, monks and many ordinary Kazakhs became victims of the communist purges in the 1920s and 1930s, and their religious institutions (mosques and Islamic texts) were destroyed and prohibited. Kazakh scholars argue that these Kazakhs were mostly wealthy and religious people (such as mullahs) and were executed during 1937–1938.
Enduring the socialism

Mongolian Kazakhs experienced the socialist period just as other Mongolians did. A criterion during this period for all citizens was ideological alignment with the Communist Party’s doctrine and statements. Any dissenting views were marginalized and resulted in persons losing political and social benefits, including education, promotions and state awards. The Mongolian authorities adopted Soviet-style internationalization along with the Soviet guidelines for building a multi-ethnic society.

Starting from the 1921 revolution, the Communist Party recruited politically aligned Kazakhs while allowing Kazakhs to participate in the decision-making process of its organizations as well as the People’s Great Khural, which ensured their representation. From 1942, the Party’s schools accepted Kazakh students and even organized courses in the Kazakh language for Kazakh women. By 1947, all Mongolian universities were open to the Kazakh minority. The government implemented literacy programmes in the Kazakh language and established the first Kazakh school in 1933, where Kazakh children were educated in their native language, which continues to this day.

Kazakh-language newspapers (from 1941), journals (1942) and later radio and television services were provided to Kazakh nationals. In other words, Kazakhs were included in the socialist political process and entitled to education and information in their native language.

After establishing Bayan-Ulgii Province, the government allocated a budget greater than what other provinces received to set up their administration, public services (medical facilities, schools, power plants), light industries along with animal husbandry. Given the cultural proximity, Mongolian Kazakhs established a special connection with the Kazakh Soviet Socialist Republic (KSSR). The Soviet Union began sending doctors, veterinarians and teachers from the KSSR to Bayan-Ulgii Province.
immediately upon its formation in 1940.\textsuperscript{10} From 1943, Mongolian Kazakh students began to study in universities, institutes and vocational schools in the KSSR. Although the name changed, Mongolia has had a relationship with Kazakhstan, a successor independent State of the KSSR, dating from the 1940s. Kazakhs were provided with the same opportunities to study in the Soviet Union and other Socialist Bloc countries only after passing the same criteria expected of Mongolian citizens. However, all graduates from the national and foreign universities and vocational schools were assigned to the Mongolian countryside and transferred out only by the decision of the Party’s Central Committee and respective ministries in the different sectors. But this was the case for Mongolian graduates also. As well, all Kazakh males aged 18–25 at that time were required to complete a three-year compulsory military service and to remain in the reserve until age 45.\textsuperscript{11}

Because of the government work assignments and policies of the Soviet-type integration of the society, Kazakhs were integrated into Mongolian society. Many Kazakhs sought employment opportunities in major cities due to the lack of jobs in the western region. Although the Kazakhs were concentrated in Bayan-Ulgii Province (78–80 per cent of the total population) and Khovd Province (at 10 per cent), Kazakh communities were also established in the capital, Ulaanbaatar, and in the major industrial and mining centres of Erdenet (copper and molybdenum), Chandagana (coal), Nalaikh (coal) and Sharyn Gol (coal). By 1991, Kazakhs constituted 72 per cent of the community at the Chandagana coal mine, 60 per cent of the Nalaikh population and 30 per cent of the Sharyn Gol mining town. Kazakh nationals established communities in these cities for one reason that is common to ethnic minorities: to support each other and to preserve their culture. As a Kazakh expert (requesting anonymity) explained, “There [is] always such fear and mistrust of ethnic minorities, even though Kazakhs were not marginalized or harassed during the socialist period; therefore, Kazakhs prefer to live close [together] even within a large city.”\textsuperscript{12}
The Kazakh population grew significantly during the socialist period. Bayan-Ulgii has long ranked among the provinces with a high birth rate, mostly due to the cultural factor. For instance, Kazakh nationals numbered 36,700 in 1956, 62,800 in 1969 and 120,500 from 1989 until now. These numbers are considered accurate because there was no need for Kazakhs to hide their ethnic identity, unlike Chinese nationals, or to register with the popular Khalkh identity, as many Mongolian ethnic people did during the socialist period. Kazakhs were allowed to retain their ethnic culture and lifestyle. In addition to preservation of the Kazakh language, traditional costumes and celebrations (such as Nauryz) were maintained. Even Kazakh burial sites were established separately from Mongolians. Only the religious practice was prohibited during the socialist period, which was closely controlled by the State. But this was true for other popular religious practices, such as shamanism and Buddhism.

According to Kozgambaeva, in the 1960s, Kazakh intellectuals and non-intellectuals alike expressed such discontent when the Mongolian government tried to introduce the Mongolization of Kazakhs. In 2001, a well-known Mongolian Kazakh statesman and scholar, Zardykhan K., argued that Kazakhs in Mongolia had never experienced any political purge or social pressure after 1940 but, rather, succeeded in all sectors of the government.

Exercising civic rights and freedom to travel

Civic rights

Kazakhs gained political and economic freedom along with all Mongolians in 1989–1990. As the political and economic reform process intensified in the country, as it did in the other socialist countries and in the Soviet Union, Kazakhs actively participated. Kazakh intellectuals and party officials, such as Zardykhan, joined with 15 scholars who wrote
an open letter calling the democratic reform in the party newspaper, Unen, on 23 February 1989. Kazakhs joined in the democratic movement and later in the new political parties. In December 1989, a branch of the Mongolian Democratic Union was established in Bayan-Ulgii Province. A few months later, chapters of the Mongolian Democratic Party and the Mongolian Social Democratic Party were established in the province. In June 1990, youth along with Mongolian Democratic Union members staged a sitting protest, calling for the resignation of provincial party leaders. During the democratic revolution, Kazakhs joined in the nationwide demonstrations for democratic transitions as well as branches of the democratic movements and parties. Zardykhhan was appointed as Deputy Speaker of the State Small Khural and Kh. Khuzkey was appointed Deputy Chairman of the People’s Great Khural in 1990. Both the State Small Khural and the People’s Great Khural were the key political institutions to draft and pass the 1992 Constitution of Mongolia. Kazakh intellectuals and delegates were elected to the People’s Great Khural and Small Khural, which adopted the Constitution.

At that time, Kazakhs began to call for religious freedom. The Kazakh Language and Cultural Association (later renamed the Mongolian Muslim Association) was established in 1990. In October of that year, the first mosque opened in Ulgii, where Kazakhs could practise their religion openly and, from 1991, the mosque began to run the first madrasa (Islamic secondary and higher educational centre) for the first cohort of Islamic students. As a result of the religious freedom, around 20 Kazakhs made the first-ever pilgrimage to Mecca and Medina in Saudi Arabia. For the revival of the Islamic religion, the Mongolian Muslim Association took on the important role of establishing cooperation with religious organizations and schools in Muslim countries (Kazakhstan, Turkey, Pakistan and the Arab States) to send students, seek funding and donations, and for pilgrimage. Nowadays, according to the Mongolian Muslim Association, there are 40 mosques, 10 Islamic schools and about 3,000 students. The national census for 2020 found
that Kazakh people were more religious than Mongolians, with 84.7 per cent of the Kazakh people identifying as religious and 81.9 per cent of them were Muslim.\textsuperscript{18}

Freedom to travel

As a result of the democratic transition, Kazakhs (as well as Mongolians in general) gained the freedom to travel and to choose a place to work and live within and beyond Mongolia without any special approval from the State, other than the passport. Although there are no reliable statistics on how many Kazakhs have travelled abroad because border officials do not collect data on travellers’ ethnicity, Kazakhs have never had any restrictions on their travelling abroad.

One specific migration pattern deserves a bit more explanation, however, and that would be the Mongolian Kazakhs migrating to Kazakhstan. The first group (about 72 people) moved by way of bilateral labour contracts from Mongolia to Kazakhstan in March 1990, six months prior to it becoming an independent state.\textsuperscript{19} Following independence in 1991, the Kazakh authorities adopted a series of measures to welcome the return of ethnic Kazakhs to their historical homeland. Despite differing statistics, between 1991 and 1995, it sees around 90,000 Mongolian Kazakhs migrated to Kazakhstan in hopes of economic opportunities. As Zardykhlan pointed out, many of these migrants followed their “ethnic consciousness” to contribute to the establishment of the independent Kazakh State.\textsuperscript{20} According to current statistics, experiencing difficulties such as discriminatory treatment of migrants and the tough socioeconomic conditions in Kazakhstan, about 30,000 Mongolian Kazakhs returned to Mongolia within the first years. Because Mongolian Kazakhs had kept their culture and language well, they were distinct from the Russified Kazakhs in central and northern Kazakhstan and religious Kazakhs in the south-west.
With more than 60,000 Mongolian Kazakhs now living in Kazakhstan, they constitute the largest Mongolian diaspora community abroad. During official visits between Mongolia and Kazakhstan, both governments have highlighted the bridging importance of the cultural and ethnic ties through the Mongolian Kazakhs. But this relaxed migration causes immigration challenges for the Mongolian and Kazakh authorities. Many Kazakhs hold dual citizenship, which is unlawful in both States, avoid the citizenship obligations (such as the compulsory military service and taxes) while enjoying political rights (voting) and social welfare benefits. Also, many Mongolian Kazakhs become undocumented immigrants in Kazakhstan because they must live in government-designated locations as part of the process to obtain their citizenship or residency in Kazakhstan.

Role of Mongolian Kazakhs in Mongolia’s foreign policy

Mongolian Kazakhs represent a bridge in the country’s link to China’s Xinjiang Uygur Autonomous Region, Kazakhstan and Turkey because they share similar cultural roots. They can help the Mongolian authorities, businesses and public engage their counterparts and ameliorate the unproven fear and mistrust about the Islamic takeover or the spread of extremism.

Less than a century ago, Mongolia’s link with Xinjiang was raised between the United States and Soviet Union when Taiwan blamed the Soviets and Mongolians for aiding East Turkestan militants. One of the tasks for US Vice-President Henry Wallace when visiting Mongolia in 1944 was to hear out the Government’s explanation regarding China’s allegation that the Soviets and Mongolians were conducting military operations in Xinjiang Region. Now, Xinjiang has re-emerged as a hot topic in global politics, and all the great powers remain concerned about religious extremism, ranging from South Asia to Eurasia and Europe. At the same time, China’s Xinjiang Uygur Autonomous Region offers a new international link for
the people of the Mongolian western provinces and Russia’s landlocked and isolated people of the Tuva Republic. Mongolian Kazaks should be encouraged to engage in trade and people-to-people exchanges to tap the vast potential of economic cooperation. With the assistance of the Asian Development Bank, Mongolia began to serve as a China–Mongolia–Russia international link, which easily extends to Kazakhstan.

Kazakhstan is an important country for Mongolia’s foreign policies. It is a large populous State sharing the similar geopolitical challenge of being in the sphere of influence of two expansionist Great Powers. Despite the presence of the Mongolian Kazakh communities in Kazakhstan and the slow but steady cross-border trade between the Mongolian western region and Kazakhstan, the actual trade turnover is not promising. The main challenge is that Mongolia does not border directly with Kazakhstan, and there is no infrastructure (air or rail) to facilitate a two-way trade. However, the two governments need to work together to take care of Mongolia’s diaspora community in Kazakhstan. The people-to-people connection could promote bilateral relations in all spheres of cooperation, just like Mongolian diasporas in the Republic of Korea or Europe. Both States could work together to promote and preserve the shared nomadic culture. In another sense, both governments need to collaborate to resolve immigration-related issues, starting from the undocumented Mongolian Kazakhs in Kazakhstan and the dodging of citizenship obligations on both sides. This requires the Mongolian authority to develop a comprehensive, long-term strategy to use Mongolian Kazakhs to develop economic and cultural ties with Kazakhstan, drawing on the ties that date to the 1940s. In return, they can strengthen the Mongolian Kazakh identity and heritage. The only difference now is that both Mongolia and Kazakhstan can do this without the Kremlin’s guidance and control.

Another bridging role for the Mongolian Kazakhs is with Turkey. Recognizing the historic and cultural ties, Turkey has been paying special
attention to Mongolian Kazakhs and the Kazakh-dominated Bayan-Ulgii Province over the past three decades. In 1994, a Turkish-style high school opened in Bayan-Ulgii to provide opportunity for mostly Kazakh nationals to obtain Turkish-standard secondary education. Thus began opportunities to study in Turkey and other developed countries. Since 2004, the Turkish Cooperation and Coordination Agency initiated developmental and cultural projects, about 60 per cent of which have been exclusively devoted to the Kazakh communities. Although not at a great scale, there are some Turkish business interests in Bayan-Ulgii (such as Turkish restaurants). Like some Russians, some Mongolians are suspicious of the Turkish ambitions to extend the Turkish-led cultural sphere of influence strategy (Turkic world) into Central Asia, Eurasia and Mongolia. Although Mongolia is rarely included or related in the discourse on the Turkic world, Turkish activities contribute to the doubts or suspicions among Mongolian scholars, experts and the general population. Therefore, both governments should work together to have open, candid policies that will increase the role of Kazakhs in developing bilateral ties and to reduce the fear and doubts over the bilateral activities.

In a nutshell, Mongolian Kazakhs have demonstrated the potential for increasing ties with China’s Xinjiang Uygur Autonomous Region, Kazakhstan and Turkey. However, the ties need to be based on open and transparent policies to prevent misunderstandings and misperceptions. The government should encourage Mongolian Kazakhs to attract economic investments from Kazakhs around the world to enrich its landlocked, less-developed western region.

Concluding thoughts

The Mongolian government has pursued flexible, inclusive policies since the beginning of the Kazakh migration into the country. There are many problems between the two communities that wane and wax
depending on various factors. The most known is the discriminatory treatment of Mongolian minorities in the Kazakh-dominated Bayan-Ulgii Province. And Kazakhs make similar complaints about Kazakh minorities in the adjacent Mongolian-dominated Khovd Province.

Some Mongolians are worried about the quality of Mongolian language teaching in the Kazakh secondary schools, and there are rumours of a Kazakh conspiracy to take over Bayan-Ulgii and then merge it with Kazakhstan. Some Mongolians are wary of the growing link to Muslim countries and that the spread of the Islamic schools and teaching could be exploited by religious extremist groups. These feelings and perceptions are not so different from any other ethnic minority cases, especially those co-ethnic groups that reside on the different sides of the border, maintain long-lasting historic linkages and have shared cultural values.

These issues will never disappear but require careful, transparent policies to ease the tensions and to promote common understanding and tolerance. To strengthen the centuries-long co-existence of the two cultures, the Mongolian Kazakh identity—which is an inseparable part of Mongolia’s society and development—should be promoted through cultural celebrations, academic discussions and co-ethnic projects. One such project could be the Mongolian tourist camps that are inclusive of Kazakh and Tuvan gers and culture along with Mongolian gers. In this way, Mongolian Kazakhs would maintain their centuries-long nomadic culture while investing in an important global connection via Kazakhs, who are an ethnic people spread around the world, from China, Russia and Central Asia to Iran, Turkey and beyond (diasporas in Europe and North America).

Aisholpan Nurgaiv has made both Mongols and Kazakhs proud of her and the traditional hunting sport demonstrated at the annual Golden Eagle Festival in Bayan-Ulgii. Her bravery is contagious and could in-
roduce the country’s exemplary policy towards ethnic minorities to the world and welcome more Mongolians and international guests to learn and understand the beauty of Kazakh games on horseback. Bayan-Ulgii Province has begun to attract interest from international donor organizations and tourism because of its scenic nature, unique lifestyle of the Kazakh people and the growing Muslim culture.
Endnotes


5. Noyon Khutagt Dambijantsan, well-known Ja Lama, was a ruthless warlord, who fought against the Qing Dynasty in western Mongolia in 1890–1922. Because of his brutality against Kazakhs, many Mongolian Kazakhs fled to Russia and China.


7. Although the numbers are significantly disputed, in 1921–1941, nearly 100,000 people were executed by the Soviet and Mongolian secret police. Families, relatives and friends of these people were also marginalized from the society and remained under the government surveillance. See S. Sandag, and H.H. Kendall, Poisoned Arrows: The Stalin-Choibalsan Mongolian Massacres, 1921–1941 (Boulder, CO: Westview Press, 2000), p. 173.


10. Ibid. pp. 830–832.


12. Interview with Kazakh expert, who requested to remain anonymous, with one the pa...Mongolian Kazakhs: from Bayan-Ulgii to the World


"Иж бүрэн шинжтэй өөрчөлөт хэрэгтэй" ["The complete reform is needed"], Unen (The Truth), 23 February 1989.

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MONGOLIA’S NEW FOREIGN POLICY STRATEGY: A BALANCING ACT WITH CENTRAL AND NORTHEAST ASIA

J. Mendee & N. Soyolgerel
Introduction

As with many other countries, Mongolia’s leaders and diplomats are grappling with foreign policy strategy in these complicated times. Russia, to the north, is engaging in geopolitical competition with the United States and its European allies over the sphere of influence in Ukraine. It is now far from a military operation: It has evolved into a costly war with uncertainty to its duration, scale and consequences. And while providing extensive support to Ukraine’s war effort and strengthening its alliance in Europe, the United States and its allies in the Indo-Pacific region are balancing against rising China, which is Mongolia’s southern neighbour. Luckily, Russia and China are not at a war. That means Mongolian leaders do not have to be wary of balancing between the neighbouring great powers. Instead, they are worrying about the ongoing geopolitical competition between Russia and the West as well as the growing tensions between China and the United States. As these geopolitical competitions intensify, the role of international organizations, such as the United Nations, appears to be weakening to prevent and resolve conflicts. This is further complicating Mongolia’s security and foreign policy strategies and manoeuvres.

In this paper, we argue that Mongolia should not abandon its multilateral diplomacy, which includes its Third Neighbour Policy. It should, however, initiate a new soft-balancing strategy with Kazakhstan and the Kyrgyz Republic, both of which are experiencing similar foreign policy challenges.¹ This soft-balancing strategy should be projected as a partnership linking Turkey and South Korea through the core of Mongolia, Kazakhstan and the Kyrgyz Republic, building on their centuries-long heritage and new statehood. This paper explains Mongolia’s overarching geopolitical setting, discusses three innovative multilateral policies and suggests the pursuit of a new strategy linking the two regions.
Mongolia’s geopolitical setting

Mongolia operates in two distinctive geopolitical settings: One is regional and shaped by interests and actions of two great powers, Russia to the north and China to the south. The other is the overarching international setting, where Mongolia has limited connections and capabilities to influence.

Mongolia is an isolated and vulnerable State. Its relationship with and the balance of power between China and Russia are of utmost importance for Mongolia’s security and foreign policy calculations and even the survival of its independent statehood. This geopolitical structure can lead to several scenarios (see the table). Mongolia has experienced each situation at some time in its history and would do well to avoid repeating some of them.

### Scenarios for Mongolia’s balancing behaviour

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<th>Condition</th>
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<td>Distracted neighbours</td>
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<td>Conflictual neighbours</td>
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<td>Pressure to balance</td>
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<td>Unstable neighbours</td>
<td>Unfavourable</td>
<td>Need to balance</td>
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<td>Neighbours conflict with distant great powers</td>
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The most favourable condition for Mongolia is when both great powers have peaceful relations with each other or are distracted by events elsewhere and/or are caught up with their own domestic problems. In these conditions, Mongolia’s security and defence neutrality is very important for both Russia and China. Any attempts by either Russia or China to strengthen security ties with Mongolia (such as through the provision of a weapons system or by joining an alliance) would trigger a security concern for the other power. Therefore, both neighbours
commit to keeping Mongolia militarily neutral.

The most dangerous scenario is when Russia and China increase their hostility against each other. In this situation, either neighbour pressures Mongolia to balance against the other neighbour. Because of Mongolia’s strategic culture and recent memories of colonial history, it is more likely to side with Russia-unless Russia threatens to take over militarily.

Another difficult scenario is domestic instability in either neighbour or, in the worst case, domestic instability in both great powers. This situation would easily overwhelm Mongolia’s border security and make trading with and through both neighbouring countries difficult. If the instability occurs in one neighbour, Mongolia needs to work with the other to prevent humanitarian disasters, protect its borders and maintain law and order.

The final complicated scenario is when one of Mongolia’s neighbours or both enter geopolitical competition and eventually engage in armed conflict elsewhere. In this situation, Mongolia’s relations with the distant great powers would be complicated, if not impossible. Inevitably, Mongolia would be pressured to side with one or both neighbours against the distant great power. Resisting its neighbours’ pressure is hard because both neighbours hold strong political, economic and even military leverage over Mongolia.

In the beginning of the previous century, Mongolia was devastated by its unstable neighbours. To the north, Russia experienced revolutions, civil war and the First World War, from 1905 until the mid-1930s. From 1900 to 1949, China likewise was overwhelmed with revolutions, civil wars and the Second World War. Political instability on the domestic front for both neighbours had devastating consequences for Mongolia, which sat at the crossroads between the belligerent militaries, warlords and bandits.
In the periods of the 1930s–1940s and the 1960s–1980s, Mongolia sided with the Soviet Union. In the first period and despite Mongolian leaders’ resistance to being dragged into the geopolitical competition between Japan and the Soviet Union, the Soviet leaders conducted a massive purge against Mongolian leaders and imposed a mutual defence agreement that resulted in the Soviet military deploying into Mongolia and taking control of Mongolia’s politics. As a result, however, Mongolia was the only East Asian State to escape Japanese colonial war and gained de facto independence from China, recognized through the Yalta Agreement.

In the second period, Mongolia became caught up in the competition between its conflictual neighbours. This time, pro-Soviet Mongolia leaders welcomed the Soviet military deployments, which strengthened the country’s defence capabilities. Mongolia sought extensive developmental aid from the Soviet Union as well as the Socialist Bloc countries. At the same time, Mongolia was pressured to balance against the United States and its allies within the international system. Because Mongolia was not directly threatened by the United States and its allies, it was interpreted as a soft balancing against the Western world, even though the Mongolian political leaders were looking to develop ties with countries beyond the immediate neighbours. In other words, Mongolia was forced to take a position against its priorities.

Following the Sino–Soviet rapprochement, Mongolia entered a period of living with distracted neighbours, from 1990 to 2000, when Russia and China were intertwined with their domestic and foreign policy challenges elsewhere. This required that Moscow and Beijing keep their strategic rear (Mongolia and Central Asia) as peaceful and neutral as possible.

Building on this peaceful period as friendly neighbours, Russia and China gradually upgraded their amicable relations with Mongolia to a stra-
tegic partnership, which continues to this day. Except for Russia’s move to conclude the Permanent Comprehensive Partnership Treaty with Mongolia to secure its traditional geopolitical interests, neither Moscow nor Beijing has pressured Mongolia to side against each other.

Now, as the United States, a distant great power, intensifies its geopolitical competition with Russia over the war in Ukraine, Mongolia is yet again confronted with another difficult moment. On one hand, the United States requires Mongolia to soft balance against Russia. On the other hand, Russia is pressuring Mongolia to maintain loyalties as it did during the Second World War and the Cold War.

But the current situation looms far worse for Mongolia, with the prospect of the United States and its allies in the Indo-Pacific region intensifying their containment strategy against China. Even though Mongolia is not caught up in the middle like many Southeast Asian States, it eventually will be pressured by China and the United States or Japan to take a side.

**Innovative multilateral policies in support of soft balancing**

In the Mongolian case, building up its defence capabilities to deter any aggression from either neighbour (internal balancing) is economically costly and unsustainable. And any attempt at external balancing, such as joining a military alliance, is not possible due to the current friendly neighbours situation. Getting closer to Russia militarily or welcoming the Russian military into Mongolia’s territory would quickly trigger security concerns among Chinese military planners, and the opposite would be true with the Russian military planners. The provision of a security guarantee for Mongolia, such as concluding an alliance treaty or sending military hardware, would be politically unsupportive in Western capitals or even in Ulaanbaatar. Western leaders and governments will want to avoid any unnecessary military conflict with either
Russia or China over Mongolia. Similarly, Mongolian leaders want to avoid hard balancing (or militarily allying) with the distant great powers, especially the strategic competitors of Russia and China because such a move would trigger security concerns and competition among them. And that would turn Mongolia into a geopolitical battlefield or proxy State.

The primary security and foreign policy strategy of Mongolia must remain military neutrality with all great powers while pursuing soft balancing to avoid falling back into a geopolitical quagmire-being isolated between two expansionist great powers.

Mongolia was able to pursue such a policy in 1992, after the complete withdrawal of the Soviet military forces from its territory. It began first with the 1992 Constitution and subsequent national security and foreign policies that banned the access of foreign military forces to Mongolia for stationing, staging or even transiting. It also prohibited Mongolia from joining any military alliance. Then, in 1993, Mongolia and Russia annulled the mutual defence article (military alliance) from their bilateral treaty. Mongolia declared it would not permit use of its territory for purposes against a third party. Finally, Mongolia joined the Non-Aligned Movement in 1993. This was Mongolia’s foreign policy ambition since its emergence in the 1950s, when the country was supported by the founders of the movement. Despite that ambition, Mongolia militarily balanced with the Soviet Union against China and the Western Powers in the 1960s-1980s.

Since then, Mongolia has embraced three innovative foreign policies to strengthen its neutrality while increasing the international visibility of its soft balance against its powerful neighbours.
Nuclear weapon-free zone status

As soon as the Soviet military withdrawal was completed, the Mongolian president declared at the United Nations General Assembly in September 1992 that the country’s territory would be a nuclear weapon-free zone. Along with banning the deployment or transit of foreign troops from its territory, the country forbid nuclear and other weapons of mass destruction to enter or pass through Mongolian territory. It sought assurance of compliance from the five nuclear weapon States-China, France, Russia, the United States and the United Kingdom, which were also permanent members of the United Nations Security Council. Although it did not fully achieve assurance from all five States, Mongolia made progress on several fronts.

Domestically, the nuclear weapon-free status is enshrined in the National Security Concept and Foreign Policy Concept, and the Parliament enacted the Law of Mongolia on its Nuclear Weapon-Free Status. Bilaterally, Mongolia has succeeded in obtaining support for its nuclear weapon-free status in jointly issued documents and treaties. For instance, Russia pledged to respect Mongolia’s nuclear-free status in a 1993 bilateral treaty. Internationally, Mongolia succeeded in issuing more than ten resolutions regarding “Mongolia’s international security and nuclear weapon-free status” at the United Nations General Assembly. In 2012, as a result of Mongolia’s tireless diplomacy, the five nuclear weapon States that were permanent members of the Security Council issued a joint statement on security assurances and affirmed “their intent to respect Mongolia’s nuclear weapon-free status and not to contribute to any act that would violate it”. Mongolia has since become an active promoter of non-proliferation and nuclear weapon-free zones and has been working to institutionalize the nuclear weapon-free status by concluding a legally binding trilateral instrument with Russia and China.
The nuclear weapon-free initiative strengthened Mongolia’s neutrality, and the recognition from the five permanent members of the Security Council as well as other members of the United Nations increased Mongolia’s international engagement.

**Third Neighbour Policy**

With the waning of Soviet geopolitical interests as of 1990, Mongolia lost the Soviet security guarantee and economic assistance. But it gained its freedom to conduct independent foreign policy. Despite the general enthusiasm to normalize relations with their southern neighbour, the Mongolian leaders at that time were cautious not to fall into the sphere of influence of China, whose leaders continued to make irredentist claims about Mongolia. Facing this reality, the Mongolian leaders reached out to all distant great and major powers in the 1990s to obtain political and economic support in joining the international system. Even though it was US State Secretary James Baker who introduced the term “third neighbour” when referring to the United States’ relations with Mongolia, its origins as a Mongolian policy can be traced to the early 1920s and to foreign policy efforts during the Cold War when Mongolian leaders were trying to obtain recognition of its sovereignty and independence.  

Mongolia has since gained strategic partnership commitments from the United States, Japan, India and the European Union. With the support of these States, Mongolia became a member of the Bretton Woods institutions (the World Bank and the International Monetary Fund), the Organization for Security and Co-operation in Europe and other international initiatives and organizations. And what became its Third Neighbour Policy (after the Baker visit) resulted in Mongolia developing closer educational and cultural ties with many of the member countries of the Organisation for Economic Co-operation and Development. This policy has no intention of designating any one single pow-
erful State. Instead, it includes globally and regionally influential countries as well as developed economies. Mongolia has sought to attract economic interests and investments from these States. The notable investment successes include the Oyu Tolgoi copper mine and the new international airport.  

The Third Neighbour Policy excludes hard-balancing elements (military alliance and provision of military hardware for strengthening of defence capabilities). It focuses on the soft-balancing elements only: political, economic and cultural cooperation. Although Mongolia maintains partnerships with the North Atlantic Treaty Organization (NATO) and its members, the defence cooperation is explicitly restricted to developing the peacekeeping capacity of the Mongolian armed forces and regular defence diplomacy exchanges (talks, visits and student scholarships).

**Peacekeeping**

The need for a militarized State disappeared as China and Mongolia normalized their relationship in 1989. Amid the economic difficulties of the 1990s, some Mongolian politicians and scholars argued for eliminating the military and seeking a security guarantee from the United Nations. Ending this argument, the 1992 Constitution stipulated that Mongolia shall have an armed force, with foreign peacekeeping missions suggested as a way to employ military personnel in peace time.

Because deploying military personnel to United Nations peacekeeping operations is internationally competitive, Mongolia could not join a mission until 2005. However, Mongolia’s deployment to United States-led coalition missions in Afghanistan, Iraq and Kosovo beginning in 2003 helped the military get trained and equipped and gain experience to thus be considered for deployment to a United Nations peacekeeping mission. And the coalition deployments enabled the United States and
other NATO members to increase the military opportunities for Mongolians to study at their educational institutions, to provide Mongolia with necessary equipment (communication gear, individual gears, vehicles, etc.) and to finance the multinational peacekeeping training events (seminars and exercises) in Mongolia.

Today, Mongolia is the second-largest troop contributor from the Northeast and Central Asian region, after China, to United Nations peacekeeping missions. Mongolian military contingents and hospitals have deployed to United Nations missions in Chad, Sierra Leone and Sudan, with a battalion currently deployed in South Sudan. Interestingly, all the great powers have reacted favourably to the development of Mongolian peacekeeping capabilities: Russia has provided armoured vehicles, China has built a Recreational Centre for Peacekeepers in Mongolia, Japan has conducted military engineering training, Germany has provided equipment, and the United States established a state-of-the-art peacekeeping training centre (also in Mongolia) and now co-organizes the annual multinational exercise, Khan Quest.

The peacekeeping policy serves Mongolia's objective to become an active international player and reinforces its soft-balancing strategy with its powerful neighbours. The deployments to the United Nations and coalition operations allow Mongolia to contribute to the international efforts for global peace and security. They also provide a platform for bilateral and multilateral peacekeeping training. Welcoming militaries of geopolitical competitors to exercise together in Mongolia for the United Nations peacekeeping objectives is a modest example of confidence-building measures. Building up the military capabilities for the United Nations peacekeeping missions justifies the maintenance of the armed forces in the absence of imminent military threat and thus has not triggered any security concerns in Moscow or Beijing.

All three policies can be characterized as soft-balancing behaviour for
Mongolia to increase its international visibility and strengthen its political, economic, and cultural connectivity with the distant great and major powers while remaining militarily neutral to its neighbouring great powers. As the geopolitical competitions intensify between China, Russia and the United States, Mongolia needs to pursue a new soft-balancing strategy – in other words, to broaden political, economic, and cultural ties, excluding the defence and security cooperation.

A new soft-balancing strategy to bridge two regions

Mongolia needs to strengthen its ties with Kazakhstan and the Kyrgyz Republic, building on their centuries-long history and shared interests of surviving between expansionist great powers (Russia and China). Historically, Mongolia, Kazakhstan and the Kyrgyz Republic were closely linked due to similar nomadic lifestyles despite their religious differences. Although these old ties were interrupted when both Kazakhstan and the Kyrgyz Republic became Soviet republics in 1936, the collapse of the Soviet Union in 1991 opened opportunity for Mongolia to develop bilateral relations directly with the newly independent Kazakhstan and Kyrgyz Republic. With that independence, Kazakhstan and the Kyrgyz Republic crafted a foreign policy strategy similar to Mongolia’s Third Neighbour Policy while keeping equidistant from Moscow and Beijing. Unlike Ulaanbaatar, however, Astana and Bishkek are politically, economically and culturally integrated with Russia. Both are members of the Russia-led Commonwealth of Independent States, the Collective Security Organization military alliance and the Eurasian Economic Union. Yet, both States are now concerned with Russia’s use of military force against Georgia and Ukraine. It is good timing for Mongolia to reach out to Kazakhstan and the Kyrgyz Republic to deepen their political, economic and cultural ties.

With all three States being landlocked, it also would be important to welcome Turkey and South Korea and thus increase the connectivity
between the two regions. Turkey has been pursuing a strategy to increase its economic and cultural influence in Eurasia and Central Asia, especially building on its Turkic cultural heritage and roots.\textsuperscript{11} Turkey also wants to deepen its economic cooperation with China. South Korea, on the other hand, is interested in increasing economic cooperation with Central Asia, especially building on ties through its Korean communities in Central Asia (in Kazakhstan and Uzbekistan).\textsuperscript{12} As G20 economies, Turkey and South Korea also want to avoid upsetting their relationships with Russia and China—both have avoided taking a harsh stance on Russia despite their military treaty alliance with the United States.\textsuperscript{13} South Korea is also taking cautious steps concerning the United States’ containment strategy against China.\textsuperscript{14}

A new balancing strategy has potential for several reasons. For one, it would exclude the competing great and major powers (China, Russia, the United States, Japan and Germany). Two, all targeted States share cultural and historical ties, such as the Altaic language. Three, all States are looking for economic opportunities. Turkey and South Korea are major trading economies, possess technology and are in demand of natural resources. And four, all States want to avoid triggering security sensitivity or negative reactions from Russia and China; therefore, all are reluctant to hard balance against Russia and China. In a nutshell, all five States seek ways to promote political, economic and cultural ties, or in line with our argument, a soft balance. For further expansion, India, the Islamic Republic of Iran and Uzbekistan would be other potential candidates to strengthen this soft-balancing strategy.

Conclusion

As the geopolitical competitions intensify, the realist theories of international relations appear to be more useful for examining the international relations than the liberalism, constructivism or English school of international relations. In the realist world, great powers compete for
power, and the trade-off of their competition shapes the overarching international and regional settings or structure for secondary States. If we follow the current geopolitical dynamics, the United States—a conveniently located offshore “balancer”—is engaging in two competitions: one in Europe, the other in the Indo-Pacific region. Russia has ignored international laws and rules by bullying its neighbours as if it is following the old geopolitical or imperial logic of the sphere of influence. China, which is seen by the West as a revisionist power, is also openly declaring its intentions for territorial expansion and is engaged in an arms race with the West, not only in traditional terms but also in the new horizons of the cyber world and outer space.

Mongolia is an example of many secondary but vulnerable States that are trying to survive in these emerging geopolitical competitions. In this setting, Mongolia needs to be innovative and proactive to increase its international connections and partners. Based on historical lessons, the best strategy for the country is not to become a pawn or even the chessboard for the next “great game”. Rather, Mongolia should strengthen its military neutrality and intensify its soft-balancing strategy. One such approach would be to join with its old partners Kazakhstan and the Kyrgyz Republic and build a political, economic and cultural bridge between Central Asia and Northeast Asia by welcoming Turkey and South Korea. Those countries already welcome Mongolians: Istanbul and Seoul, along with Frankfurt, offer a gateway for Mongolian international travellers because travelling through Beijing or Moscow has become impossible due to the COVID-19 pandemic in China and Russia’s war in Ukraine. Mongolia needs more friends and networks.
Mongolia’s new foreign policy strategy
A balancing act with Central and Northeast Asia

Endnotes

1 “Balancing” is the central concept in the balance of power theory. States balance against a powerful State to keep it from dominating the international system and threatening other States. A State will join or form a military alliance with other States. The other is internal balancing, meaning to build its own economic and defense capabilities. The new form of balancing is soft balancing, which means a State strengthens its political, economic and cultural ties with other States while abstaining from pursuing any external balancing strategies. For more on soft balancing, see R.A. Pape, “Soft Balancing against the United States,” International Security, vol. 30 (2005), pp. 7–45; K. He and H. Feng, “If Not Soft Balancing, Then What? Reconsidering Soft Balancing and U.S. Policy Toward China,” Security Studies, vol. 17 (2008), pp. 363–395.

2 To strengthen the control over Mongolia, Stalin personally ordered the executions of Mongolian political leaders, including Prime Ministers Genden Peljid and Amar Anand, along with Minister of War Demid Gelegdorj and many other Soviet-educated Mongolian intellectuals who were critical about balancing with the Soviet Union against Japan. See S. Sandag, and H.H. Kendall, Poisoned Arrows: The Stalin-Choibalsan Mongolian Massacres, 1921–1941 (Boulder, CO: Westview Press, 2000), p. 173.


CHAPTER THREE
Geopolitical and Economic Interests in Mongolia
THE BELT AND ROAD INITIATIVE AND MONGOLIA

J. Mendee
The Belt and Road Initiative and Mongolia

Introduction

Although all major infrastructure projects of China’s Belt and Road Initiative (BRI) halted due to the coronavirus pandemic, talks and discussions about bilateral and regional BRI projects have sustained. Even amid the pandemic, the BRI has taken a new turn. In June 2020, the Chinese Foreign Ministry organized a video conference with 25 BRI participating countries, along with the World Health Organization and the United Nations Development Programme, to expedite international collaboration to address the global public health challenges. With the video conference, Chinese leaders started to push the Health Silk Road, which was only discussed as a marginal issue when introduced in 2015.

As explained by Chinese Foreign Minister Wang Yi, the Health Silk Road would be launched in combination with two other BRI initiatives: (1) the Digital Silk Road, to improve virtual connectivity, including fifth generation (5G) mobile service, artificial intelligence, smart cities and the Internet of things, and (2) the Green Silk Road, to pursue green development and sustainable growth. This move demonstrates the flexibility and inclusiveness of China’s grand BRI strategy.

This policy paper provides brief analysis of the development of the BRI, summarizes the Chinese rationale as well as reactions of major powers and discusses challenges and opportunities for Mongolia as China and Russia advance their respective regionalization strategies.

In the fall of 2013, the BRI was introduced as One Belt One Road. The “belt” referred to the Silk Road Economic Belt and overland transportation routes through Central Asia to Europe, and the “road” referred to
Geopolitical and Economic Interests in Mongolia

maritime routes through Southeast Asia to South Asia, the Middle East and Africa. For a long time, the Chinese government and businesses had sought ways to increase their transportation connectivity. Chinese leader Xi Jinping, new at that time, introduced the BRI as a major foreign and economic policy initiative to increase Chinese investment in global infrastructure.² He established small leading groups to oversee the development and implementation of the initiative and tasked the National Development and Reform Commission as the lead agency. In March 2015, that Commission released the visionary document explaining the purpose, principle, priorities and implementation framework of the BRI.³ It outlined the following six economic corridors:

- New Eurasian Land Bridge (Belarus, Kazakhstan, Poland and Russia)
- China–Mongolia–Russia
- China–Central Asia–West Asia
- China–Indochina Peninsula
- China–Pakistan
- Bangladesh–China–India–Myanmar.

Even though the key component of the BRI is infrastructure connectivity (ports, rails, roads, pipes, grids, cables), the document identifies five forms of connectivity with the participating countries: (1) policy coordination, (2) facilities connectivity, (3) unimpeded trade, (4) financial integration and (5) people-to-people bonds. Following this visionary document, the BRI began to include new projects also named “silk roads”.

In 2014, the most ambitious project—the Space Silk Road—was introduced. Building on the ongoing Chinese space programme, the Space Silk Road aims to support overland and maritime routes by providing global navigation services.⁴ The core element of the Space Silk Road is the Chinese-made BeiDou Navigation Satellite System, which has capability for global positioning, navigation and tracking. Intricately linked
to the Space Silk Road is the Digital Silk Road, which was announced in 2015. The Digital Silk Road project includes e-commerce, digital currency, construction of fibreoptic cable networks, a data and research centre, 5G mobile and cloud services, smart cities, artificial intelligence, telemedicine, quantum computing and so forth.

Then in 2017, the Chinese authorities launched the Arctic Silk Road, which is interchangeably called the Polar Silk Road and the Ice Silk Road. The project strengthens China’s earlier efforts of establishing shipping routes in the Arctic, developing natural resources and advancing research and development in the North and South Poles.

The term Green Silk Road has been used frequently to address sustainability and green development concerns, but it remains vague. The Health Silk Road appears to have gained momentum during the pandemic, although it is too early to forecast how this momentum will play out in the coming years.

Overall, the Chinese authorities are moving forward to provide centralized, top-down management for implementing the BRI. They have even assigned a completion date, as 2049, which is the centennial of the founding of the People’s Republic of China. The most surprising move to date has been the inclusion of the BRI in China’s Constitution during the nineteenth National Congress of the Chinese Communist Party, in October 2017.

Without disclosing precise numbers, the Chinese authorities have made several efforts to finance the global initiative. In December 2014, they established a state-owned investment fund with US$40 billion, called the Silk Road Fund, and began to invest in the BRI projects through its major investment banks (the Export-Import Bank of China and the China Development Bank). In December 2016, they established the Asian Infrastructure Investment Bank, which is modelled after and aims to
work closely with the International Monetary Fund, the World Bank and the Asian Development Bank.

Along with the centralized institutionalization efforts, the Chinese leaders also used all foreign policy platforms—bilateral, regional and international—to explain the initiative and encourage collaboration. In 2017, China began hosting the biennial Belt and Road Forum for International Cooperation and welcoming Heads of Governments as well as international organizations.\(^\text{10}\) At the same time, China launched an aggressive campaign to sign a memorandum of understanding (MOU) with countries that are either potential recipients of the BRI investment or developed countries interested in participating in the BRI projects in developing countries. As of today, China has concluded MOUs with more than 130 countries.

**China’s rationale and reactions of major powers**

The avoidance of labelling the BRI as a strategy indicates China’s concern for being perceived as a great power that aims to expand its sphere of influence or to change the existing international and regional orders.

The following five reasons are put forward by Chinese leaders, academics and policy practitioners as rationale for the BRI. First, China is simply responding to the global demand for infrastructure investment: A commonly cited Asian Development Bank study estimated that Asia will need US$26 trillion of funding for the infrastructure projects that will be required by 2030.\(^\text{11}\) Second, China continues its economic opening by improving infrastructure connectivity and the planning to build 50 special economic zones, following the Shenzhen Special Economic Zone model of the 1980s. Landlocked regions like Tibet, Xinjiang, Inner Mongolia and Yunnan would be connected to neighbouring Nepal, Central Asia, Mongolia, Russia and Indochina, in addition to providing
economic opportunities for China’s landlocked inner regions. Third, China needs to spend its excessive resources (money, materials, labour) to create business opportunities for its companies and workers; the infrastructure investment provides such opportunity. And China has the most advanced technology and expertise in infrastructure construction. Fourth, China needs to develop new routes for the trade of critical resources beyond Southeast Asia. Thus, China is investing into deep sea ports and constructing rails and pipelines through South, Central and West Asia, Eurasia and in the Arctic. Finally, the BRI supports China’s Go Out (Go Global) policy to increase Chinese foreign direct investments globally and the Made in China 2025 plan to shift its manufacturing capability from low-tech, labour-intensive to hi-tech production. This will encourage Chinese tech companies, for example, to further compete in the global market.

With these reasons, China presents the BRI as a pure economic initiative and argues it will provide win-win opportunities for participating countries.

In contrast, major powers perceive the BRI somewhat cautiously. Foremost, they all worry that the BRI will intensify China’s economic development as well as its military capabilities as the country gains strategic advantages in the space, maritime and cyber domains. Second, the BRI will create a Sino-centric global and regional economic order, which will gradually reduce the role of the Group of Seven (G7) countries and even result in a system that competes with the United States-dominated Bretton Woods system. Third, all major powers are concerned about China’s geopolitical expansion and influence globally as well as in their respective regions. The United States worries that China’s access to deep sea ports, development of digital infrastructure and space exploration will undermine American dominance as a global power. As regional powers, Australia, India, Japan and Russia are wary of losing their influence to China within their respective regions—in the South
Pacific, South Asia, East Asia and Eurasia. Even Western European powers openly express their concerns for China’s growing influence in Central Europe and the Balkans.

These concerns have triggered different responses. At the extreme end, the United States intensified its military alliance with Australia, India, Japan and others to contain China, pressured its allies to ban China’s tech companies (Huawei and ZTE) from developing 5G networks and even established a development agency (the International Development Finance Cooperation) for infrastructure investment. Similarly, Japan launched the Partnership for Quality Infrastructure initiative to promote “quality” and “sustainable” infrastructure across Asia (in 2015), the Asia–Africa Growth Corridor with India to improve connectivity between Asia and Africa (in 2017) and the Connectivity Partnership with the European Union (in 2019) for global infrastructure investment.

In the majority of G7 members and Australia, responses to the Chinese BRI have been shaped between economic versus security reasons. For instance, excluding Japan and the United States, all of the G7 members and Australia joined the Asian Infrastructure Investment Bank, and Australia, France and Japan have signed MOUs with China to cooperate in developing countries. India’s stance on the BRI is the most complicated. Although India allowed Huawei to participate in its 5G network development, Indian authorities changed their mind following the Sino–Indian clash over the disputed border. India adamantly opposes the China–Pakistan Economic Corridor because it would run through disputed territory between India and Pakistan. However, India received a US$750 million loan from the Asian Infrastructure Investment Bank. In contrast with the United States’ responses, Russia has been the only major power to welcome the BRI. The Russian president has attended all high-level summits and welcomed Huawei’s participation in Russia’s development of its 5G network. For China, Russia is a key partner for the New Eurasian Land Bridge, the Arctic Silk Road and the China–Mon-
golia–Russia Economic Corridor, in addition to energy resources. Russia, however, wants to incorporate its Eurasian Economic Union with the BRI under the Greater Eurasian Partnership, as coined and insistently pushed by President Putin.

Opportunities and challenges for Mongolia

Following the Sino–Soviet rapprochement, which ended Russia’s militarization of Mongolia against China in 1986, Mongolian leaders and academics began to dream of becoming the economic land link between, ideally, Asia and Europe or, realistically, Russian Siberia and the Chinese northeastern regions. Yet, Mongolia has lacked the capacity as well as funds to build such infrastructure—roads, rails, land ports, airports and logistical centres. In this regard, Mongolian leaders and businesses perceive China’s BRI as a golden opportunity. In the spring of 2014, immediately after the launch of the BRI and its endorsement by Russia, the Mongolian government presented its Steppe Road initiative to Beijing and Moscow to build roads, rails, oil and gas pipelines and electric grids between the two countries through Mongolia. Mongolian leaders convinced the visiting Chinese president in August and the Russian president in September 2014 to increase trilateral economic connectivity through Mongolia. A year later, Mongolia was officially included in the BRI visionary document as one of the six economic corridors, and Chinese and Russian leaders endorsed the merging of three proposals—China’s BRI, Russia’s Eurasian Economic Union and Mongolia’s Steppe Road.

Since then, Mongolia has supported all types of initiatives by China regarding the BRI, became a member of the Asian Infrastructure Investment Bank and began to seek funds for possible infrastructure projects from Chinese banks. However, Beijing started to lose its initial high hopes for Mongolia’s potentiality within the BRI for several reasons: (1) The Dalai Lama visited Mongolia in November 2016 despite repeated Chinese dissuasion. Because the Dalai Lama is considered the spirit-
tual leader of Mongolian Buddhism, the Mongolian government could not prevent his visit but would deny any official involvement in the visit. Apparently, such explanation did not ameliorate the Chinese concerns. (2) Russia has increased its influence in several projects that could have been financed by China. For example, several attempts by Mongolian business groups to connect major mining deposits in southern areas to the Chinese railways with Chinese standard rail gauges failed. And Russia successfully stalled the Eg River hydropower project, which would have been funded by a Chinese soft loan. (3) Mongolia's political instability has increased, especially from 2015 to 2017. The political landscape has become vulnerable due to factional infighting within two major political parties—even after one party was in control of the government. (4) Mongolia has refused China’s investments in major mining projects. For example, for a second time, the Chinese Shenhua Energy’s bidding, along with Japan’s Sumitomo Corporation and the Mongolian Mining Corporation, to develop the Tavan Tolgoi coking coal deposits was rejected by the Mongolian Parliament in 2016.

After a brief hiatus, however, Mongolia concluded an MOU on BRI cooperation with China during the first Belt and Road Forum in April 2017. A trilateral intergovernmental working group was set up, and cooperation documents were signed to implement 32 projects related to the China–Mongolia–Russia Economic Corridor (see the table). If the China–Mongolia–Russia Economic Corridor initiative is realized, it will make Mongolia a land link between two markets. But there are some challenges because the three countries have different priorities in mind: China has broader objectives along the five areas of the BRI; Russia wants to assert its traditional geopolitical privileges in Mongolia; and Mongolia wants the construction of physical infrastructure.
## Projects of the China–Mongolia–Russia Economic Corridor

<table>
<thead>
<tr>
<th>Type</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation and infrastructure</td>
<td>13</td>
</tr>
<tr>
<td>Railway (7)</td>
<td></td>
</tr>
<tr>
<td>Logistics (1)</td>
<td></td>
</tr>
<tr>
<td>Road (4)</td>
<td></td>
</tr>
<tr>
<td>Telecommunication (1)</td>
<td></td>
</tr>
<tr>
<td>Industrial sector</td>
<td>2</td>
</tr>
<tr>
<td>Development of cross-border points</td>
<td>1</td>
</tr>
<tr>
<td>Energy sector</td>
<td>1</td>
</tr>
<tr>
<td>Facilitation of trade and inspection procedures</td>
<td>4</td>
</tr>
<tr>
<td>Environment and ecology</td>
<td>3</td>
</tr>
<tr>
<td>Education, science and technology cooperation</td>
<td>3</td>
</tr>
<tr>
<td>Humanitarian</td>
<td>3</td>
</tr>
<tr>
<td>Agriculture</td>
<td>1</td>
</tr>
<tr>
<td>Medical science</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
</tr>
</tbody>
</table>


For China, the BRI has been quite successful with Mongolia in terms of the five types of connectivity. Regarding policy coordination, it declared a comprehensive strategic partnership and conducts annual intergovernmental dialogues with Mongolia. China is ready to invest in facility connectivity projects (roads, rails, pipelines and grids) if Mongolian leaders agree domestically as well as with Russia. Both countries have been working to improve cross-border trading facilities, logistics and customs procedures for unimpeded trade. Financial integration has been slow but steady. Chinese banks established representative offices in Ulaanbaatar, financed multiple infrastructure and construction projects and secured Mongolia’s interest and support for the BRI-related banks. People-to-people bonds, such as
cultural and academic exchanges, scholarships and Chinese tourists, have increased since the 1990s.

In reality, except for the development of mining resources, Mongolia is not typically considered economically attractive for Chinese businesses because of its small market, limited connectivity and political instability. A clear example is the Asian Infrastructure Investment Bank’s reluctance to invest in infrastructure projects in Mongolia. Furthermore, Mongolia is considered a hostile environment, to a certain degree, for Chinese nationals as a result of lingering anti-Chinese sentiment, which was institutionalized during the Sino–Soviet conflicts of the 1960s and 1970s.

For Russia, Mongolia is a traditionally geostrategic stronghold against China. Russian leaders, especially Putin, and security experts have asserted policies to bring Mongolia back into its sphere of influence. The declaration of the permanent comprehensive strategic partnership along with a renewed bilateral treaty now requires frequent consultations and even secures Mongolia’s commitment to the Russian railway gauge for any new extension. As noted, Russia wants Mongolian leaders to support its regionalization strategy (the Eurasian Economic Union) and accommodate its traditional interests in infrastructure development, energy and major mining projects. At the same time, Russia is an economic competitor in terms of exporting its mineral resources (such as coal) to China as well as attracting Chinese investment and technology into its underdeveloped and isolated Far Eastern regions.

Mongolia considers the development of the central railway corridor, the central highway corridor and electricity transmission lines as priorities. But, except for the central highway corridor, Mongolia needs Russia’s collaboration because since Russia maintains influence in its railway and energy sector. Similarly, because of Mongolia’s landlockedness, access to infrastructure and logistical facilities of both neighbours and the reduction of tariffs, taxes and transit fees have been other important issues for Mongolia.
to develop trilateral economic cooperation. China is pressuring Mongolia to establish a bilateral free trade agreement, while Russia wants Mongolia to conclude a free trade agreement with the Eurasian Economic Union.

Unlike some other economic corridors, the China–Mongolia–Russia Economic Corridor is making steady progress. All three States have reached high-level political agreement and established a trilateral consultative mechanism to work out the details. And the projects are domestically supported to improve the infrastructure connectivity.

At the moment, an emerging hope for Mongolian leaders regarding the BRI is Moscow’s recent decision to construct a second pipeline (Power of Siberia–2) through Mongolia. Even if the Chinese side has not declared its stance formally, the Russian Gazprom is moving quickly to begin the negotiation process (which is expected to take at least five years) with China (price) and Mongolia (transit fee). Indeed, the gas pipeline could be the most important trilateral economic project, although it would establish Mongolia’s dependency on Russian natural gas.

Conclusion

When China launched its Health Silk Road this past June, Mongolian leaders wholeheartedly supported the initiatives to increase cooperation in the public health sector because the Mongolian public health system is poorly equipped to deal with pandemics, such as COVID-19. This paper demonstrates that Mongolia’s focus in regard to the BRI has mostly revolved around constructing physical infrastructure (roads, rails, land ports, pipelines and grids) similar to many other developing States seeking funds for infrastructure development. Although it is premature to speculate on the success or failure of China’s long-term developmental vision for Eurasia, the BRI would facilitate Mongolia’s dream of bridging two large economies and increasing its connectivity with Asian and Eurasian markets. Beijing’s flexibility and altruistic approach could provide room for Mongolia to ne-
gotiate and reduce the financial, environmental and possibly social impacts of the infrastructure investment. Moscow’s interest in pushing larger Eurasian initiatives could also provide some opportunities to access Eurasian markets as well as keep traditional security ties with Russia. If successful, Mongolia could be a merging point for China’s BRI and the Russian Greater Eurasian Partnership.

Endnotes

1 Ministry of Foreign Affairs, “State Councilor and Foreign Minister Wang Yi chairs the high-level video conference on Belt and Road international cooperation and reduces the financial, environmental and possibly social impacts of the infrastructure investment.” Moscow’s interest in pushing larger Eurasian initiatives could also provide some opportunities to access Eurasian markets as well as keep traditional security ties with Russia. If successful, Mongolia could be a merging point for China’s BRI and the Russian Greater Eurasian Partnership.

Endnotes


SINO-MONGOLIAN ECONOMIC INTERCONNECTIVITY: BIG TALKS, LITTLE PROGRESS

B. Indra, S. Chandmani & J. Mendee
Sino–Mongolian economic interconnectivity: Big talks, little progress

Sino–Mongolian political relations have not gone idle in these pandemic times. The Chinese foreign minister and the defence minister have made stopovers in Ulaanbaatar.¹ The Mongolian president and foreign minister have visited China.² Mongolian diplomats and businesses have been working hard to mitigate the challenges of the COVID-19 impacts on the country’s commodity exports to China and imports from and through Chinese major ports. If the COVID-19 factor is set aside, China and Mongolia appear to have all the favourable conditions for fruitful economic interconnectivity.

Mongolia shares the largest land border with China, stretching from Manchuria to Xinjiang, with no disputes or unresolved issues and with bilateral relations reaching the highest level for establishing a comprehensive strategic partnership.³ Both nations are enjoying a peaceful setting that is free from a militarized stand-off or cross-border terrorist activities.

Mongolia also has abundant natural resources, an enormous landscape for tourism and the potential to serve as a trade inroad to the Russian Federation. China, with the world’s second-largest economy, is ready to offer its markets, technology and infrastructure connectivity that would bring many opportunities to Mongolia. Mongols and Kazakhs, who are cross-border co-ethnic groups, share common traditions, lifestyles and language and are bridging communities for economic cooperation between China and Mongolia.

But something is idling in this relationship. Mongolia still transports its coal and copper concentrates by thousands of trucks rather than a railway, relies on cheap, low-quality products from Chinese border regions, refuses to conclude major investment agreements and is fearful of tapping into Chinese tourism to Mongolia. This policy paper exam-
ines the slow progress of Sino–Mongolian economic interconnectivity from the differing perspectives of the two sides.

More political concerns than economic interests

Following the Sino–Soviet rapprochement from the late 1980s, China and Mongolia resumed bilateral economic ties, which led the Soviet Union (Russian Federation) to close its markets to Mongolia. As a result, Mongolia leaned heavily on Chinese goods, markets, infrastructure (ports and rails), and labour. However, without an adequate cooperation plan in place for the two countries, Mongolia, which was struggling to overcome challenges of the economic transition and was largely dependent on Western donor aid, felt especially pinched. During this period, Beijing’s concern with Mongolia was mostly geostrategic rather than economic cooperation—military neutrality as well as political neutrality and wanting respect for its core security concerns, ranging from Inner Mongolia and Taiwan to Tibet.⁴

As the commodity boom began in Mongolia, China pursued regionalization efforts with its neighbouring regions, including Central Asia, which led to talks about big plans. During Chinese President Hu Jintao’s visit to Mongolia in 2003, the two sides identified the mining sector and infrastructure as priority areas of cooperation.⁵ Prior to the visit, Chinese investment was small, mostly in trade, catering and construction. After the visit, investment started shifting to the mining sector, and a decade later, more than 70 per cent of Chinese investment in Mongolia was in the mining sector. During President Xi Jinping’s visit to Mongolia in 2014, the Chinese proposed expanding the cooperation in mining and infrastructure and added the financial sector.⁶ Subsequently, China agreed in 2015 to cooperate in five areas – the policy coordination, infrastructure connectivity, unimpeded trade, financial integration, and people-to-people connection - under the Belt and Road Initiative.⁷
In the same year, Mongolia and China ratified the five-year Medium-Term Trade and Economic Cooperation Programme. Its implementation is discussed at the biennial meeting of the Mongolia–China Intergovernmental Commission. Mechanisms have been established to address issues between ministries, departments and agencies in charge of infrastructure, mining, energy, customs and inspections. At the implementation level, however, things are not so smooth for Chinese state-owned corporations. For instance, Shenhua Group, a state-owned mining and energy company, was rejected three times (2010, 2014, 2016) from participating in the development of the largest coal deposit in Mongolia, at Tavan Tolgoi. Another Chinese state-owned company, Aluminum Corporation of China, has experienced numerous challenges. In April 2012, the Mongolian Parliament cancelled the company’s purchase of a controlling stake in Canadian South-Gobi Resources Ltd and then annulled a contract worth US$250 million. China and Mongolia initially agreed to build the Shivee energy coal power plant in Gobi Sumber Province in Mongolia to supply energy to China’s northern provinces. The plan has been stalled, although it was agreed upon at the top political level. For Mongolia, this would have been a massive undertaking, equivalent to the Oyu Tolgoi copper project.

Chinese banks have faced similar challenges. The People’s Bank of China established a currency exchange mechanism with Mongolia’s central bank in 2011. The Bank of China opened a representative office in 2012, followed by the Industrial and Commercial Bank of China and the Export-Import Bank of China in 2017. All three banks had hoped to invest in major infrastructure and mining development projects, finance small and medium-sized enterprises and provide loans and mortgages. Due to strong opposition from certain politicians, the Chinese banks were not provided local banks, financial institutions or commercial banking licenses.

China’s Belt and Road Initiative has yet to produce any tangible in-
Infrastructure development to improve the economic interconnectivity through the envisioned China–Mongolia–Russian Federation Economic Corridor, which would be one of six Belt and Road Initiative economic corridors. For this purpose, the Heads of State of China, Mongolia and the Russian Federation signed a programme agreement in 2016 (see the following table) and established 10 tripartite intergovernmental mechanisms to implement 32 projects.

**Economic corridor mechanisms of China, Mongolia and the Russian Federation**

<table>
<thead>
<tr>
<th>№</th>
<th>Mechanism</th>
<th>Frequency</th>
<th>Main objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Meeting of the Heads of State</td>
<td>Once a year</td>
<td>Achieve high-level agreements</td>
</tr>
<tr>
<td>2.</td>
<td>Tripartite Working Group</td>
<td>Once a year</td>
<td>Advance the implementation of the economic corridor</td>
</tr>
<tr>
<td>3.</td>
<td>Meeting of Deputy Foreign Ministers</td>
<td>Once a year</td>
<td>Discuss the issue of the Heads of State Meeting and the implementation of the economic corridor</td>
</tr>
<tr>
<td>4.</td>
<td>Expert level meeting and at the level of director of the Ministry of Foreign Affairs</td>
<td>Once or twice a year</td>
<td>Discuss implementation of projects</td>
</tr>
<tr>
<td>5.</td>
<td>Investment Research Center</td>
<td></td>
<td>Conduct research related to projects</td>
</tr>
<tr>
<td>6.</td>
<td>Meeting of the ministers of road and transportation</td>
<td></td>
<td>Discuss sector cooperation</td>
</tr>
<tr>
<td>7.</td>
<td>Meeting of tourism ministers</td>
<td>Once a year</td>
<td>Discuss sector cooperation</td>
</tr>
</tbody>
</table>
8. Customs Cooperation Working Group  Once a year  Discuss sector cooperation

9. Mongolia–China–Russian Federation Trilateral Economic and Trade Cooperation Forum  Once a year  Implement cooperation between enterprises, introduce projects and programmes, concludes agreements and has become a business platform

10. Think tank association  Once a year  Conduct research and exchange research information

At the 2017 tripartite experts meeting, the parties agreed to prioritize the following three projects of the 32 projects included in the programme:

Ø Study the economic feasibility of renovating the Central Railway Corridor, construction of dual carriageways and electrification
Ø Use the AN-3 route of the Asian road network for transit transportation and study the economic feasibility of building a highway on this route
Ø Study the possibility of Chinese companies’ participation in the modernization of the Mongolia–Russian Federation power grids

According to a monitoring study conducted in 2020, implementation of the economic corridor is at about 56.3 per cent, which is mostly paperwork. Projects in the transport, tourism and science sectors, which have a tripartite mechanism, are progressing while projects in the industrial, agriculture, health and quarantine sectors, which have yet to establish a tripartite meeting mechanism, are gaining ground only on a bilateral basis. Six years have passed since the launch of the projects, but there is no direct impact on the Mongolian economy.

To date, there are no projects funded by the China Silk Road Fund, the Asian Infrastructure Investment Bank or a public–private partner-
ship model. Despite the pandemic, the Chinese-based financial mechanisms have provided significant funding for corridors and projects in other countries, excluding Mongolia. Although China and Mongolia have made commitments at the highest political level to improve economic interconnectivity, little progress has been made on the ground. The Moon Bridge in Ulaanbaatar is the only major infrastructure project constructed through the Belt and Road Initiative. Clearly, that bridge is not contributing to either bilateral or trilateral economic interconnectivity.

**Mongolia from the Chinese economic perspective**

Mongolia attracts two types of economic interests from major Chinese businesses. One is mineral resources, such as coal, iron ore, copper, zinc and uranium. These Mongolian mining products meet three requirements of Chinese buyers: proximity, low price and uninterruptible transport. Interestingly, major mining deposits have been discovered close to Chinese borders, but because China is the only potential market for minerals, its businesses have the upper hand and are able to exert control over the price. Unlike China’s western and southern borders with high mountains and subtropical landscapes, its border with Mongolia is conveniently connected through flat terrain. This encouraged interest from big Chinese corporations, such as Chalco, CNNC, Shenhua and Sinopec, to invest in the development of large mining deposits and related infrastructure. Over the past two decades, China has developed its domestic railroad system, which could easily be extended to Mongolia’s mining deposits. To no surprise, Chinese companies built the mineral processing factories just across the Sino-Mongolian border in the western and north-eastern provinces of China.

Today, Petrochina’s Daqing Tamsag operates the crude oil mines. A joint Qinhua-MAK-Nariin Sukhait partnership is developing the coal deposit, while China Nonferrous Metal Industry’s Foreign Engineering
and Construction Company operates a zinc mine. Chalco and Shenhua have been interested in investing in the Tavan Tolgoi coking coal deposit. As noted, though, these two giants have not been successful in securing a major investment deal.

The other economic interest relates to Mongolia’s potential as a transit route to the Russia Federation and Europe. This potential is among the reasons why the Chinese government designated Mongolia as one of the six Belt and Road Initiative economic corridors. The China–Mongolia–Russian Federation Economic Corridor aims to improve the infrastructure connectivity between China’s northeastern provinces, the Russian Federation and Europe through Mongolia. In comparison with the Russian Federation’s Far Eastern Railway, the Trans-Mongolian railway is shorter, but it is older and slower than the newly built railway connection through Kazakhstan. The railway was built in the 1950s and requires gauge change at the Sino–Mongolian border, where both land ports are underdeveloped. Given the long-term benefits, Chinese companies are interested in investing and constructing new rail infrastructure, which would also enable a Chinese stake in operating the infrastructure. The main hurdle is coming from the Russian Federation. Along with Mongolia’s political and business factions, the Russian Federation was able to influence the country’s domestic politics to maintain its railway standards (1,520 mm, locomotives, trains) as a part of its geopolitical strategy, which is in effect in the former Soviet republics and even in Eastern Europe.

Beyond these interests, Chinese businesses have not shown any explicit interest in Mongolia. For large Chinese corporations, Mongolia is a small market—with a population of 3.6 million, it is the size of a small city in China. It lacks key infrastructure, with a visible gap between the stages of industrial and infrastructure development. Like many foreign investors, Chinese businesses find Mongolia’s investment environment unattractive. The country’s political system is unstable due to constant
Geopolitical and Economic Interests in Mongolia

competition between its political and economic factions. The legal environment and rule of law are weak. Lingering anti-Chinese sentiment and negative attitudes against Chinese nationals render the situation even harsher for Chinese businesses. Chinese scholars conclude that Mongolia’s “third neighbour” foreign policy, unstable domestic economic policy, outdated infrastructure and irregular behaviour of participants in the bilateral market have restricted the sustainable development of bilateral economic and trade cooperation between the two countries.\(^\text{11}\)

**China from the Mongolian economic perspective**

Mongolian political leaders need to strike the balance between two important choices: to benefit from the world’s second-largest economy or reduce its dependency on it. To manage this dilemma, Mongolia finds itself in an extremely vulnerable situation. Because of its locale in the landlocked area between China and the Russia and its isolation from the global economy, Mongolia has no other option but to diversify its economic partners. It can either delay any major connectivity projects or improve the interconnectivity to and through China.

Two factors tip that dilemma in favour of the first option: One is domestic. Mongolian politicians support policies that restrict Chinese investments to reduce economic dependency. In 2010, for example, the National Security Concept of Mongolia was revised to include a clause restricting the total investment of one country’s foreign investment to a maximum of one third of total foreign investment.\(^\text{12}\) The other factor is the Russian Federation’s geopolitical or geo-economic interests. The Russian Federation appears to be pressuring Mongolia to join its regional initiatives, such as the Eurasian Economic Union, and to support its plans to develop its Far East.\(^\text{13}\)

Economically, China is the most attractive direction, given its market
size, its growing centrality in the global and regional economy and its
development of new technologies and know-how. China's economic
importance for Mongolia is immense. In terms of Mongolia's commod-
ity exports, such as mineral and agricultural products, China is the
largest and only neighbouring market. Other countries—the Russian
Federation, Kazakhstan and the Democratic Republic of Korea—are
competing to export their commodities to China.

China possesses funds, technology, materials and cheap skilled labour
for constructing infrastructure. Chinese roads, rails, logistical centres
and ports are the closest and the most cost-efficient choice for Mon-
golians to transport goods from and through China. In contrast, the
Russian rails and ports are slow and impose higher custom tariffs
than their Chinese counterparts. Based on this rationale, Mongolian
businesses support stronger ties with China and are pressuring the
government to open up new opportunities for Mongolian business-
es in China. The debate over Mongolia’s potential membership in the
Shanghai Cooperation Organization has somehow been linked to the
economic benefit argument.\footnote{14} According to this argument, the upgrade
to membership would be the only way to promote economic collabora-
tion with China and the Russian Federation, whether it is the economic
corridor or specific projects like the natural gas pipeline.

Mongolians are fearful of China in several regards. The most popular
concern relates to the country’s independence and sovereignty. The in-
creased dependency on China would gradually decay that sovereignty
and independent statehood and pull Mongolia into China’s orbit. This
fear is based on two logical apprehensions: Similar to any small State,
Mongolia feels vulnerable due to its geographic location next to pop-
ulous, armed and expansionist major powers—China and the Russian
Federation. Memories of Chinese and Russian colonization are still vivid
and recent. Another argument is more economic. If Mongolia permits
large-scale Chinese investments or state-owned companies, Chinese
businesses will become powerful economic actors that can easily influence and even control the country’s political system. Also, any closer economic collaboration or projects would trigger concerns among Mongolian businesses (of all size) that are competing for the domestic and international markets and are afraid of being marginalized by Chinese businesses and investments. In the past, similar concerns and negative campaigning were organized by the cashmere, meat and agriculture producers and banking businesses. Additionally, Mongolians, like many other ethnic groups, are concerned with the population’s “purity of blood” or being demographically taken over, which would lead to loss of ethnic identity.

Concluding thoughts

In theory, Mongolia and China could strengthen their economic interconnectivity based on all the favourable conditions. Tapping proximity to China’s markets, infrastructure, technology and labour, Mongolia could increase its infrastructure connectivity to and through China as well as to its northern neighbour. Despite high-level agreements and developmental plans with China, little progress has been made to increase their economic interconnectivity. The gap between the talk and the actual work could be explained by examining the differing perspectives as well as domestic politics and the Russian Federation’s geopolitical and economic interests.

Because of these domestic and external factors, Mongolia continues to face the dilemma of whether to link its economy and infrastructure with China or to seek ways to slow down or restrict future economic interaction. Mongolia’s dream of a globally, or at least regionally, linked economy can only be facilitated by using the Russian or Chinese infrastructure networks, whether to reach its closest subregions (Central and East Asia) or markets in the Asia-Pacific region or in Europe. In other words, Mongolia’s only option is to develop its infrastructure
connectivity through China and the Russian Federation to strengthen the economic cooperation with its third neighbours: the United States, Japan, European Union countries, India, Republic of Korea and Turkey.

Endnotes


Geopolitical and Economic Interests in Mongolia


WHY DOES JAPAN INCLUDE MONGOLIA IN ITS FREE AND OPEN INDO-PACIFIC STRATEGY?

N. Dorjsuren & J. Mendee
Why does Japan include Mongolia in its Free and Open Indo–Pacific Strategy?

When Japanese Foreign Minister Toshimitu Motegi visited Mongolia last October, he highlighted during the ensuing press conference that “Mongolia fully endorses [the Free and Open Indo–Pacific Strategy], and the two countries will continue to collaborate closely on this initiative”.¹ His visit came on the heels of Chinese Foreign Minister Wang Yi’s visit to Ulaanbaatar as well as Mongolia’s Foreign Minister Nyamtseren Enkhtaivan’s meeting with Russian Foreign Minister Sergey Lavrov in Moscow. Then-US State Secretary Michael Pompeo also had planned a visit at that time but was forced to cancel due to an outbreak of COVID-19 cases among White House officials. Had his visit taken place as scheduled, on 29 September, the great power geopolitics in Mongolia would have become more intense. Clearly, Mongolia, like many small States, is likely to be dragged into emerging geopolitical competitions between its two neighbours versus third neighbours, in addition to the traditional sphere of influence competition between China and Russia.²

Japanese Foreign Minister Motegi, one of the influential foreign policy architects of former Prime Minister Shinzo Abe’s geopolitics, pledged to strengthen a strategic partnership with Mongolia after both countries agreed to finalize the next round of the Mid-Term Action Plan of the Strategic Partnership (2017–2021). During the October visit, the Japanese government also announced the inclusion of Mongolia in its financial-support programme, known as the COVID-19 Crisis Response Emergency Support Loan.³ Mongolia is the only country from Northeast and Central Asia in this initiative. Amid the vaccine debates, Mongolians applauded as UNICEF announced that Mongolia would receive 1.3 million doses of a COVID-19 vaccine funded by the Japanese government.⁴

This policy paper thus asks why Japan is so interested in Mongolia as part of its Free and Open Indo–Pacific vision. The paper explains three
plausible factors (geopolitics, democracy and economy), discusses the importance of two specific aspects (amicable people-to-people ties and North Korea) of bilateral relations and concludes with a policy recommendation.

A free and open Indo–Pacific has become a geopolitical strategy or “vision” of Japan and will remain a foreign policy priority for succeeding Japanese governments. Seemingly, there are three drivers behind this strategy. The primary one is China’s rise. Japan is wary of China’s military modernization, maritime expansion and geopolitical influence. If China’s rise goes unchecked, current international and regional orders, in which Western powers dominate, would be challenged and potentially reshaped by China. Therefore, Japan sees China as a strategic threat. Another driver is Japanese concern for the declining role of the United States and uncertainty of its security commitment, especially demonstrated during the Trump administration. Japan needs to step up its security to protect maritime trading routes across the Indian and Pacific oceans. Its economy is heavily dependent on crude oil exports through these oceans. Japan also wants to increase its international role in the region and strengthen its security ties with like-minded (democracies) States to contain China and protect the current international order, in which Japan has greater advantages than its geopolitical rivals.

For these reasons, the Japanese government, especially under Prime Minister Abe, has embraced a series of measures. In 2007, Prime Minister Abe initiated the Quadrilateral Security Dialogue (known as the Quad) with Australia, India and the United States as a loosely tied strategic alignment to balance against China. According to Japanese calculation, the Quadrilateral Security Dialogue would include democracies in Northeast and Southeast Asia to create an Asian Arc of Democracy, which excludes but aims at China.
In 2015, the Japanese government announced the Partnership for Quality Infrastructure (PQI), which would provide $110 billion investment through the Asian Development Bank for quality infrastructure development in Asia. The PQI was developed as a response to China’s Belt and Road Initiative, which also provides infrastructure investments to increase global and regional connectivity.

Japan then joined with India to establish an Asia–Africa Growth Corridor and with the European Union to fund global connectivity projects that are sustainable and of high quality. Unlike the PQI, the Japanese initiatives with India and the European Union remain at the discussion level.

In 2016, Japan formally unveiled its Free and Open Indo–Pacific Strategy, which focuses on maintaining an open sea and maritime security while advocating inclusive economic cooperation. Unlike American administrations, the Japanese officials did not rule out the possibilities of partnering with China either through the Belt and Road Initiative or the Asian Infrastructure Investment Bank.

In a nutshell, the Free and Open Indo–Pacific is a strategy to balance against China. It justifies the increase of Japan’s defence expenditures and international security role of its Self-Defense Force. It demonstrates the shared geopolitical concern of Australia, India and the United States regarding China’s economic and military capabilities in the Indo–Pacific region. At the same time, Japan does not want its relations with China and Russia to deteriorate, thus it needs to avoid directly antagonizing either of them. This would explain Tokyo’s careful wording of its vision: providing an international public good and promoting multilateralism in the Indo–Pacific region and de-emphasizing liberal democracy while stressing the rule of law.
Why does Japan include Mongolia in its Free and Open Indo–Pacific Strategy?

It is geopolitics.

Mongolia’s location next to China provides one plausible explanation for the Japanese strategy to contain China. Because the Japanese government envisions an encirclement type of strategy (more crescent like), it focuses on members of the Association of Southeast Nations, such as Cambodia, Indonesia, Laos, the Philippines and Vietnam as well as Mongolia.

Japanese geopolitical interests in Mongolia are historical. Following its occupation of the Korean Peninsula, Japan took control of Manchuria and eventually Inner Mongolia from China in 1931–1936. This led to a historic battle—the Khalkhyn Gol Battle (known as the Nomonhan Incident) between the Japanese and Soviet/Mongolian militaries in 1939. The battle was settled with a non-aggression pact between Japan and the Soviet Union: then one launched its Pacific campaign, the other fought against Germany in Europe. The battle also signifies Mongolia’s geostrategic importance for Russia, as seen with Russian presidents’ presence in every fifth- and tenth-year anniversaries of its conclusion. Nowadays, it is unlikely to expect Japan to go to war against China over Mongolia. Yet, Mongolia remains a geopolitical card for Japan because of its location next to China.

Similarly, Mongolia’s wish to have strong ties with Japan, an out-of-region major power, is natural and historic. During the early independence days of 1911, Mongolian political leaders sought Japanese recognition, military assistance and economic relations. Then, all those leaders along with more than 20,000 innocent Mongolians were purged by the Soviet and Mongolian secret services prior to the Japanese–Soviet war of 1937–1939 on accusation of conspiring with Japan. Then, after tireless efforts of diplomats of two nations, Mongolia gained Japa-
nese recognition in 1972 and began high-level political exchanges as of 1987. For Mongolia, Japan is a key strategic partner to balance against China and Russia.

Despite these geopolitical rationales, the Japanese–Mongolian partnership must be constructed in ways that do not antagonize either China or Russia. Thus, Japanese inclusion of Mongolia in its Free and Open Indo–Pacific vision is more political than security-oriented. For both governments, their relationship with China and Russia are of utmost importance. To maintain equal-distance close relations with China and Russia has been Mongolia’s foreign policy priority over its associations with third neighbours or developed democracies, including India, Japan, the European Union and the United States.  

For any Japanese prime minister, the essential task has been to normalize relations with China and resolve the territorial disputes with Russia. As a result, Mongolia and Japan still have limited engagement in the security and defence sector. After years of careful consideration, the Japanese Self-Defence Force began to participate in the annual Khan Quest exercise in 2007 but limited its participation to observers and now only military engineering projects (such as road construction). The Mongolian Ministry of Defence keeps ties within the defence diplomacy framework (such as high-level talks, educational and research exchanges), and Japan offers limited slots for Mongolian officers and cadets through their defence diplomacy programs.

Above all, Japan is considered Mongolia’s most important partner in Asia. The Japanese and Mongolian partnership has successfully progressed since the end of the 1945 war declaration in 1972. They fully normalized the relationship in 1989, set the objective of building a “comprehensive partnership” in 1996 and declared to develop a “strategic partnership” in 2010. Now, both sides have agreed on the five-year Mid-Term Action Plan to strengthen their strategic partnership,
with the objectives mostly political, economic and cultural rather than security. Even though both countries have shared similar concerns over China’s rising military and economic clout, the Mid-Term Action Plan prioritizes strengthening high-level dialogues, increasing trade and investment ties and deepening the cultural and people-to-people exchanges.

**It is a democracy.**

Although it is changing, Japan has promoted the Free and Open Indo-Pacific as an ideological strategy. Japan referenced democracy as a unifying ideology or value for the Indo-Pacific region. Japanese administrations might have used democracy to reflect the interests of Australia, the United States and, to a lesser extent, India, but not to rally for the promotion of democracy in the authoritarian regimes. Japan is more interested in keeping the current international order, which is dominated by liberal democracies. Here, Mongolia makes an interesting connection to the Japanese strategy for a Free and Open Indo-Pacific.

Foremost, Mongolia is the only functioning electoral democracy in the greater neighbourhood of Central Asia. Political power has been transferred between two major political parties peacefully through regular parliamentary and presidential elections since 1990. Political and civic rights are constitutionally protected. More importantly, civil society space exists—even though it is not fully institutionalized nor respected by the State, by politicians, by business or by other actors. By any measure, Mongolia’s ranking of civil liberties and political rights is closer to that of Japan, South Korea and Taiwan than the rest of the Asia-Pacific countries.

Second, Japan has been one of the most important supporters of Mongolia’s political and economic transition since 1989. Mongolia was the only Asian communist State that made political and economic transitions similar to what has occurred in Central and Eastern Europe. All other Asian communist States (China, Laos, North Korea and Vietnam)
strengthened their authoritarian regimes and repressed dissenting views. Then the sudden end to the longstanding financing and developmental assistance from the Soviet Union and the imposition of high customs tariffs put Mongolia in an extremely difficult economic situation. If Japan had not taken the lead in establishing a donor group (the Mongolia Assistance Group) and provide extensive financial assistance, the country could have imploded with its economic crisis in 1989 and then might have easily fallen into the hands of its large neighbours.10

At that time, the Soviet Union, a primary security provider, had collapsed and the United States and Western European States heavily focused on Central and Eastern Europe, the Balkans and the former Soviet republics. Japan supported Mongolia’s membership in the international financial institutions (World Bank, International Monetary Fund and the Asian Development Bank) and took the lead to alleviate the transitional challenges and stabilize the economy in Mongolia.11

And one last important aspect of Japanese support for Mongolia’s democracy differs substantially from that of the United States or the European Union: Japan has avoided providing assistance directed at the political process, such as elections or political institutions (e.g., political parties and movements). Rather, Japanese assistance centres on grassroots challenges to improve the livelihoods of people and communities, economic development and humanitarian assistance in Mongolia. Even Japan’s Official Development Assistance has financed projects improving human security as well as infrastructure development projects—building schools, roads, dispatching volunteers and so forth. Both governments regard each other as like-minded States concerning human rights and human security.

Therefore, Japanese inclusion of Mongolia in the Free and Open Indo-Pacific Strategy is thus likely based on the two nations’ shared identity as a liberal democracy and protector of the political and civil rights of
their citizens rather than promoting democracy in authoritarian States in the region. Japan seeks Mongolia’s support with its foreign policy objectives in the international arena.

It is the economy.

In theory, Mongolia and Japan could have complementary, mutually beneficial economic cooperation. Mongolia has abundant natural resources and is located next to large markets, whereas Japan is an industrialized, developed economy but has limited natural resources. Yet, in reality, things are much more complicated.

In 2015, Japan became the first G7, G20 and OECD member to conclude an economic partnership agreement with Mongolia. This was a victory for Mongolia, which had been wanting to reduce its economic dependency on its two large neighbours, particularly China. In the long run, the economic partnership agreement promotes trade and investment between the two countries. But Japanese business interests in Mongolia are limited. Despite encouragement from the Japanese government, Japanese companies are reluctant to invest because of the unstable investment environment, underdeveloped infrastructure, high transportation costs and the harsh climate. Even the big companies that are interested in the mining and energy sectors have failed to conclude any investment agreement. For example, Japan’s Sumitomo Corporation failed to invest in the Tavan Tolgoi coking coal mine and Japan’s Marubeni Corporation experienced similar challenges to win the contract for the Tavan Tolgoi power plant project due to Mongolia’s domestic politics and competition between political and economic factions. Populist political leaders and even politically affiliated business entrepreneurs in Mongolia use any investment project for their own parochial interests, either to gain public office or to advance their interest in major projects.
For Mongolian governments, Japan is regarded as the most reliable donor or funder whenever the country experiences a financial crisis or for funding infrastructure projects. As it did in the 1990s, Japan assisted Mongolia in obtaining immediate loans through international financial assistance to deal with the economic crisis of 2007–2008 and a self-made crisis in 2017. The Development Bank of Mongolia received more than $230 million “Samurai” bonds from the Japanese Bank for International Cooperation in 2014.12 Through the Asian Development Bank, Japan supported the financing of more than 300 infrastructure development projects in Mongolia. And a new international airport in Ulaanbaatar has been financed by a Japanese soft loan. Although the airport was completed last year, its opening has been delayed by the COVID-19 pandemic. The airport would definitely increase Mongolia’s capacity to serve as a logistical hub and direct air link with Japan. A sad story behind the airport and other major projects, though, is that the Mongolian side failed to localize Japanese technology and management and to provide sufficient funding and planning for operations and maintenance.

Also, apparently, Japan included Mongolia because of its competition against China. After all, Japan increased its Asian Development Bank funding and activities in Mongolia after the latter joined the China-led Asian Infrastructure Investment Bank and endorsed China’s Belt and Road Initiative. Japan included the Japanese Sun Bridge (a fly-over bridge) in the list of the PQI projects after China called the Moon Bridge in Ulaanbaatar as a Belt and Road project. The Japanese conclusion of the economic partnership agreement could be explained within this soft geo-economic competition of Japan versus China. And yet, we cannot rule out Japanese long-term economic objectives—the economic partnership agreement would contribute to creating a friendly investment environment for Japanese investors and open the Japanese market for Mongolia exports.
Why does Japan include Mongolia in its Free and Open Indo–Pacific Strategy?

 Bonus factors

There are two favourable factors for the Mongolian and Japanese interaction. One is the amicable people-to-people relations and the other is the shared view on North Korea.

Unlike in many other Asian States, Mongolians do not hold any anti-Japanese sentiment because the country was never colonized nor occupied by Japan during the world wars. The Mongolian government facilitated the Japanese government’s effort to repatriate graves of Japanese prisoners of war. Following the Second World War, the Soviet Union transferred 12,318 Japanese prisoners of war to Mongolia to assist construction works. About 1,600 of them died and were buried in 16 grave sites in Mongolia. By 2000, the Japanese government repatriated all remains and built a monument honouring those Japanese soldiers in Mongolia.

Since the 1990s, Japan has become one of the top educational destinations for Mongolian students. The Japanese government provides scholarships for Mongolian students, and Japanese-style elementary and secondary schools as well as technical colleges (kosen) have opened in Mongolia. This contributes to amicable people-to-people relationships. And Mongolian wrestlers’ dominance of the top category of Japanese Sumo has deepened the cultural ties. There have been four Mongolian grand champions since 2003, and more than 30 Mongolian wrestlers compete in the top category. And Mongolia is now considered one of the adventure or cultural tourism destinations for Japanese tourists during summer.

North Korea has provided an interesting cooperation opportunity. Both Mongolia and Japan share a non-nuclear stance. Mongolia is an internationally recognized single-state nuclear weapon-free zone, whereas Japan upholds a non-nuclear weapons policy of non-pos-
session, non-production and non-introduction. Mongolia advocates non-isolationist policies towards North Korea while promoting diplomatic dialogue (such as the Ulaanbaatar Dialogue) and economic and cultural exchanges open to all conflicting States in Northeast Asia. This relates to Mongolia’s multilateral foreign policy, socialist past and amicable ties with the two Koreas. For Japanese governments, the return of Japanese abductees from North Korea has been the top priority and hot topic in domestic politics. After North Korea admitted the abduction in 2002, all Japanese succeeding prime ministers, including the incumbent one, promised to resolve this matter through all channels. Like many other States hosting embassies of both Koreas, Mongolia has made contributions to the Japanese efforts by hosting Japan–North Korea meetings in 2007 and 2012.

Policy recommendation

Japanese inclusion of Mongolia in the Free and Open Indo-Pacific Strategy is a logical move for Tokyo to see Mongolia as the geopolitical card it is. For Mongolia, the Japanese stance complements its foreign policy objective of being recognized and supported by distant major powers (third neighbours). Neither Ulaanbaatar nor Tokyo wants to antagonize the great powers of China and Russia. The Japanese and Mongolian strategic partnership will remain politically, economically and culturally oriented rather than security or defence focused, thus avoid militarizing the Free and Open Indo-Pacific Strategy.

Also, the strategic partnership requires a careful strategy for both countries. The major difference between the Japanese and Mongolian approaches to economic cooperation is strategy and planning. Japan looks for a long-term strategy and careful implementation, while Mongolia lacks a long-term strategy and commitment and acts in a short-term, crisis-management and unpredictable manner.
Like many other small States, Mongolia needs assistance to develop its infrastructure to increase its connectivity to neighbouring countries and regional economies. This is prompting its political leaders, who operate within the short-term election cycles, to play short-sighted politics off between the great powers. For example, Mongolian leaders have been attempting to secure loans, bonds and assistance from all major powers without calculating the long-term consequences. This type of behaviour or politics ultimately will reduce the trust between Mongolia and the respective great and major powers. It will trigger misperceptions or security dilemmas with and between the great powers.

It is therefore important for Tokyo and Ulaanbaatar to increase the transparency of the strategic partnership rather than one of them seeing it as a geopolitical card and the other acting like a rent-seeker. Democracy thus serves as an identity that both Mongolia and Japan share and not an agenda to push around.

Given the ongoing pandemic situation, Japan and Mongolia are experiencing similar challenges but to different degree. It might be the most practical and beneficial approach, especially for Mongolia, if both sides discuss ways to increase the people-to-people cultural exchanges, including tourism, and new ways of doing business, such as outsourcing Mongolian IT companies and experts.
Endnotes


Why does Japan include Mongolia in its Free and Open Indo–Pacific Strategy?

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WHY ARE
INDIA AND MONGOLIA STRATEGIC PARTNERS?

B. Naranzul & J. Mendee
Why are India and Mongolia strategic partners?

Since the onset of the COVID-19 pandemic, MIAT Mongolian Airlines has made two special flights to India: one in June 2020 to repatriate 256 monk pupils (lamkhai) and one in February 2021 to pick up 150,000 doses of AstraZeneca vaccine. During the vaccine handover ceremony to the Mongolian government, Indian Ambassador M. P. Singh highlighted that India is “the first nation to provide COVID vaccine to ‘spiritual neighbour’ and ‘strategic partner’ Mongolia”.

Indeed, Mongolia was among the first countries receiving the AstraZeneca vaccines, along with Afghanistan, Bangladesh, the Maldives and Nepal—countries located within India’s immediate neighbourhood. When tragedy vaulted within India as the pandemic raged out of control in April and May, Mongolians pressured their politicians, businesses and religious institutions on social media to find ways to help the country. In response, monks prayed for the Indian people, government officials issued condolence letters, and the government approved US$1 million in humanitarian assistance.

When Prime Minister Narendra Modi approved more than $1 billion in a line of credit to the Mongolian government to construct an oil refinery during a visit to Ulaanbaatar in 2015, eyebrows shot up within and outside of India: Why was Mongolia an important country in the Modi-initiated Act East Policy. The most immediate explanation was often geopolitical, and largely that Mongolia seemed to be considered a “geopolitical card” in India’s push against China’s increasing political and economic influence.

This paper considers some of the political, economic and cultural variables in that relationship, along with medical tourism and shared interests relating to the Mughal Empire, before offering policy recommendations.
India was the first non-communist state to recognize Mongolia’s independence in 1955, when India was promoting the Non-Aligned Movement with two Southeast Asian nations: Burma (now Myanmar) and Indonesia. A year later, Mongolia established bilateral relations with Burma, Indonesia and Yugoslavia—all were seeking ways to stay out of the emerging geopolitical rivalries between the Soviet Union and the United States. But Mongolia’s aspiration to be non-aligned was interrupted when it was caught in the geopolitical competition of the neighbouring great powers of China and the Soviet Union. In 1961, India supported Mongolia’s membership in the United Nations. Thirty years later, India also helped Mongolia’s membership into the Non-Aligned Movement following the Soviet military’s withdrawal from Mongolia.\(^4\)

Both nations have an immensely long land border with China, have experienced troubled relations with China in the past and are wary of China’s growing economic and military powers. If their previous concerns over Chinese demographic and economic pushes forced them to ally with the Soviet Union in the 1960s and 1970s, they are now both using a similar shared reason to justify their foreign policies towards the Russian Federation and the United States. India appears to be concerned over growing Chinese investment in critical infrastructure projects in South Asia, especially the economic corridor projects through its disputed territories with Pakistan and Chinese maritime expansion into the Indian Ocean.

To countervail China’s growing influence, Prime Minister Modi unveiled the Act East Policy in 2014 to increase its partnership with countries of the Association of Southeast Asian Nations (ASEAN) and joined in newly formed security arrangements with Australia, Japan and the United States (known as the Quad) as well as the Free and Open Indo-Pacific.\(^5\) Surprisingly, Modi’s foreign policy experts added Mongolia as one of
the important countries for both foreign policy initiatives. This comple-
ments Mongolia’s foreign policy objectives to (a) strengthen ties with
influential countries beyond its two great power neighbours and (b)
reduce the economic dependency on China (even though the latter is
the most difficult). In 2011, Mongolia officially clarified and named its
third neighbours in the revised National Security Concept and Foreign
Policy Concept. The National Security Concept states that Mongolia
shall advance political, economic, cultural and humanitarian coopera-
tion with developed democracies as a pursuant of the third neighbour
policy. The Foreign Policy Concept names India as a third neighbour
along with the European Union, Japan, South Korea, Turkey and the
United States.

A strategic partnership serves both India’s strategy for balancing against
China and Mongolia’s strategy of “soft balancing” against its two power
neighbours, China and the Russian Federation. The strategic partner-
ship stresses bilateral collaboration at multilateral forums (the Unit-
ed Nations, ASEAN Regional Forum, the Asia–Europe Summit and the
Shanghai Cooperation Organization), promotes high-level exchanges
and consultation mechanisms such as the India–Mongolia Joint Commit-
tee on Cooperation and facilitates bilateral cooperation in the security
and defence sectors. Although sensitive to Chinese security planners,
both countries conduct a joint military exercise (Nomadic Elephant), a
Joint Working Group Meeting between their defence ministries and all
types of defence diplomacy exchanges, ranging from high-level visits to
military and language training of Mongolian military personnel.

In response to Mongolia’s request, the Indian government is helping
establish the Cyber Security Training Centre in Ulaanbaatar. Cyber se-
curity is critical infrastructure, for which Mongolia is reluctant to rely
on its two neighbours, both of which controlled Mongolia in the past.
Mongolia would rather reach out to India, which is a leading country in
this expertise. Although the strategic partnership appears to be a bal-

ancing act for both nations against China, it has its limitations.

Economy and business

Unlike amicable political interactions, the economic cooperation between the two countries remains insignificant. Even bilateral trade turnover has shrunk over the past few years, both in value and volume. Although India’s major state-owned and private entities have sought investment and market opportunities in Mongolia, they have not been successful due mostly to transportation barriers. To address this challenge, Mongolia and India signed an Air Service Agreement to boost the exchange of passengers, tourism and trade. Direct flights have not yet been officially launched. Only a charter flight is allowed for Mongolian pilgrims attending the public teachings of the Dalai Lama since 2011. Transit flight options (via Hong Kong, Beijing and Seoul) are available but less attractive for business entrepreneurs.

India is interested in the development and import of mineral deposits, especially coking coal, copper, rare earth and uranium. Since 2007, Indian companies have competed in the most complicated, unsuccessful bidding process of the mining developer companies for the large coking coal deposit at Tavan Tolgoi. In 2009, India signed a memorandum of understanding with Mongolia on the peaceful use of radioactive minerals and nuclear energy in hope of involvement in uranium development in Mongolia. India’s interests in coking coal are closely tied to its recent rapid economic growth and high demand for steel. Despite the lack of direct sea or rail lines, India’s major state-owned and private steelmakers have continuously expressed interest to import coking coal from Mongolia for years. Options are limited: One is to use Russian Far Eastern railways and ports or Chinese seaports. Due to a long-pending construction of a direct rail link connecting major mining sites in Mongolia's southern region with Chinese railways, the latter option remains unavailable.
At the moment, the most significant Indian investment is the oil refinery project. India provided the line of credit for the construction of a $1.2 billion oil refinery project capable of producing 1.5 million tons per annum (MTA) of oil (which is equal to three quarters of domestic consumption). This soft loan was announced during the visit of Prime Minister Modi in 2015, even though he was harshly criticized back in India by his largest opposition faction, the Indian National Congress party. According to the Ministry of External Affairs of India, Mongolia is the fourth-largest recipient of a credit line among 64 countries. The support to reduce Mongolia’s fuel dependency on the Russian Federation indicates that India considers the country one of its closest allies and highly values the relationship. Despite the pandemic, the Mongolian oil refinery state-owned company signed a contract with an Indian company to construct the first phase of the refinery. The Mongolian company has constructed 27 km of railway and 17.2 km of industrial road as well as a 110 kW power transmission line. According to the Mineral Resources and Petroleum Authority of Mongolia, the oil refinery is expected to reduce dependence on fuel imports and foreign exchange outflows by about 20 per cent and to increase Mongolia’s budget revenues by $150 million.

In addition, many small-scale projects, programmes, agreements and memoranda of understanding have been concluded between Mongolia and India. But many other projects have been delayed due to multiple factors, particularly political instability, sudden policy changes and long bureaucratic processes in Mongolia. Two significant projects—the Centre of Excellence for IT, Communication and Outsourcing and the Joint India–Mongolia Friendship School—are many years behind schedule. These two projects would make an important contribution for bilateral relations by promoting educational and technical exchanges and collaboration.
Cultural ties

Religion has an important role in Mongolia’s relationship with India. The two countries have cultural ties with more than 2,500 years of history. Mongolian monks used to visit the Indian university at Nalanda by camel and yak through the Himalayas to study Buddhism during the seventh and eighth centuries. This religious tie continued as Buddhism flourished during the Great Mongolian Empire in the thirteenth and fourteenth centuries and also during the Manchu Empire, in which Mongolia was part of the dominant Lamaism, a Tibetan form of Buddhism. In the twentieth century, the religion was suppressed during the 70 years of the socialist period. In 1970, the communist government permitted establishment of the Asian Buddhist Conference for Peace in Ulaanbaatar. This provided opportunity to revive the Mongolian and Indian religious ties, although under close control. Interestingly again, India was involved in the resurgence of Buddhism in Mongolia when religious freedom was restored as a result of the 1990 democratic revolution.

It was not a surprise that the nineteenth Kushok Bakula Rinpoche, a well-known Buddhist lama, was appointed and served as Indian Ambassador to Mongolia from 1990 to 2003. During his decade-long tenure as ambassador and influential lama in India, Bakula Rinpoche assisted in revitalizing Buddhist knowledge, rebuilding more than 100 temples, establishing the Pethub Monastery and religious school in Ulaanbaatar, training hundreds of Mongolian monks in India and welcoming Buddhist teachers, including His Holiness the Dalai Lama. According to a prominent Mongolian political leader, “It was due to our Buddhist heritage and Rinpoche’s presence in the country that the transition to democracy in Mongolia, unlike in other socialist countries, was so peaceful.”

The interesting connection is the increase of Mongolian pilgrims to
India for spiritual learning. For example, the Mongol sunchoi started at the request of Lamiin Gegeen to the Dalai Lama in 2011 for the devotees of Buddhism. Since then, 250–1,000 pilgrims travel to India every year to attend the Dalai Lama’s sermons during the winter season. They also visit spiritual places in India related to Buddha, such as Bodh Gaya village, where he attained enlightenment; his birthplace in Lumbini Province in Nepal; Varanasi city in Uttar Pradesh State, where he first taught the Dharma; and the Kushinagar town (also in Uttar Pradesh State) where he attained nirvana.

Hundreds of monks study Buddhist philosophy for up to 24 years at Drepung Gomang Monastic University, the Sera Jey Monastic University, the Buddhist School in Dharamshala and other schools. At any given time, around 300 Mongolian monks study in India, reaching to more than 800 at peak time. They start these studies from the age of 6 years. Mongolia even built its own temple in Bodh Gaya and in the Monastic School in Gomang Monastery. From the late seventeenth century, the highest-ranking Mongolian lamas—the first Bogd Jebtsundamba of Khalkha Mongols, Choinzad Lama Danbidonme, Jedor’s Khamba Agvaankhaidav, Saint Zaya Pandita and Lamiin Gegeen—as well as many other prominent religious scholars have studied in India. For centuries, Mongolians have considered India to be an especially spiritual place, partly because it is where Buddha found enlightenment.

All these facts demonstrate the strong religious ties between Mongolia and India. In addition, many Mongolian students, scholars and government officials travel to India to study modern sciences. The Indian government offers various short- and long-term training and scholarships for Mongolians under the Indian Technical and Economic Cooperation Programme and the Indian Council for Culture Relations. According to the Embassy of India to Mongolia, Mongolia has been one of the largest partners of technical and economic cooperation since 1987 and receives 150 slots for civilian training programmes and 40 slots for group training for professionals.
engineers and technicians. The Council for Culture Relations offers 50 scholarships for Mongolian students per year for academic studies.

**Additional factors**

There are two interesting little-explored ties between Mongolia and India. One is medical and the other is a historical link in Mughal history. Because of the reasonable pricing and quality of medical treatment, more and more Mongolians travel to India for medical care. Most of the patients receive oncological treatment, liver transplants, eye Lasik and other important treatments or surgery that are not available in Mongolia. Collaboration and exchanges between the two health sectors, including public and private hospitals, have increased. Between 2017 and 2019, Indian doctors organized annual medical missions to Mongolia and conducted around 300 neurosurgery, microsurgery, anaesthesiology, audiology and plastic surgery procedures, donated medical equipment and medicines worth $42,000 and trained Mongolian doctors. During his 2015 visit, Prime Minister Modi handed over $1.5 million of Bhabhatron equipment to the National Cancer Centre. Also, as in many other countries, India is one of the larger pharmaceutical providers to Mongolia, which imports medicines, human and animal blood, vaccines, toxins and appliances used in medical, surgical, dental or veterinary services from India.

The Mughal emperors built and ruled the Mughal Empire from 1526 until 1850. According to historical accounts, the founder of the empire, Babur, was descended on his mother’s side from Genghis Khan and on his father’s side from Tamerlane. One of the most-visited sites for Mongolians in India has become the Taj Mahal monument in Agra. This is also a well-known cultural legacy for many Indians, who have little knowledge of Mongolia yet are interested in the ancient ties.
Concluding thoughts

Despite the pandemic, both countries are striving to further their bilateral relationship. On 16 April 2021 during the tenth and virtual Joint Working Group Meeting, or Defence Consultative Talk, as the Mongolians call it, the two defence ministries agreed to pursue a cooperative agenda, including peacekeeping exercises and military exchanges. Later in the month, Mongolian authorities allowed 60 Indian citizens into the country to work on the construction of the oil refinery project during the most difficult COVID pandemic situation in India, even though, many countries refused to receive people from India. For Mongolia, the construction of the oil refinery is of great importance. The party’s leadership rallied on an agenda of reducing fuel dependency from the Russian Federation in the 2020 parliamentary election as well as in the presidential election in June. The successful implementation of the project is also takes an important place in Modi’s geopolitical agenda.

As in the past, the Mongolia–India strategic partnership will remain firm in the international arena, such as the United Nations, the Non-Aligned Movement, the Asia–Europe Summit and the Shanghai Cooperation Organization. If Sino–Indian relations worsen, Mongolia will encounter new challenges. Yet, Mongolia’s strategic partnership will be spiritually high but practically challenged by the ongoing pandemic impacts, lack of interconnectivity and complicated domestic politics.
Endnotes


6. The third neighbour policy was further elaborated by the Ministry of Foreign Affairs of Mongolia, especially around 2003–2005, and became a key strategy. However, Mongolian officials and their Western counterparts continued to avoid stressing or investing into the security and military cooperation and instead prioritized political, economic and cultural collaborations.

7. In 2020, the total value of imports and exports between the two countries was around $35,350 million.


Today, Mongolia imports 100 per cent of its fuel needs. Over the past five years, the country has purchased an average of 1.25 million tons of fuel products a year from China and the Russian Federation, spending about $1 billion on what amounts to 25–30 per cent of total imports. The Mongolian Refinery website, February 2021. Available at http://mongolrefinery.mn/about/80.html.


WAR IN UKRAINE AND ITS IMPACTS ON MONGOLIA'S ECONOMY

A. Odonbaatar
Mongolia’s economic growth was 1.4 per cent in 2021. Many experts, including international analysts, had predicted up to 5.2 per cent growth for 2022 due to the bilateral trade with China and Russia returning to the pre-pandemic level.¹ Then the Russia–Ukraine war broke out, and all predictions were adjusted. The war has impacted Mongolia’s trade with Russia and Europe. Additionally, China’s escalation of restrictions following the COVID-19 pandemic has reduced Mongolia’s commodity exports to China.

The World Bank readjusted its growth prediction for Mongolia, from the optimistic 5.2 per cent to 2.5 per cent, but even lower for the worst-case scenario, at 0.7 per cent.² The S&P Global Ratings have kept Mongolia at the “B” credit rating and forecasted the country’s economic outlook as stable, mostly due to expectation of the full operations of the Oyu Tolgoi copper mine and increased export of Tavan Tolgoi coal.³ Although the S&P Global Ratings see Mongolia’s economy potentially reaching high growth of 6.8 per cent by 2024, Mongolian economists are predicting stagflation due to low growth, growing inflation, high unemployment and policy mismanagement.

Following its geopolitical fate, Mongolia will experience a tough socio-economic situation when it pays off its bonds and Chinese currency swap loans in 2023, which it is required to do at that time but also which it must do to retain its populist politics in the 2024 parliamentary and provincial elections. Unless Mongolia’s trade with China resumes in the second half of 2022, Mongolia will find itself in a situation similar to what it experienced during the Second World War, when its two great power neighbours were entangled in war, globally and, for China, internally. As the Ukraine war intensifies, Mongolia will be caught up in the geopolitical competition between Russia and the West. This will require Mongolian political leaders to make hard foreign policy deci-
sions. And those decisions, which they are sure to make, will have undesired impacts on the country’s economy. This paper explains in brief how the war in Ukraine is affecting Mongolia’s economy and concludes with thoughts on how the impact will worsen the country’s economic situation and what could mitigate the worst of it.

Mongolia’s economic dependency on Russia

Unlike the socialist period when the Mongolian economy was totally dependent on Soviet subsidies, investments, technologies and markets, the country’s economic dependency on Russia has significantly reduced. Russia ranks low (less than 1 per cent) among Mongolia’s top export destinations, whereas 80–90 per cent of Mongolian exports go to the Chinese market. This is understandable because both Mongolia and Russia export similar types of mineral products (copper, coal, molybdenum, tin, tungsten and gold), and Russia doesn’t buy animal products from Mongolia. Due to high customs tariffs and difficulty entering the Russian market, Mongolia’s top export product (cashmere and wool) producers prefer to reach out to markets within the sphere of the Organisation for Economic Co-operation and Development (OECD), especially in Europe.

One enduring dependency on Russia is the high demand for its imports. Russia is the second-largest importing partner (28–30 per cent), after China, and ranks higher than other import partners (Japan, South Korea and the United States). Mongolia is highly dependent on Russia’s oil products and electricity, especially during the high-demand winter periods. Except for a small amount of petroleum imported from China, all types of oil products (gasoline, diesel and aviation kerosene) from Russia account for more than 90 per cent of Mongolia’s total imports. Chinese imports represent less than 10 per cent of total imports. Under a production-sharing agreement, China’s Petrochina Dachin Tam-sag LLC exports crude oil from Mongolia to China and then imports 40 per cent of the refined petroleum products back to Mongolia.
In addition, Russia is the only land gateway for Mongolia to trade with Eurasian and European States, with Mongolian truckers plying its roads to transport products from Eastern and Western Europe to Mongolia. However, the total trade with European States is not significant when compared to Mongolia’s trade with the Asian–Pacific countries through China. Russia is also an air gateway for Mongolian passengers bound to Europe. The trans-Mongolian railway is crucial not only for Sino–Russo trade but also Mongolia’s trade with Europe because it is the shortest route between China and Russia.

Despite intergovernmental talks and requests, mostly from the Mongolian side, Russia’s business and investment interests in Mongolia are low or basically non-existent, especially since Russia ended joint mining ventures in 2016. There were some surging interests from Russia in mining sector investment (coal, silver and uranium deposits) and railway extension projects following the commodities boom cycle in 2000–2014. But these interests soon waned due to Mongolia’s political instability and the commodities bust cycle. A new commodities surge appears to be ongoing with the potential re-routing of the gas pipeline between Russia and China through Mongolia. Otherwise, there is a little business interest in Mongolia.

**Negative impacts on the Mongolian economy**

The Russia–Ukraine war immediately affected Mongolia’s trade with Ukraine, Eastern and Western Europe and Turkey. When many international flights began bypassing Russian airspace, Mongolia began losing its collection of overflight fees and had to delay its plan to set up an air freight logistics centre, even as the new international airport began operations after several years of delay.

The toughest challenge has become how to respond to the international sanctions on Russia, led by the United States and the Europe-
an Union. Although Mongolian banks had been cautious in dealing with Russia since the previous sanctions in the aftermath of Russia's takeover of Crimea in 2014–2015, this time it has become extremely difficult to deal with Russian businesses. Any violation could trigger a penalty or place Mongolia on the “grey” or “black” listing of international financial institutions and thus increase the barriers to attracting investments, loans and trade.

An immediate although temporary impact has been on Mongolia's dollar reserves. When the West imposed sanctions on Russia this time, Mongolian and Russian currency speculators bought a large amount of the US dollars in Mongolian banks and exchanges. This led the Bank of Mongolia and other banks to impose temporary restrictions on the trade of US dollars in March and May 2022, which made it difficult for businesses and customers to engage in transactions using US dollars.  

Many hopes are now banking on the Chinese imports of Mongolian coal and other mining products, which will refresh the foreign currency reserves (especially US dollars) to a level that will relieve the concerns of Mongolian banks. But the Chinese border remains closed, and Chinese coal imports are slow. This will only continue to depreciate the Mongolian currency. For instance, in February, the US dollar rate was 2,857 tugrug; currently it is 3,150 tugrug. Mongolian government officials and businesses are caught in an extremely difficult situation as the world's power economies strengthen their sanctions on Russia and impose penalties on countries trading with Russia.

Fuel imports

Fuel imports are a major concern for Mongolian government officials, businesses and even ordinary people. As noted, Mongolia remains largely dependent on Russian fuel exports and has been unable to find other importers to refine the crude oil from its oil deposits. Nor has
Mongolia been able to explore alternative sources of fuel (such as coal liquefaction). A fuel shortage is a tripwire for any government because it increases the fuel price, which in turn sparks a price increase on all goods and services. A fuel shortage will impact all industries, especially mining, construction, agriculture and services.

 Whenever Mongolia encountered a fuel shortage in the past, Mongolian leaders and government officials rushed to Moscow to secure the supply and to subsidize the fuel price. This was the case at the start of the Russia–Ukraine war in February 2022. The government directed an increase of the fuel supply (it typically maintains a 30-day supply) to at least 45 days and dispatched government delegates to Moscow to secure that supply. It also introduced a temporary exemption of the excise tax on the most popular brand of diesel fuel (AI-92). These moves were in preparation for the typical fuel consumption hikes that begin in March, when the weather allows for mining, construction and agricultural activities. The government's silence on the Ukraine war and even attempts to restrict anti-Russian and pro-Ukrainian voices and demonstrations likely reflect the natural fear for stability of the fuel imports from Russia.

 The war with Ukraine raises three acute concerns for the Mongolian government and fuel suppliers: (i) the reliability and sustainability of the supply; (ii) price stability or increase; and (3) method of payment under international sanctions. For Russian oil companies, such as the large Rosneft, the size of the Mongolian market is small. For the Kremlin, fuel is the strongest leverage over Mongolian political leaders. Fuel was a key theme during the Russian Foreign Minister's visit to Ulaanbaatar on 5 July 2022. Following that visit, the Mongolian government announced that Russia will continue to export AI-92, but at a lower price, and the Mongolian government will subsidize the fuel importers.
Electricity

Power is another worrisome issue. The country's energy demand is growing as the industrial sector (mining and construction) expands. Daily electricity consumption by businesses and households are on the rise. However, the energy systems in the Central, Western and Eastern regions are not fully integrated. The concentrated urban areas (Ulaanbaatar, Erdenet and Darkhan), where more than half of the country's population lives, rely on Soviet-built thermal power plants. The maintenance of these outdated thermal power plants is dependent on spare parts, especially turbines, made in Russia. Mongolia imports 10–13 per cent of its electricity from Russia for use in the Central and Western regions. In other words, Russia's electricity provision is critical if Mongolia's major power plant malfunctions or the demand during the winter months overwhelms its capacity when households and businesses increase the use of electricity for heating under the government's policy to reduce air pollution from coal burning.

Since 1990, many efforts have aimed to reduce the dependency on Russia, to increase Mongolia's capacity to meet the growing energy demand and to privatize the energy sector. But none have succeeded. For example, Power Plant No. 5 plan never materialized due to competition among politically affiliated business factions, with successive governments changing its proposed location five times. Mongolia's plan to construct a hydropower plant at the Eg River with funding from the Export–Import Bank of China and then a Shuren hydropower plant on the Selenge River was stalled by Russia's concern for the environmental impact on its Lake Baikal.

Whenever there is a proposal to increase private ownership or introduce free-market pricing of electricity, politicians and the public object for understandable reasons. Thus, Mongolia remains dependent on spare parts and turbines from Russia and on electricity from the
Russian grid. If Mongolia cannot receive the necessary Russian-made spare parts or the funding to refurbish two main power plants (No. 3 and No. 4), the government needs to heavily rely on electricity imports from Russia or to introduce restrictive measures, as it did in the 1990s.

**Other critical imports**

There are many other critical imports from Russia that have direct and indirect impact on Mongolia’s economy. The first is fertilizers, especially nitrogen fertilizers, used in the mining and agriculture sectors.\(^\text{14}\) If Mongolia cannot receive nitrogen fertilizers (a critical component for explosives used for mining), mining production will slow. It will impact the country’s commodity exports to China and also interrupt the coal mining operations for the domestic market. All major power plants as well as smaller plants for off-grid heating and electricity will need to buy coal during the summer months for the winter operation.

Another important import is grain.\(^\text{15}\) Although the Mongolian government is implementing a policy of food self-sufficiency, businesses still import a large amount of high-quality grain from Russia (equivalent to 25–30 per cent of Mongolia’s total grain production). If Russia stops or reduces the grain exports, it will affect Mongolia’s flour consumption, grain plantation (as a seed) and beverage industry (alcoholic beverage production).

Another important export that is critical for the gold mining industry is cyanide, for which Mongolia is totally dependent on Russian exporters. There are many other imports (spare parts for Russian-made machinery) that could be added to the list of concerns, but their impacts could be managed or Mongolia could switch to alternative exporters. Many Russian companies want to keep their business with Mongolia because their international partners or buyers have diminished. But the Kremlin’s measures to restrict imports of specific products or to
stop trading with countries that oppose Russia’s invasion of Ukraine will increase the pressure on Mongolian authorities and businesses. These situations require that Mongolian government officials and businesses understand the vulnerabilities and become creative in finding ways to diversify exporters.

Positive impacts on the Mongolian economy

In the bigger picture, Mongolia still is considered as a geopolitically important neighbour. The Kremlin will likely maintain a friendly policy towards Mongolia, and some Mongolians hope that Russia’s economic interests will grow. That growth is unlikely, though, because Mongolia is an unattractive business environment for Russian investors: It is a small market. There is no Russian-speaking diaspora. It has underdeveloped infrastructure. And it is politically unstable. Some Russians, especially those affiliated with the Kremlin, may have some interest in the energy sector, mining and infrastructure development, but aiming at the Chinese market.

Russia might push forward the trans-Mongolian pipeline project even though the Chinese side has remained silent since the Kremlin’s announcement of constructing this pipeline through Mongolia. Apparently, only Russia and Mongolia have been working to expedite the pipeline. For example, just a few days after the Russian invasion of Ukraine, Mongolian Deputy Premier Amarsaikhan Sainbuyan and Alexey Miller, Chairman of the Gazprom Management Board, signed a plan for a joint working group involving the government of Mongolia and Gazprom for 2022–2024.16

Mongolian government officials are seeking ways to overcome Russia’s objection to the Eg River hydropower plant by welcoming Russian participation in the project, even though the purpose of the plant is to reduce Mongolia’s dependency on Russian electricity imports. This
idea was put forward by Prime Minister Oyun-Erdene during his July meeting with the visiting Russian Foreign Minister.\textsuperscript{17}

At the people-to-people level, Mongolia has become one of the possible travel destinations for Russian travellers because the Chinese borders remain closed and the OECD countries are reluctant to receive them. After a long overdue request from the Mongolian side, the Russian authorities agreed in 2014 to introduce reciprocal visa-free travel between the two countries. This policy encouraged many Mongolian travellers who are nostalgic for Russian culture, are curious about adventure trips and/or are Buddhist worshippers wanting to visit the well-known Buryat monks. But the pandemic situation and now Russia’s war in Ukraine have reduced the number of Mongolian travellers.

Many Mongolians are also reconsidering their travel plans to Russia because it could affect their visa applications or future travels to Western countries. According to Border Troop statistics, travellers from Russia to Mongolia have increased significantly, with a daily average of 500 travellers.\textsuperscript{18} This includes foreigners and Russians using Mongolia’s international connections to Seoul, Tokyo, Istanbul and Frankfurt because flights to Russia have been suspended. Based on inconclusive research and rumours, some Buryats, Kalmyks and Tuvans are seeking a longer stay in Mongolia to dodge the military draft because the Russians are sending ethnic minorities to the war zone in Ukraine. Many Russians who live in the autonomous regions and republics near Mongolia travel across the border for touristic or economic reasons. Following the increased number of travellers, some Mongolian airlines and travel companies are looking for business opportunities to facilitate this type of travel need, especially on the Russian side.

Concluding thoughts

If the war prolongs or even expands, its impacts on Mongolia’s econo-
my will be extensive. The macroeconomic indicators already signal that the country’s economy is going into a stagflation period. The inflation rate is more than 16 per cent; unemployment is around 10 per cent; the price rate of consumer goods increase is more than 16 per cent; and overall economic growth is down by 1.5 per cent. The government has increased social spending and passed a budget in expectation of a large scale of commodity exports to China. But commodity prices, especially for copper and coal, are falling while the price of diesel, which is a critical fuel import for the country’s industry, is on the rise. Because commodity exports remain slow and at small scale, it will impact the US dollar reserves and intensify the depreciation of the Mongolian currency. In 2023, the government needs to pay off its large foreign debts (the Chinggis, Gerege and Samurai bonds). This situation will worsen if the war in Ukraine continues and Chinese borders remain closed.

Business activity in September, which typically jumps after the long August holiday, will be an indicator of the current and potential impact on the country’s political and social stability. But all signs indicate that government-imposed drastic measures will be unavoidable. The government most likely will also need to seek some type of structural adjustment programme from the international financial institutions, as it did in the 1990s.

There are two high hopes that might ameliorate the country’s economic situation. One is the completion of the Oyu Tolgoi underground mine production and the start of full operations of copper mining. The other is China’s increased coal imports from Mongolia as the economy there picks up speed. The most important positive factor, however, would be an end to the Ukraine war.
Endnotes


4. Under the production sharing agreement, China’s Petro China Daqing Tamsag export the extracted oil from Mongolia and re-imports the processed fuel back to Mongolia. According to the Mongolian News, China only re-imports 24 per cent of its total export although the agreement requires 40 per cent. Montsame, “Implementation of agreement established with ‘Petrochina Daqing Tamsag’ LLC to be assessed”, 6 June 2022. Available at https://montsame.mn/en/read/298448.


6. The government continues to take several measures, specifically related to the US dollar transactions. For example, the government introduced temporary suspension for the dollar savings, to take loans using the dollar savings and to restrict any transactions in the foreign currency, especially in US dollars. Central Bank of Mongolia, “Exchange rates”. Available at http://www.mongolbank.mn/eng/liststatistic.aspx?id=3.

7. This project was disrupted during the pandemic. Naranzul Bayasgalan, and Mendee Jargalsaikhan, “Why are India and Mongolia strategic partners?”. Available at https://library.fes.de/pdf-files/bueros/mongolei/17932.pdf.
Two recent shortages took place in May, which is critical for Mongolia’s summer industrial activity (mining, agriculture and construction). In May 2011, when Rosneft reduced its supply, the Mongolian government struggled to recover from the fuel shortage and the main objective of the Mongolian President’s visit became to secure the fuel supply before it disrupted the economy. In May 2014, Mongolia again experienced a fuel shortage that required the government to reach out to all possible suppliers in China, Kazakhstan and South Korea.


Ibid.


Ibid. See also Ikon News, “OHU ulaanbuudain exportoo zogsool gurilyn KDQJDPMQRWVWRLEDLGDOGRUQRJHY$ULOSYLDELDELQHDW//ikon.mn/n/1v6w.


News.mn, “Expressed the interests to build Eg River power plant with Russia” [in Mongolian], 5 July 2022. Available at https://news.mn/r/2571121/.


See International Monetary Fund, “Mongolia: concluding statement of 0}VWDYLVLOD$YDLODEOHDLW www.imf.org/en/News/Articles/2022/05/12/mongolia-concluding-statement-2022-imf-staff-visit#text=The%20outlook%20is%20for%20stagflation.real%20wages%20hurt%20domestic%20consumption.
CHAPTER FOUR
Mongolia’s Relations with the West
MONGOLIA’S PATH INTO EUROPEAN GEOPOLITICS

L. Byambakhand & J. Mendee
Mongolia’s path into European geopolitics

On 10 March 2021, the European Union and Mongolia launched the first-ever Political Dialogue, which is slated to become an annual event. For a vulnerable, isolated nation like Mongolia to be recognized by an influential regional organization, like the European Union, is important. The Political Dialogue follows on a path of increasing interaction with Europe: On the humanitarian side, Mongolia is included in the European Union’s Team Europe response to COVID-19, which is providing vaccines and €40.45 million grants to alleviate the socioeconomic impacts of the pandemic. After decades of continuous interactions, the European Union concluded a Partnership and Cooperation Agreement with Mongolia in 2013 and finally set up a permanent mission in Ulaanbaatar in 2017. Mongolia also became a member of the Organization for Security and Co-operation in Europe (OSCE), which is the world’s largest regional security organization and connects Eurasia, Europe and North America. In addition to offering a multilateral platform for Mongolia, the OSCE has become an independent, impartial and experienced observer for Mongolia’s parliamentary and presidential elections since 2013.

This election observation mission is crucial nowadays, with voters losing their confidence in populist politicians and political parties. On the economic side, the European Investment Bank and the European Bank for Reconstruction and Development are actively engaged with Mongolia. Both have stakes in large mining and energy projects. Mongolia implements a Partnership and Cooperation Programme with the North Atlantic Treaty Organization (NATO) and is recognized as one of its nine “partners across the globe”. Mongolia’s peacekeepers have been deployed to Afghanistan, Kosovo and Iraq with NATO members.

How did Mongolia find itself in European geopolitics even though it is not in the European neighbourhood, does not have historical and
Mongolia’s Relations with the West

Cultural ties with any European major power and is not included in geo-strategic calculations of either individual countries or collective regional organizations? This paper provides a brief background about Mongolia’s ties with Europe, explains its relationship with three European organizations and concludes with policy recommendations regarding relations with these organizations.

Reaching out to Europe: From Eastern to Western Europe

Despite the historical diplomatic correspondence between the Mongolian Empire and European powers, Mongolia had long been forgotten by the Europeans. In the twentieth century, Mongolia began attracting the interest of Europeans again.

Even though all major European powers refused to acknowledge Mongolia’s independence in 1911, curious European travellers, explorers and entrepreneurs reached the country. In 1920, some 40 Mongolian students were sent to France and Germany, although, sadly, all became the victims of the Stalinist purge after their return in the 1930s.

From 1950, Mongolia was recognized as an independent country by the European socialist States, including the former Yugoslavia. These States and Mongolia reciprocally opened embassies. As the Sino-Soviet tension heightened, Mongolia became a member of the Soviet-led Council for Mutual Economic Assistance and even increased its military interaction with the Warsaw Pact members. Like Czechoslovakia, East Germany, Hungary and Poland, Mongolia hosted large Soviet military installations with more than 60,000 troops and shared a similar fate of serving for the Soviet geopolitical objectives. However, Mongolia’s membership in the Council for Mutual Economic Assistance enabled it to receive economic assistance from Eastern and Central European States to develop a light industry and mining sector, sending Mongolian students abroad as well as welcoming technical experts from
friendly socialist States. The largest number of students studied in East Germany, Czechoslovakia, Hungary and Poland, where nowadays a substantial number of Mongolian diaspora communities live. As the communist bloc collapsed in 1990, all Eastern and Central European States closed their embassies, except Czechoslovakia and East Germany (the Czech Republic and the Federal Republic of Germany inherited these embassies). In contrast, Mongolia kept most of its embassies.

In August 1989, Mongolia established diplomatic relations with the European Economic Community, a predecessor of the European Union, with the aim of economic integration. This took place during the period when the Soviet Union was developing economic ties with the European Economic Community as well and concluded an agreement on trade and commercial and economic cooperation. Building on this foundation, Mongolia concluded a trade and cooperation agreement with the European Economic Community in 1992 and opened its embassy in Brussels.

In this period, Mongolia established ties with a few States of Western Europe but did not have many interactions with them due to the Cold War geopolitics. Over three decades of Mongolia’s relations with European States, new diaspora communities of students and economic migrants emerged in most major European cities. More than 10,000 Mongolian migrants in Sweden, for instance, justified establishment of a Mongolian embassy (in 2009), which was also accredited to the Nordic States.

In a nutshell, the Soviet-influenced Eastern European interests in Mongolia ended in 1990, while renewed interests along the lines of ideology (democracy versus autocracy), geopolitics (geographic location between China and the Russian Federation) and the economy (mining boom) emerged.
Peacekeeping has enabled Mongolia’s partnership with NATO. In the 1990s, the Mongolian Ministry of Defence made all reasonable justifications to be included in the NATO Partnership for Peace programme, which was designed to assist the defence reform in former socialist and Soviet republics. It sought all ways of acceptance, from placing the first resident defence attaché in Brussels, sending high-ranking officials to the NATO headquarters and asking for endorsements from visiting dignitaries from the West. By 2010, Mongolia was officially recognized as a NATO troop-contributing country. A year later, Mongolia became one of the nine partners across the globe in the Individual Partnership and Cooperation Programme, which permitted the country to collaborate with NATO in mutually agreed areas of interests.

The European Union, OSCE and NATO

In partnering with the European Union, OSCE and NATO, Mongolia is guided by its third neighbour policy, which aims to balance its relations with China and the Russian Federation. The policy, however, does not suggest working against the interests of either country. Rather, it aims to minimize the negative effects on security and development caused by the country’s geographic location.

As a geopolitically vulnerable State, Mongolia looks at the European Union as one of its third neighbours to provide the political and economic support in relation to the great powers of China and the Russian Federation. First, maintaining its democracy is a great challenge for Mongolia, which is a small country, flanked by two authoritarian regimes. Political support from the West, in particular the European Union as a club of democracies and the OSCE, has been important for Mongolia since its transition to democracy in the early 1990s.

Free and fair elections are essential to democracy. The OSCE Office for Democratic Institutions and Human Rights serves as an international ob-
server and watchdog on Mongolia’s elections and human rights matters. Since 2013, the Election Observation Mission of the OSCE has observed presidential and parliamentary elections in Mongolia.

Without freedom of the press, democracy cannot fully exist in Mongolia. As a promoter of press freedom, the OSCE observes the Mongolian media on a regular basis and is not shy to criticize the country for negative developments restricting freedom of expression and information. For example, the OSCE Representative on Freedom of the Media Dunja Mijatović expressed concern about the blocking of the news website Amjilt.com in 2014 after it published a critical investigative article mentioning the then-prime minister. More recently, the OSCE looked at the Mongolian media situation during the COVID-19 pandemic with the assistance of the Media Council of Mongolia and documented restrictions on media freedom.

The OSCE is helping Mongolia to close gender gaps in the country. Mandated to promote human rights and good governance, the Office for Democratic Institutions and Human Rights organized a workshop in Mongolia in 2013 as part of its activities to promote women’s human rights across the OSCE region. The Office for Democratic Institutions and Human Rights also supported a study visit to Stockholm for Mongolia’s female parliamentarians in 2014.

Second, economically, it is a great challenge for Mongolia to survive between the two super economies and ensure the well-being of its people. On the economic front, the European Union role in Mongolia is more evident because it has more capacity, while the OSCE provides only technical assistance on economy-related matters.

After experiencing a painful transition from a planned to a market economy, Mongolia often relies on economic assistance from individual members as well as from different organizations and funds of the
European Union. Mongolia received developmental assistance through the Technical Assistance to the Commonwealth of Independent States (TACIS) programme (1994–2003), the assistance programme for Asian and Latin American developing countries (2004–2006) and the Development and Cooperation Instrument (since 2007). From time to time, Mongolia receives humanitarian assistance from the European Commission Humanitarian Aid Office and individual member States to alleviate consequences of natural disasters (especially harsh winters). And the European Union has been helping mitigate the impact of COVID-19 in Mongolia.

Despite Mongolia’s desire to continue receiving development assistance, the European Union’s classification of the country as a lower-middle-income country (in 2018) reduces the contributions it is eligible for. The European Union treats Mongolia as an economic partner. For Mongolia, the European Union is a big market, a source of technology and a potential investor. Albeit small in scale, Mongolian products now enter the European Union market tariff-free under the Generalized Scheme of Preferences. And Mongolia is working with Member States to localize the European standards. Beginning with the 2000s commodity boom, European companies and investors are seeking ways to invest major mining, infrastructure and energy projects in Mongolia. Even though the investment remains small, the European Bank for Reconstruction and Development and the European Investment Bank have invested in several major projects. For example, the European Bank for Reconstruction and Development established a $4.4 billion financing package for the Oyu Tolgoi mining project in 2015, contributing $400 million of its own funds and arranging a syndication of up to $1 billion to commercial banks.

Cooperation between Mongolia and the OSCE is not limited to election observation but covers all three dimensions of the organization. In terms of the economy and the environment, the OSCE has provided
technical assistance to Mongolia in dealing with corruption, one of the serious challenges precluding the country’s economic development, through seminars and workshops. This included a two-day national workshop on strengthening corruption and money laundering investigation capacities in 2017. The organization also encourages Mongolia to promote public–private partnerships in combating corruption by providing training courses to senior officials and business representatives. As a member of the OSCE, Mongolia is often introduced to the best and newest practices in the OSEC area. For example, in October 2019, in cooperation with the OSCE Transnational Threats Departments, Mongolian’s National Police Agency hosted a training workshop on advantages of intelligence-led policing. It is a new model recommended by the OSCE and already adopted by several countries.

Third, Mongolia greatly relies on its proactive diplomacy for ensuring its national security. As a small country sandwiched between two great powers, it is impossible for Mongolia to ensure its national security through military means. But through its official seat and recognition in the OSCE, Mongolia participates in political and security dialogues as well as summits at the level of Heads of State or government and ministers of foreign affairs. Mongolia has opportunities to host OSCE events. In 2011, when Mongolia was an Asian partner, it hosted the OSCE–Mongolia Conference on Strengthening the Co-operative Security between OSCE and the Asian Partners of Cooperation. Later, in 2015, Mongolia hosted the Conference on the OSCE Code of Conduct on Politico–Military Aspects of Security, followed by the Parliamentary Assembly Fall Meeting.

Through its proactive diplomacy, Mongolia has opportunities to raise many concerning issues to different committees of the OSCE. In 2015, for example, Mongolia chaired the Organization’s Forum for Security Cooperation for the first time. In the future, Mongolia will gain more chances of chairing different committees and eventually chairmanships.
Mongolia’s Relations with the West

Mongolia seeks to contribute to regional and global security. Peacekeeping enables Mongolia to realize its desire to become a “security producer”. Guided by its aspiration, Mongolia has engaged with the OSCE and NATO. For NATO, Mongolia has sent troops to peacekeeping missions in Afghanistan, Iraq and Kosovo. At the same time, by participating in the NATO-led missions, Mongolia’s partnership with the military alliance has been greatly enhanced. The Mongolian National Defence University is included in the NATO Defence Education Enhancement Programme (DEEP) and thus receives curriculum development and faculty training.

Fourth, the European Union, OSCE and NATO each provide a platform for institutionalizing already existing relations with European countries. Using these platforms, Mongolia has energized its ties with European States, especially Germany, Switzerland and Turkey as well as Austria, Belgium, Italy, Ireland, the Netherlands and Sweden.

In the scope of NATO, Mongolia has deepened its ties with Germany, the United Kingdom, the Netherlands, Belgium, Poland and Bulgaria. For example, Mongolia deployed more than 1,000 personnel with the Polish-led multinational division in Iraq, two platoons (72 personnel) in Kosovo and more than 5,000 personnel with contingents from Belgium, Germany and the United States to Afghanistan. NATO members are provided opportunity to participate in the Five Hills Peace Support Operations Training Centre (for peacekeeping training), which is NATO’s 29th Partnership Education and Training Centre.

Mongolia also has implemented a few civilian and military projects with member countries thorough the NATO’s Science for Peace and Security (SPS) Programme. Aimed at assessing the environmental impacts of the abandoned Soviet military sites in Mongolia, one project was led by scientists from Mongolia and Slovakia. This partnership greatly contributed to enhancing bilateral relations that had become minimal
after the collapse of communism in both countries.

Their interests (why Mongolia)

Geopolitically, the West eyes Mongolia for its location between strategic competitors. The United Kingdom and France opened and maintained small embassies even at the height of the Cold War due to the geopolitical calculations by the West. Even after the Cold War, Mongolia remained on the radar of European powers and the United States, partially due to the rise of China. As the geopolitical rivalry between the United States and China intensifies, so will the imperative for proxy fights over the sphere of influence (political, ideological and economic) in Asia. If this is the case, Mongolia’s geopolitical importance will be more visible to the European powers, which often side with the United States within the framework of NATO and OSCE.

Politically, the European Union has showed unwavering support for Mongolia, regarded as an electoral democracy in a tough neighbourhood. The European Union and Mongolia share common values towards media freedom, human rights and democratic institutions, especially in terms of free, fair and inclusive elections as well as provisions for an independent civil society. Promoting Mongolian democracy fits into the European Union’s aspiration to support democracies. The latest example is the applause from the European Union for Mongolia’s abolishment of capital punishment (2015).

Diplomatically, the European Union is likely attracted by Mongolia’s foreign policies that echo is policies and activities. For example, Mongolia promotes multilateralism, particularly at the United Nations and the OSCE. It seeks ways to strengthen ties with the United States, Australia, Japan, India, South Korea and ASEAN in the Asia–Pacific region. And it advocates nuclear disarmament and nuclear weapons-free zones. Mongolia also desires to be included in the European Union’s
engagements with Asia as a bridging nation. It hosted the Asia–Europe Meeting and the Asia–Europe Parliamentary Partnership in 2016.

Economically, Mongolia might be attractive to the European economic powers due to its natural resources and proximity to China’s market. During the 2000s commodity boom, as noted, Mongolia attracted mining companies and investors from France, Germany and the United Kingdom.

**Limitations**

Due to Mongolia’s geographic proximity to China and the Russian Federation, NATO’s engagement with Mongolia is limited. For instance, in January 2021, NATO’s helping Mongolia to implement the cyber defence capacity development project. Reaching out to NATO or third neighbours to develop its critical infrastructure makes sense for Mongolia. But it could be misperceived by either neighbour. Mongolia’s engagements through defence education, peacekeeping training exercises, scientific research and regular political dialogue seem to be less sensitive to its great power neighbours than seeking ways obtain military hardware or combat exercises. These types of limited interactions with NATO justify holding regular political consultations with NATO headquarters to discuss Mongolia’s troop contributions and the state of partnership.

Mongolia’s stance on NATO was nicely captured in a recent study based on interviews with high-profile elite representatives. The political cohort of Mongolian elites see NATO as “a vehicle or platform to express national interests and opinions as well as a way to source military technology and training”, while the military cohort sees “NATO as a partner of joint training, information security and capacity-building and institutional reform”. However, because of the geostrategic sensitivity, neither Mongolian leaders and diplomats nor NATO leaders would expect
particularly strong security ties. For example, Mongolia was excluded from the NATO 2030 vision report.\textsuperscript{17} This complements Mongolia’s own cautiousness regarding the two great power neighbours, with both considered as “revisionist” powers by the United States and the NATO alliance.

Conclusions

Despite vested economic interests, Mongolia has successfully emerged on the foreign policy radars of the European Union, NATO and the OSCE. Unlike East or Southeast Asian States, Mongolia’s ties with the European Union are largely political. And they are drawn from the country’s commitment towards human rights and core principles of democracy. For Mongolia, the European Union is a key third neighbour, investor and market. Therefore, its support is critical for Mongolia’s development. Similarly, the European Union presence in Ulaanbaatar and its continued assistance for civil society organizations are valuable contributions for maintaining the country’s vulnerable democracy, which has been at a crossroads because of populist politicians and unbending forces of clientelism in the major political parties. The European Union should step up its pressure against money-laundering and corruption and increase assistance to help protect the Mongolian civil society space.

NATO’s relations with Mongolia are well established. Given the geopolitical sensitivity, NATO should focus on activities that strengthen civilian control of the armed forces, peacekeeping training and capacity-building and cyber security. Neither NATO nor Mongolia wants to upset their relationship with China or the Russian Federation. As suggested by one expert, “Mongolia should participate more in NATO missions to enhance and widen cooperation” as long as these missions are outside the areas of concern for Mongolia’s two neighbours.\textsuperscript{18} While keeping the current level of cooperation, two areas that Mongolia and
NATO should work closely on is academic cooperation through the DEEP type projects and joint research projects funded by the NATO SPS programme. To avoid misperceptions or misunderstanding by either Beijing or Moscow, Mongolia should keep its partnership activities with NATO transparent to the public and the neighbours. For example, NATO should publish a weekly or monthly newsletter in the Mongolian language.¹⁹

The OSCE is known in Mongolia as an impartial election observer and welcomed by the government since 2013. Due to the COVID-19 pandemic, the OSCE Election Mission was not dispatched to Mongolia during the 2020 parliamentary election, but a mission was carried out during the recent presidential election. It seems to be the right time for the OSCE to move beyond election observation missions. The OSCE could establish a representative or programme office in Mongolia, for instance.²⁰ This office could promote collaboration between law enforcement agencies, schools and think tanks in Mongolia. Also, it could support the organization’s activities with Asian Partners for Cooperation (Afghanistan, Australia, Japan, South Korea and Thailand), particularly in areas of law enforcement, security, confidence-building measures, nuclear weapon-free zones, dealing with transnational threats, border security and strengthening democratic institutions.
Endnotes


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RELATIONS BETWEEN MONGOLIA AND GERMANY: A LONG-STANDING FRIENDSHIP IN CHANGING TIMES

N. Ariuntuya & O. Batbold
Even though divided by massive landmasses, Germany and Mongolia share a particular friendship. For almost a century, both countries have expanded their relations over periods of changing governments and political systems. Nowadays, they share democratic values, work to strengthen the international rules-based order, and try to facilitate many encounters on the people-to-people level.

In June 2022, the current Traffic-Light Coalition in Germany overturned the decision of the previous government to strike Mongolia off the list of bilateral development cooperation partners. The decision to keep Mongolia as a bilateral development cooperation partner constitutes a good moment to reflect on the bilateral ties of the two countries.

Why is Germany important for Mongolia at this time of geopolitical turmoil? And what can Mongolia’s contribution be to Germany’s major adjustments to its foreign and security policy?

Past and present

The bilateral ties go back a century and span the socialist era. For more than 100 years, the geopolitical context has always had an influence on the relationship between the two countries. The first group of students, including the founder of modern Mongolian literature, Natsagdorj Dashdorj, went to the German Democratic Republic in 1924. More than 20,000 other Mongolian students also went there for an education, and many of them have had a key role in the building of Mongolia over the past century. The People’s Republic of Mongolia and the German Democratic Republic had close relations within the socialist world, including political and economic ties and scientific, cultural and educational exchanges. In 1974, the two countries established diplomatic relations.
In 1995, Mongolia signed a declaration of bilateral relations with Germany, a first in the Western world for such an agreement. The comprehensive partnership status was achieved in 2008, formalized by the Joint Declaration issued by then-President Horst Köhler. The umbrella framework of comprehensive partnership covers bilateral and multilateral relations in politics, the economy, defence, culture and the arts.¹ Today, around 30,000 Mongolians, representing 1 per cent of the population, speak German and have ties with Germany due to the close relations established in previous generations, making it the largest German-speaking community in Asia.

Value-based relationship

The historical reunification of Germany and Mongolia’s transition to democracy occurred in parallel. The relationship between the two countries thus began to develop within a new context, with democracy as a common value.

Germany was the first country from the European Union to engage in helping Mongolia choose the path to a democratic society and economy. Since 1996, German development cooperation has operated on the principles of human rights, democracy and sustainable development. During its democratic revolution, from 1990 to 2018, Mongolia received 360 million euros in development aid and 170 million euros in grants through that cooperation.² Germany is the third-largest donor to Mongolia, after Japan and South Korea, and the largest donor in the European Union.³

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) began as the German implementing agency in Mongolia in 1991, establishing representation throughout the country. It is one of the longest-operating development cooperation organizations in Mongolia, predominantly in biodiversity, sustainable economic development and energy efficiency.
In addition, German political foundations have engaged with reforming and strengthening political parties in Mongolia. This is unique support—no other development programme works with political parties. It includes the Friedrich - Ebert Foundation, which promotes the democratic and socially fair design of the transformation process; the Konrad - Adenauer Foundation, which focuses on democratic development, advocating the rule of law and promoting the principles of the social market economy; and the Hanns - Seidel Foundation, which also promotes the rule of law in governance and society and sustainable development, particularly through the development of environmental legislation.

Both countries collaborate in areas of defence, education, culture and science. Defence cooperation between the two countries developed rapidly after 1995, with Mongolian and German troops cooperating in international peacekeeping operations. The Mongolian military, for example, participated in the International Security Assistance Force operation in northern Afghanistan in 2009 under the German Regional Command. The two armed forces have been conducting joint military exercises annually since 1995.

Collaborative archaeological research between the two countries also has been important, and the Mongolian–German cooperation projects in archaeology are one of the most successful and multifaceted activities of the comprehensive partnership. Mongolian and German partners conducted archaeological excavations in the ancient capital of Kharkhorum, with the Mongolian–German Kharkhorum Expedition successfully carried out under the auspices of the presidents of both countries.

As of 2020, Germany accounted for 0.8 per cent (US$232,918) of foreign direct investment coming into Mongolia. According to Germany’s Federal Statistical Office, the country imported 11.1 million euros worth of
goods from Mongolia, while exports to Mongolia totalled 148.7 million euros in 2021. Of the 239 trading partners that Germany traded within 2021, Mongolia ranked 150th in terms of imports and 110th in exports. Compared with other European countries, the value of trade and investment is rather high, although considering the bilateral relations and the various opportunities, it is still low. Yet, considering the long-standing bilateral partnership, the conditions for increased trade are favourable.

### Development of trade, 2019–2021 (million euros, deviation due to rounding)

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<th>2019</th>
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<th>2020</th>
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<tbody>
<tr>
<td>German imports</td>
<td>17.7</td>
<td>66.1</td>
<td>13.8</td>
<td>-21.9</td>
<td>11.1</td>
<td>-19.5</td>
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<tr>
<td>German exports</td>
<td>149.1</td>
<td>11.1</td>
<td>157.0</td>
<td>-5.3</td>
<td>148.7</td>
<td>-5.3</td>
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<td>Balance</td>
<td>131.5</td>
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Source: GTAI, “Economic Data of Mongolia” (Mai 2022), Available at www.gtai.de/resource/blob/18360/bd1bd46f81cbe8961757f262cfd34c/GTAI-Wirtschaftsdaten_Mai_2022_Mongolei.pdf

* preliminary information

Several major projects have been considered, especially in the past ten years, but only one has materialized. Even though there are complications related to Mongolia’s geographically isolated and landlocked location, they do not preclude developing more of an economic relationship with Germany.

### Sustainable economic development: Mineral resources sector and governance

Its location between two authoritarian powers, attracting responsible investment and leveraging that investment to create mutual value are important
concerns for Mongolia. Mineral developments are the catalyst for its sustainable future. A future direction of the Mongolia–Germany relationship is mineral extraction while providing critical minerals for current and future development needs. Plus, efforts expand value creation in Mongolia. An undertaking for which Germany has always been perceived as an honest broker of Mongolian interests.

Projects in raw materials, industry and technology could have a significant role in taking the two countries’ economic, trade and investment cooperation to the next level. In 2010, Germany developed a strategic policy to ensure the security of its supply of minerals and raw materials. As part of that strategy, it established partnership agreements with a few resource-rich countries, including Mongolia. German Chancellor Angela Merkel signed the agreement during her first visit to Mongolia in October 2011. It was the first strategic partnership agreement in the resources sector for Germany, which followed with agreements with Kazakhstan and Peru.

Under the partnership agreement, the two countries agreed to deepen mutually beneficial and complementary economic relations using their respective advantages, such as Mongolia’s natural resources and Germany’s advanced technology. This highly anticipated agreement remains important because it opened up new opportunities for cooperation between the two economies in the exploration, mining, extraction and processing of minerals. It also created conditions for a new level of dialogue.

The most successful project so far as a result of that partnership agreement is the German–Mongolian Institute for Resources and Technology. The university offers a foundation for further development of cooperation between the two countries, not only in education and science but also in mining and minerals. An important precondition is establishing a working group or intergovernmental commission to conduct regular partnership meetings; organize and monitor the implementation of the agreement; and exchange information on mineral exploration, research, analysis, mining and processing. With establishment of
the university, Mongolian youth can receive world-class engineering education in their home country and find work in these fields. Many students can access internships at German and European companies at home and abroad. Employment of graduates is 100 per cent.10 This is an important step in training Mongolia’s human resources for the mining sector, which is a priority.

With such a foundation and mutual understanding, there is opportunity to further strengthen the mineral-based economic relationship within the framework of the agreement. The German government approved a second Raw Materials Strategy in January 2020 to support companies in providing reliable and responsible minerals, and an action plan was adopted to increase the competitiveness of the German industrial sector and the rational use of primary raw materials.

The German government has reaffirmed its commitment to working with partner countries to meet the growing demand for minerals (such as lithium, cobalt, rare earth, tantalum, magnesium and titanium). At the same time, there is much discussion in Mongolia on creating a legal environment to support and use the policy of exploration and development of new minerals, raw materials or critical minerals, which are in demand for energy transition and technological evolution.

An important part of the new mineral strategy is united financial loans and credit. The German government has pledged policy instruments to promote business activities, foreign trade and investment in partnering countries. These instruments include investment guarantees, financial loan guarantees and export credit insurance. In other words, the German government will provide a loan guarantee for mineral projects.11 The policy support of the two countries in the Agreement on Cooperation in Minerals, Industry and technology is being strengthened.

European Union Regulation No. 2017/821 on critical minerals (such as tin, tantalum, wolfram and gold) imported into the region took effect on 1 January 2021.12 The regulation obliges importing companies to ensure that the coun-
tries supplying these raw materials do not have internal conflicts or human rights violations caused by war. Mongolia is a country that definitely meets this requirement.

This coincides with Mongolia’s desire to develop other sectors of the economy based on its natural resources, commodity demand and its goal of diversifying income sources, which opens up opportunities for deepening cooperation in the mineral sector. The importance of the Agreement on Cooperation in Minerals, Industry and Technology is becoming more relevant. It is time for Mongolia and Germany to make deliberate effort to use their resources in a targeted manner within the framework of the agreement and to implement effective cooperation and actual projects.

The future of Mongolia–Germany development collaboration

Renewed development cooperation is an opportunity for both countries to reflect on the past assistance and strategize for positive impact on democratic progress, contributions towards the Sustainable Development Goals and developing mutually beneficial economic relations. Many of the existing programmes are of considerable importance—the contribution of German political foundations in Mongolia for the continuation of development policy cooperation should not be overlooked. Mongolia is a free country surrounded by unfree neighbours. And the deep contribution of the German political foundations to the development of democratic values remains an important contribution to the overall persistence of democratic development in Mongolia. In addition to the existing collaboration, the following areas are proposed for expansion of the relationship:

1. Collaboration on technological development and information technology
2. Collaboration on climate change mitigation efforts
Establishing a technology centre based on high technology will expand development opportunities beyond the mineral sector. With information technology solutions becoming such an integral part of everyday life, artificial intelligence has become a dominant trend. Digital technology enables remote working and makes operations and services geographically independent. Mongolia has been losing development opportunities due to the limitations of its infrastructure and market and human resources. A technology centre for the mineral resources industry is needed to create advantages and development solutions that are independent of geographical location. If it can be organized by finding the right types of public and private partnership (external and domestic), there will be opportunity to develop Mongolia as the “Silicon Valley of Eastern Asia”.

In addition, support is needed in Mongolia to achieve its contribution towards the Sustainable Development Goals and combat climate change in its urban and rural areas, especially as climate change challenges, such as carbon emissions, global warming and desertification are being magnified globally. Further studies and agreement from both governments are needed, but Mongolia has committed to work towards mitigation of climate change through the Paris Agreement, which includes a pledge to reduce carbon emissions by 45 per cent by 2030. Mongolia is at risk of desertification and global warming impacts due to unsustainable farming practices that have led to overgrazing. The country has the highest level of greenhouse gas emissions per capita in the world.

The establishment of an inclusive public policy that engages and serves all people and ensures that gender and disabilities are considered is crucial to the country’s development progress and to strengthening its human rights situation. There is no development programme that focuses on inclusive public policies, nor is there investment in this area. The lack of funding to implement inclusive public policy is a major obstacle that prevents people with disabilities from being able to fully participate in society. Although the government has adopted a number of policies and plans, they are not always implemented or enforced. This area aligns with the goal to promote democracy in the authoritarian region.
In conclusion, Mongolia–Germany development cooperation has been successful in supporting Mongolia’s democratic development. But the country struggles with the maturing of its democracy and its extractive-dependent economy. Without the previous support in the good governance of mining and the strengthening of democratic values and political institutions, the country would not have come this far. Such support and mutuall beneficial cooperation are even more valuable in the current ever-changing world. To develop these relations at a deeper level, parties need to make new efforts in a broader area of cooperation.

Mongolia and Germany have always been trusted partners and both sides remain equally committed to this strategic cooperation.

Endnotes

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6 Textiles/clothing: 51.8 per cent; raw materials (except fuel): 37.4 per cent; measurement/control technology: 1.6 per cent; plumbing, heating, lighting: 0.9 per cent; machines: 0.8 per cent; gold: 0.5 per cent; chemical products: 0.2 per cent; iron and steel: 0.2; shoes: 0.2 per cent; other: 2.0 per cent.
Relations between Mongolia and Germany: A long-standing friendship in changing times

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MIDDLE POWERS IN MONGOLIA: A COMPARATIVE PERSPECTIVE

J. Mendee & M. Sainbuyan
Middle powers in Mongolia: A comparative perspective

The COVID-19 pandemic has brought Mongolia closer to Australia, one of the two important partners, the middle powers, the other is Canada. Amid the pandemic to date, a Mongolian Airline has carried out nine direct charter flights to Brisbane and Sydney to repatriate more than 1,700 Mongolian citizens as well as rotate hundreds of Australians who work at the country’s largest copper and gold mine, Oyu Tolgoi.¹

In a far-away different direction, the Mongolian Embassy in Ottawa has worked hard to accommodate several hundred repatriation requests due to the lack of direct flights from Canada. Back in Ulaanbaatar, Australian and Canadian ambassadors have been engaging with Mongolian officials since the sudden government change in January 2021. For Australia and Canada, both of which are traditional middle powers and resource-based developed economies, Mongolia has represented a new frontier in terms of foreign policy and business since the 1990s. The governments in Canberra and Ottawa recognized Mongolia during the Cold War, in 1972 and 1973, respectively, to flex their independence of Washington in terms of foreign policy. They both also neglected Taiwanese dissuasion against formally recognizing Mongolia’s independence.² And both governments assisted Mongolian governments in the 1990s to overcome challenges of political and economic transitions. This was followed up by a mining rush by Australian and Canadian junior companies because of Mongolia’s attractive mining law (1996) and the rise of global commodity markets.

Nowadays, both Australia and Canada are experiencing strained relations with China and Russia, while Mongolia highly regards its partnership with these middle powers and advocates to deepen their bilateral ties. This policy paper reviews the existing bilateral ties Mongolia has with Australia and Canada, with a comparative perspective on the political, security, economic and cultural details. It concludes with a policy recommendation.
Political and security ties

Mongolia regards Australia and Canada as important, influential nations. Along with Mongolia, Canada is a member of Group of Twenty powerful economies as well as the Asia–Pacific Economic Forum. Canada is also a member of the Group of Seven. Since the late 1980s, Mongolia has sought to develop stronger bilateral ties, increase economic partnership and collaborate more with Canada through international organizations. Some Mongolian political leaders see Canada as a developmental model, given its geography, climate and resource-based economy. Those same political leaders also consider Australia as a key partner in the Asia–Pacific region.\(^3\)

In the 1990s, Mongolia welcomed mining investors and companies from both countries and opened an embassy in Canberra in 2001 and followed in Ottawa seven years later. And yet, in contrast, Mongolia is not a foreign policy priority country for these middle powers. Canada opened an embassy in Ulaanbaatar in 2008 and Australia followed in 2015—both countries wanted to protect the interests of mining investors and related businesses in Mongolia. These days, Mongolia’s political relations with these middle powers are stuck at the level of extended or expanded partnership. Considering the distance between those countries and Mongolia, this is probably the highest level that their bilateral ties are likely ever to reach.

Nevertheless, there are interesting points to highlight. All three countries pursue somewhat similar foreign policy objectives. Despite the distance between them (Canada in North America, Australia sea-locked in the South Pacific and Mongolia inland-locked), all have sought to move closer with the Asia–Pacific region and with members of the Association of Southeast Asian Nations Regional Forum. All three also want closer ties with Europe. Australia and Canada traditionally have strong political, economic and cultural ties with Europe, while Mongo-
lia only first entered into a partnership with the European Union in 2013. Canada is a member of the North Atlantic Treaty Organization (NATO), whereas Australia and Mongolia are NATO partners at different levels of collaboration, with the powerful Australian military having a long-standing cooperation. Mongolia and Canada are members of the Organization for Security and Co-operation in Europe. Australia and Canada are key defence and security allies of the United States, while Mongolia maintains close but limited security cooperation with the great power. All three States want to take advantage of the growing Chinese economy, albeit at different degrees. Of them, however, Mongolia is the most vulnerable due to its dependence on China’s infrastructure, money and markets.

All three nations share similar concern about China’s rising economic and security clout. All three have experienced Chinese repercussions: Mongolia was penalized for hosting the Dalai Lama’s visit in 2016. Canada is being penalized over the arrest of Huawei CFO Meng Wanzhou, the daughter of the company’s founder and CEO, Ren Zhengfei. Australia is being penalized for its banning of Huawei 5G in Australia, calling for an inquiry into the origin of the coronavirus and siding with the United States in its recent trade war against China.\(^4\)

Although Mongolia endorses all major foreign policy objectives of Australia and Canada, it has remained silent on Australia’s initiative on responsibility to protect its vulnerability due to its proximity with expansionist great powers and silent on Canada’s initiative to ban anti-personnel landmines for security reasons. Australia and Canada likely consider Mongolia a like-minded State, sharing an identity of liberal democracy to protect and respect human rights and freedom.

Mongolia’s peacekeeping commitment opened a unique opportunity for the two middle powers to participate in the annual Khaan Quest peacekeeping training and exercise (bringing numerous foreign mili-
taries together). And Mongolian military personnel are welcomed to short-term military training educational programmes in Australia and Canada. It was these educational and training opportunities in Canada that contributed to the Mongolian military’s success in capacity-building, especially in English and French language training. Since 2007, Mongolian military personnel have interacted with the Australian and Canadian militaries through the peace-support missions in Afghanistan and Iraq.\(^5\) Both Australia and Canada recognize peacekeeping as the most convenient approach to defence cooperation. Both are potential partners for working with Mongolia to disseminate best practices and regional cooperation in peacekeeping. The foundation for such collaboration has been laid through their participation in the peacekeeping exercises in and outside Mongolia and serving shoulder to shoulder in peace missions in Afghanistan and Africa.

**From donors to partners**

After Mongolia stepped into democracy in the early 1990s, it stumbled around the transition period without aid from the former Soviet Union, seeking support from developed countries, including Australia and Canada. The two donors have much in common when it comes to development assistance. Australia and Mongolia signed a development assistance memorandum of understanding in 1993. Mongolia and Canada signed a similar memorandum of understanding on bilateral development assistance but not until 2016.

Both countries offer local community-focused assistance: in Australia, the Direct Aid Program and in Canada, the Fund for Local Initiatives programme. The Direct Aid Program, funded from the Australian aid budget, has assisted more than 130 projects since 2003.\(^6\) The Canada Fund has granted around US$5 million to more than 420 small-scale projects in Mongolia since April 1997.\(^7\) In terms of large-scale development assistance, Canada has provided US$20 million to strengthen
Mongolian governance, particularly to manage its mining sector more effectively and to develop its civil society through the Enhancing Resource Management through Institutional Transformation (starting in 2016) and the Strengthening Extractive Sector Management (starting in 2015) projects.\textsuperscript{8}

The Australia–Mongolia Extractives Program is a flagship partnership, reflecting Australia’s political and economic interest in Mongolia. The programme was set up in 2013 with US$2.3 million, which expanded to US$3.9 million. In 2019, a second phase budget of US$6.6 million was approved for operations until 2023.\textsuperscript{9}

The three nations collaborate closely with international organizations, especially at the United Nations. Both middle powers implement infrastructure projects through multilateral organizations, such as the United Nations Development Programme and the Asian Development Bank. Canada has launched multiple projects with US$11 million targeting civil service reform and gender equality with the United Nations Development Programme, the International Republican Institute and the International Development Law Organization in Mongolia.

Economic relations between Mongolia and the two middle powers are strong. Canada is the largest foreign direct investor in Mongolia, at US$7.8 billion, equivalent to one third of Mongolia’s total foreign direct investment in 2019, when Australia placed among the top-ten investors, at US$484 million.\textsuperscript{10} In 2016, Canada and Mongolia signed the Foreign Investment Promotion and Protection Agreement to protect Canadian investors with better terms, such as providing greater transparency from the government.\textsuperscript{11} Most of the Australian and Canadian investments have flowed into Mongolia’s mining sector. As of early this year, four Australian companies owned four special mineral licenses, while 12 Canadian companies owned 23 such mineral licenses. One of the biggest and more successful junior companies, Ivanhoe Mines from
Canada, bought the exploration license for the Oyu Tolgoi site from the Australian BHP Billiton in 2002. Oyu Tolgoi is one of the largest known copper and gold deposits in the world. In 2006, Ivanhoe Mines formed a strategic partnership with the Anglo-Australian multinational company, Rio Tinto. However, a rift erupted between the government of Mongolia and Rio Tinto early this year after Mongolia sought to renegotiate the agreement. Nothing has been concluded by the two parties, but the government of Mongolia decided to file a counterclaim regarding Rio Tinto’s tax dispute at the London Court.12

The Oyu Tolgoi flagship project also strengthened Mongolia’s political and commercial ties with the United States and its allies. First, Mongolia’s geopolitical location as democracy between China and Russia intrigues the United States.13 Second, an American coal mining company, Peabody Energy, was interested in Tavan Tolgoi, the coal mine providing energy to the Oyu Tolgoi project. Moreover, Oyu Tolgoi was the only project that could secure financing from multiple international financial institutes backed by Western countries.

In short, within three decades, Mongolia’s relationship with Australia and Canada has grown from aid recipient to economic partner.

Cultural bonding

Since 1990, more than 7,000 Mongolians have settled in Australia and 2,000 Mongolians have emigrated to Canada. Mongolian communities have been established in the major cities of both countries, where they actively celebrate the Mongolian Lunar New Year (in January or February) and Naadam, the July anniversary of independence from China. Hundreds of Australians and Canadians live and work in Mongolia. There are two strong connections: one is educational and the other is humanitarian.
Australian and Canadian schools are top destinations for Mongolian students. Australian educational institutions have been more successful in two regards: Since the 1990s, the Australian Development Scholarships programme provides opportunity for more than 500 Mongolians to pursue a graduate degree in an Australian university and has contributed to Mongolia’s development through the training that these students returned home with. The Australian Development Scholarship programme has become a diversified, competitive, and inclusive scholarship that welcomes people with disabilities. It also provides a generous six-month English language qualification course free of charge for scholarship students. In 1998, Mongolian graduates of Australian institutions established an alumni organization, the Mongolian Australia Society (known as the Mozzies Association), acting as a vivid tie between the two countries.14 Second, the visa process has become easier for Mongolian students since 2016. In addition to the annual 13–15 slots with the Australian Development Scholarship programme, more than 2,000 Mongolian students study in different levels of Australian schools, including language courses, with their own funding.

Even though Canadian schools are attractive, the visa process is slow and complicated. The Norman B. Keevil Institute of Mining Engineering, at the University of British Columbia, has developed a special tie with Mongolia, however. In 2012, it established a partnership with the Mongolian University of Science and Technology that has enabled Mongolian students to study at reduced tuition. And the Oyu Tolgoi mining project has helped 30 Mongolians obtain a master’s degree, 18 of whom studied at the University of British Columbia. Most of them returned to mid-level and senior management posts at Oyu Tolgoi or other mines.

Beginning in 2011, the Australian government funded the Mongolian Studies Centre at the Australian National University, creating a model of cooperation between a think tank and research institute.15 The Cen-
The other important connection between the three States is their humanitarian interests. Since 1998, the Australian Volunteer Program has brought more than 300 volunteers to Mongolia to contribute to various projects. Australian volunteers in Mongolia rank third in number, after the US Peace Corps and the Japan International Cooperation Agency volunteers. From Canada, the connections have been more individualistic. In 2015, Canadian hockey coach Nate Leslie and his brother brought used hockey gear to teach Mongolian youth to play hockey, at the emailed behest of an unknown Mongolian. Since then, Leslie and the Mongolian communities in Vancouver collect hockey gear on an annual basis that the business community then ships by container to Ulaanbaatar, where the Canadian Ambassador and fellow expatriates celebrate Canada–Mongolia Hockey Day. A Canadian couple established the Veloo Foundation to raise funds to construct and run kindergartens for children living at or near the garbage dumping centre in Ulaanchuluut, within the capital city. Because most of these children’s families are rural migrants, they do not have proper city residency documents to receive public services, including schooling, electricity, water or public transportation.

Conclusion

Because Australia and Canada have been caught up in the Sino–American geopolitical competition, it likely will become more difficult to increase their security and economic commitments with Mongolia. We expect Canberra and Ottawa to stress a multilateralist approach through regional organizations in Asia, de-escalate tensions with China and increase ties with like-minded States (democracies). Mongolia is a partner with shared concerns about geopolitical competition and values the role of multilateral organizations.
Mongolia surely needs political support from Australia and Canada at international organizations, from the United Nations to the Asia-Pacific Economic Forum, and with international financial institutions. On the security front, Australia and Canada could jointly support Mongolia’s dream of becoming the centre of excellence for peacekeeping for Central, East and Southeast Asia. Canada is a creator of the United Nations peacekeeping system, and Australia is a proven supporter of capacity-building. For example, Australia and Canada can work with Mongolia to promote the United Nations’ newly adopted peacekeeping policy: Action for Peacekeeping (A4P), using Mongolia as a neutral platform for peacekeeping training for emerging troop contributing nations from the Asia Pacific Region. This type of multilateral cooperation would strengthen the bilateral ties with Mongolia and could help the larger foreign policy objectives of Australia and Canada to increase their profiles in the United Nations-by strengthening the regional cooperation of militaries in East, Central and South-East Asia that would benefit global peace and security. Also, jointly focusing on Mongolia’s peacekeeping efforts would help ease the geopolitical sensitivity with China and Russia.

Although the two middle powers have been implementing various big-scale development assistance projects in Mongolia, most Mongolians are not aware of them. It might be because the projects from Australia and Canada chiefly centre around Mongolian mining operations. Within the economic realm, partnering with Australia and Canada in the mining and energy sectors allows Mongolia to learn from their expertise but decreases Mongolia’s dependence on its more powerful neighbours. And it leaves room to manoeuvre between them. However, the two middle powers could diversify their economic cooperation with Mongolia into other areas, like agriculture and tourism.

The other area where Australia and Canada could contribute more is the educational opportunities for Mongolian youth to study in their
universities and to assist Mongolian higher educational institutions to increase their profile and quality of education in Mongolia. Civil society and community empowerment projects have demonstrated good results for bilateral relations and for Mongolia’s grass-roots initiatives to find local solutions for local problems. If these funds are directed at local communities in the countryside and outskirts of the capital city, where non-government organizations lack resources, it would empower rural communities. It might be mutually beneficial to facilitate communication and cooperation between Mongolian rural communities with indigenous communities in Australia and Canada.

For Mongolia, a silver lining of the COVID-19 pandemic has been the ability to carry out direct flights to far-away locations, including Australia and the United States, underscoring the country’s potential to establish direct lines to North America and Australia in the future. Just as the COVID-19 pandemic has demonstrated the importance of multilateralism, it is showing Mongolia how crucial it is to expand and deepen its relations with the middle powers.
Endnotes

1 An interview with Mongolian Ambassador Chuluunkhuu Batlai to Australia, 26 March 2021.


8 Government of Canada, “Canadian International Assistance in Mongolia”. 9 June 2017. Available at https://www.international.gc.ca/world-monde/issues...
Mongolia’s Relations with the West

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BEYOND HORSES AND THE FRONTIER: MONGOLIA-UNITED STATES RELATIONS

G. Tuvshinzaya
Mongolia has an extremely limited role in the United States’ fundamental strategic interest. Since the establishment of bilateral diplomatic relations in 1987, Mongolia has been an important partner to the US in many areas—but never as an indispensable ally. Yet, the bilateral relations have immense potential that could positively impact on both countries as well as Mongolia’s adjacent regions and beyond. Due to Mongolia’s geographic location between Russia and China, obvious geopolitical constraints remain. Correctly understanding the constraints and opportunities of the Mongolia–US relationship is a key to the continued success of this democratic oasis in the region.

The future of this bilateral relationship depends much on Mongolia’s initiative and proactiveness. Now that the troop contribution to Afghanistan has ceased due to the US and coalition withdrawal from the country in 2021, one of the biggest pillars of the Mongolia–US relations is gone. Apart from the Millennium Challenge Account’s $350 million water management project, there are currently no major publicly announced initiatives in the pipeline that could help the bilateral relationship realize its full potential. Mongolia–US relations need a serious and creative rethinking to continue to advance amid the changing world order.

Mongolia’s two immediate neighbours—Russia and China—were always uneasy with its comfortable relationship with the US. But because it is near impossible for Mongolia to pose any security threats to its two neighbours and thanks to adept skills of Mongolian diplomats in managing the immediate neighbours’ interests, so far Russia and China have tolerated Mongolian democracy. But given the increasing enmity between the US and the Russia–China alliance, Mongolians are worried that the accumulating geopolitical and economic constraints will stifle its democracy and sovereignty.
The big veto

The Mongolia–US relationship is a story punctuated by dramatic breakthroughs. After the country’s independence from the Qing Dynasty in 1911, Mongolian leaders dispatched a delegation to the Tsarist Russia with a secret agenda to establish diplomatic relations with the Western powers. It is said that the newly independent Mongolia’s First Prime Minister Sain Noyon Khan Namnansüren sneaked out from his hotel during the nights to try to meet with US and other foreign embassy officials without eliciting suspicions from the Russians but ultimately failed to meet anyone. This and numerous other attempts were largely unsuccessful and remained so until the 1944 visit to Mongolia by US Vice President Henry Wallace in preparation for the 1945 Yalta Conference, which recognized Mongolia’s status quo independence.

The initial US support for Mongolia in 1945 was mainly drawn by the Americans’ interest to acquiesce to the then-Soviet Union, whose interest was to maintain a buffer state between itself and China. By 1961, when the Cold War was raging full scale, the Kennedy administration made an overture and expressed interest in establishing diplomatic relations with Mongolia. Secretary of State Dean Rusk sent a memorandum to President John F. Kennedy recommending that the administration extend diplomatic recognition to Mongolia and outlined that the main interest for the US in maintaining an embassy in Ulaanbaatar would be as a listening post. It “would be a most useful place from which to observe and evaluate differences between the Soviet Union and Communist China,” explained Secretary Rusk.¹

Unfortunately, due to internal and external factors in both countries, that course of action was not taken. However, the US signalled its commitment to establishing diplomatic relations with Mongolia by abstaining in the United Nations Security Council vote on Mongolia’s membership. To ensure that Mongolia’s membership to the United Nations was
not blocked, the US, together with the Soviet Union, even went as far as “mobilizing sufficient abstentions,” including from China, which ended up not participating in the voting.2

Efforts by both sides continued almost until the end of the Cold War. After President Richard Nixon’s visits to Beijing and Moscow in 1972, the US State Department received an approval to finalize the diplomatic recognition in March 1973, and the Mongolians made the same decision in April 1973.3 But bowing to pressure and active interference from the Kremlin, the Mongolians had to halt the process. According to the memoir of former Mongolian Deputy Foreign Minister Daramyn Yondon, Soviet Foreign Minister Andrei Gromyko said in 1976 that because the US was “striving to have an intelligence post in [Mongolia], there [was] no need to rush to establish the bilateral relations.”4 Deputy Minister Yondon dubbed it as the “big veto”.

A breakthrough occurred in 1986. A couple of months after the first summit between US President Ronald Reagan and Soviet Premier Mikhail Gorbachev in November 1985, Soviet Foreign Minister Eduard Shevardnadze visited Ulaanbaatar, proclaiming that “the establishment of the diplomatic relations with the United States would complement our common interests. You could and should establish the relations with the United States.”5 By April 1986, the US Embassy in Tokyo received positive signals from the Mongolians, and suspicious that Shevardnadze may have set a trap, both sides initiated an almost clandestine process to establish diplomatic relations. In January 1987, Mongolian Permanent Representative to the United Nations Gendegini Nyamdoo and Secretary of State George Shultz signed a memorandum of understanding in Washington, DC formally establishing bilateral diplomatic relations.

Yet, many surrounding events leading up to the signing ceremony remain shrouded in mystery. Except for Deputy Minister Yondon’s mem-
oir, there are limited resources on that process from the Mongolian perspective. Even one of the most respected scholars on Mongolia–US relations, Ambassador Ravdangiin Bold, curiously avoids recounting the years leading up to January 1987 in his books. The best resources on the topic are by American diplomats, many of whom served in Mongolia. But according to two US foreign policy specialists, in addition to depicting only the American side of the process, at least one American diplomat may have grossly exaggerated her role. As more governmental archive materials become declassified on both sides, future historians may finally be able to accurately describe what actually transpired.

A philosophical interest

Once bilateral diplomatic relations were established, the question of defining the strategic interests ensued. What is oftentimes absent from most of the discussions on Mongolia–US relations is the fact that initially both sides had an extremely limited idea of how this relationship should advance. In his speech at the signing ceremony in 1987, for instance, US Secretary Shultz spoke little of substance. In an attempt to define the US vision of the bilateral relations, he said nothing more than a vague statement about initiating “a normal dialogue between our peoples”. He could not point anything beyond “horses and the frontier” as the similarities between the two nations.

As for Mongolia, its leaders seemed to have had an extremely misconstrued understanding of the US intentions. The first resident US Ambassador, Joseph Lake recounted one particular meeting he had in 1990, when President Punsalmaagiin Ochirbat asked him to arrange $230 million in yearly assistance for Mongolia. This suggests that Mongolia, highly dependent on the Soviet Union in terms of sustaining its economy “—and this aid was quickly dissipating due to the disintegration of the Soviet Union—”, initially hoped Washington would simply replace Moscow.
Until US Secretary of State James Baker’s visit to Mongolia in August 1990, which was cut short due to Iraq’s invasion of Kuwait, and another visit in July 1991 to make up for the first trip, it seems the bilateral relationship was left to wander aimlessly. Secretary Baker should be credited for singlehandedly defining and reinvigorating the strategic aims in both Ulaanbaatar and Washington. This moment in history ultimately reflects that breakthroughs in the Mongolia–US bilateral relationship are due to proactive leaders and historical serendipities—not from the confines of the US State Department or the Mongolian Ministry of Foreign Affairs.

With his sheer perseverance and leadership, Secretary Baker forced the US foreign policy establishment to make Mongolia a priority, presciently sensing that the country could turn into a successful democracy. Just a few weeks after his meeting with Mongolia’s First Deputy Prime Minister Dashiin Byambasüren in May 1990, Secretary Baker announced that he would make an official visit to Ulaanbaatar that summer. This accelerated the normally slow process of negotiations for various bilateral agreements and the confirmation of the first resident US ambassador to Mongolia. Without Secretary Baker’s unexpected announcement of his visit, the whole process could have taken years, or never have happened.

In his memoir, Secretary Baker recounted how his staff was initially reluctant to make the trip happen. Even as his plane was approaching Ulaanbaatar, some State Department diplomats advised him against landing due to the situation brewing in Kuwait. But the Texan was determined. “I wanted to lend the moral encouragement of the US to [Mongolia’s] efforts,” he wrote.8 In hindsight, it seems as if he saw Mongolian democracy as a low-hanging fruit due to its small population size and that any effort would yield a great return.

Secretary Baker coined the guiding concept of the post-socialist foreign policy of Mongolia. During his 1990 visit, while assuring Mongo-
lian Foreign Minister Tserenpiliin GomboSUREn that the US did not harbour any hidden intent to influence Mongolia’s relations with its two neighbours, Secretary Baker described the US as if it shared a physical border with Mongolia: “We believe Mongolia could maintain good relations with the US—your third big neighbour,” he said.9

The term “third neighbour” was quickly picked up by Minister GomboSUREn and the Mongolian press. The discussions and enthusiasm that followed Secretary Baker’s visit eventually gave birth to Mongolia’s Third Neighbour Policy, which is still one of the cornerstones of Mongolian foreign policy to this day. This policy pursues “bilateral and multilateral cooperation with highly developed democracies in political, economic, cultural and humanitarian affairs”.10 In other words, the Third Neighbour Policy gives Mongolia the conceptual framework to transcend its immediate two neighbours and perceive itself as a democratic nation whose future lies with the rest of the developed world.

What these stories underscore is that the real strength and foundation of a bilateral relationship is the philosophical underpinning. In a 1994 interview, Ambassador Lake, who oversaw Secretary Baker’s visits to Mongolia, summed up the US national interest in Mongolia at that time as one in which the Americans wanted to prove to the world the viability of democracy and free markets—even in far-flung corners. “I do not see a US interest in Mongolia, except for a philosophical one,” he said rather candidly.11

This core of the US interest in Mongolia has not changed much over the years. The late East Asian scholar Alan Wachman, who regarded Mongolia–US bilateral relations as highly underappreciated, wrote in 2009: “US policy toward Mongolia is not so much about what the United States ‘gets’ by assisting as about what the United States is. Washington’s credibility, relevance and integrity are at stake.”12 But this philosophical interest has created its own set of challenges and opportunities.
The US government’s emphasis on this idealistic interest as a driver of bilateral relations never fully convinced either the Mongolian public nor American citizens. Naturally pragmatic people, some Mongolians suspected that the US harboured a nefarious intention to exploit Mongolia’s rich natural resources. American citizens who became incredulous of US interventions abroad also regarded their government’s strategic interest in Mongolia sceptically. This was clearly a failure of communication to their respective public on both sides.

The philosophical approach to the bilateral relationship, however, allowed it to advance in a more sustainable way. Instead of the $230 million that President Ochirbat had asked for in 1990, the US pledged $30 million in aid annually.\textsuperscript{13} It became clear to Mongolians that the bilateral relations with Washington would be quite different from its relations with Moscow. The investments and aid that the US gave were nowhere near what Mongolia had received from the Soviet Union. This lowered expectations on the Mongolian side.

Without evident immediate returns, initiatives that have long-term effects took off at their own comfortable pace. For example, since 1991, nearly 1,500 American Peace Corps volunteers have served in Mongolia—teaching and advising across the country.\textsuperscript{14} It is nearly impossible to quantify the actual contribution of these volunteers to thousands of rural Mongolian students who learned English through them. These volunteers typically spend two years in remote rural communities of Mongolia. They return to the US as advocates for the country with a deep understanding of Mongolians’ way of living and values—sometimes even better than many of the urban Mongolians themselves.

\textbf{Back to Mongolia}

Mongolia was never a foreign policy top priority for the US. Hence,
Mongolia oftentimes slipped off the US government’s radar, especially in times of resource constraints or shifting focus. By the time President George W. Bush was elected in 2001, US attention to Mongolia had declined drastically due to funding cuts for global democracy promotion as well as the absence of any immediate geopolitical interest in Mongolia.

The declining attention resulted in a noticeable reduction of projects and initiatives that oftentimes symbolized the US support for Mongolia’s democracy. According to Mendee Jargalsaikhan, an expert on Mongolia–US relations, the US Agency for International Development, The Asia Foundation, the International Republican Institute, and even the US Embassy had significantly scaled back their operations to just a few small-scale projects as of the early 2000s.\(^\text{15}\)

Although the remaining US assistance and aid still made a difference, such as the Fulbright Program that continues to fund Mongolian scholars (nearly 400 to this day),\(^\text{16}\) Mongolian policymakers saw the US focus vanishing. The bilateral relations needed another breakthrough moment akin to Secretary Baker’s visit.

Two important events took place in the 2000s that changed things—the Global War on Terror and the global mining boom. Mongolian policymakers’ subsequent reactions to these events created the necessary impetus that would catapult the bilateral relations into the twenty-first century.

Despite its illustrious military history that stretches back to the times of Genghis Khan and due to the relative peace that followed the disintegration of the Soviet Union and post-socialist economic challenges, it became hard for Mongolia to justify its military expenditure. According to World Bank data, Mongolia was spending more than 6 per cent of its GDP on military at the end of the 1980s (the US spent 3.7 per cent of its GDP on defence in 2020). Within a couple of years, that amount was
drastically reduced to less than 2 per cent. Compared to the Socialist times, Mongolian armed forces went through an underfunded and neglected period throughout the 1990s.

**Mongolia’s military expenditure in percentage of GDP**

![Graph showing the percentage of GDP spent on military expenditure from 1987 to 2020. The graph shows a sharp decline in expenditure after 1990, stabilizing around 1% by 2020.]


Enter the 11 September attack on the US. Mongolia was one of the first countries to offer condolences and condemn the terrorist attacks. When the US reached out to countries for support for the Global War on Terror, the Mongolian Parliament agreed to deploy a 170-soldier contingent to Iraq in August 2003, even though Russia and China openly opposed the US military operation. Shortly thereafter, in October 2003, another Mongolian contingent was sent to Afghanistan, which operated until the spring of 2021—for more than 17 years. It required an enormous effort to make the underfunded Mongolian army ready for international military operation. According to the General Staff of the Mongolian Armed Forces, Mongolia has contributed close to 1,200 troops in Iraq and almost 6,000 troops in Afghanistan since 2003.

This expanded defence cooperation took the bilateral relationship to a new
height. New developmental aid packages were earmarked for Mongolia. One of the projects, the Millennium Challenge Account, provided Mongolia with a five-year $284.9 million grant funding that was spent on property registration, public health, vocational training, energy-efficient stoves and road construction.\textsuperscript{18} Mongolia qualified for it due to its democratic governance and support for the Global War on Terror. In April 2021, a second compact with the Millennium Challenge Account, worth $350 million, was launched to increase the available supply of water in Ulaanbaatar.

The other significant driver of the breakthrough in the Mongolia–U.S. relations was the mining boom that followed the 2007–2008 global financial crisis. Commodity prices rallied to an historic high level, creating an opportunity for Mongolia to finance its own development gaps and catch up with the developed world. For the first time, the US was able to justify its support for Mongolia to its taxpayers with tangible commercial interests. Although direct US investment in many of the mining projects, such as the Oyu Tolgoi copper mine, has been minimal, the indirect commercial interest has been significant. The mining sector continues to be the biggest buyer of US exports to Mongolia.

**Global price index of all commodities (index 2016 = 100)**

![Global price index of all commodities](https://fred.stlouisfed.org/series/PALLFNFINDEXQ)
Running out of steam

With the decline of significant investment opportunities in Mongolia and the withdrawal of Mongolian troops from Afghanistan, similar to the late 1990s, the Mongolia–US relations entered another auto-pilot period. Apart from the Millennium Challenge Account’s water project, no major cooperation initiatives have been announced in recent years. Sensing that this wane might negatively affect the Third Neighbour Policy, Mongolian policymakers sought another breakthrough to reinvigorate the bilateral relations.

One creative initiative that gained some traction was the Third Neighbor Trade Act legislative bill submitted to the US Congress, which, if passed, would have allowed Mongolia to export duty-free cashmere products to the US. The idea was first pitched by the Mongolian Democratic Women’s Union to then-newly elected President Khaltmaagiin Battulga. During his first meeting with US Ambassador Jennifer Zimdahl Galt a few days after his inauguration in 2017, President Battulga requested the US to consider duty-free treatment to Mongolian textile and woven products. No support came through from the US Embassy, and Mongolian policymakers realized that they need to speak directly to Washington policymakers to make things happen.

Until the 2005 abolishment of the World Trade Organization’s textile quotas, Mongolia had unused quotas to export to the US, which countries that had used up their quotas were eager to take advantage of. This brought in foreign investment and created manufacturing jobs in Mongolia for more than a decade. According to The New York Times, nearly 40,000 Mongolian women were employed in the garment industry and generated $200 million worth of annual garment exports.
amount was equal to nearly 10 per cent of Mongolia’s GDP in 2004. But all of it vanished overnight on 1 January 2005 with the abolishment of textile quotas, hitting Mongolian women particularly hard.

Although cashmere generates a sizeable portion of Mongolia’s foreign exports, duty-free exports of Mongolian cashmere would hardly make a dent on the garment industry of the US—a country that produces hardly, if any, cashmere. Total bilateral trade in 2012 measured $707 million. In 2017, the US exported almost ten times less to Mongolia, at $82 million in goods, and imported less than $10 million from Mongolia. It is unlikely that the increased cashmere export would have brought the trade total to the 2012 level, but the symbolic gesture of the US supporting Mongolia’s economy and democracy would have created the breakthrough needed in the bilateral relations.

Former Republican Congressman Ted Yoho spearheaded the effort and introduced the Third Neighbor Trade Act legislative bill to the US Congress, first in 2018 and then again in 2019. The latter bill garnered significant bilateral support, and 78 (almost a quarter of all 435) members of Congress pledged to be co-sponsors, making it one of the most promising trade bills in that year. But the sudden COVID-19 restrictions and the US presidential election spectacle destroyed its chance for a Congressional vote. Democratic Congresswoman Dina Titus reintroduced the bill for the third time in April 2021, but so far it has attracted only six co-sponsors. It seems this potential breakthrough has lost its momentum.

Another promising area of bilateral cooperation that emerged in the past few years is the Indo-Pacific Strategy, which was conceived to redefine the US strategy towards Asia in relation to China. First adopted by the Trump administration, interestingly, this essentially maritime strategy includes Mongolia—a landlocked country. According to the US Strategic Framework for the Indo-Pacific, a declassified document that
has provided overarching strategic guidance to the US executive branch
departments and agencies, as a democratic partner to the US, Mongo-
ia is essential to the Indo–Pacific Strategy to “counterbalance Chinese
models of government”.25

As part of this objective, former US Secretary of Defense Mark Esper
made this first international trip to Mongolia in 2019. The official press re-
lease highlighted the Mongolia–US “shared democratic values and inter-
ests in regional peace and stability”—a clear message to China, whom
the US defines as its “strategic competitor”. President Donald Trump
then invited President Battulga to the White House for extensive talks.
As a result, bilateral relations were elevated to the strategic partnership
level,27 making the US the fifth country to do so with Mongolia.

The Biden administration has reaffirmed its commitment and contin-
uation of the Indo–Pacific Strategy. In a strategic document released
in February 2022, the US reassured that the country is strengthening
relationships with its “leading regional partners”, including India and
Mongolia in “innovative ways”.28 But the results of it, especially for
Mongolia, are yet to be seen. Given the now open hostility between
the US and the Russia–China alliance, the possibility of the Indo–Pacific
Strategy bringing in the much-needed breakthrough to the Mongolia–
US bilateral relations is becoming less likely.

Back to Mongolia redux

Both sides need to be cognizant of several factors when advancing the bilat-
eral relations to the next level. First, as Ambassador Lake noted, “in Mongolia,
the US was idealized far beyond our capabilities and reality.”29 It is important
to be aware of the US limitations. The US will never provide any security guar-
antee to Mongolia. Exaggerating the US role in Mongolia will not only create
unnecessary pressure on the bilateral relations but could negatively affect
Mongolia’s relationships with its immediate two neighbours.
Second, the truth is that Mongolia needs the US more than the US needs Mongolia. It is not a secret that the US engagement is essential for Mongolia to counterbalance its two neighbours’ interests and to protect its democratic governance. This has always been true, and it is unlikely that this reality will change anytime soon. It also means that to continue to advance the bilateral relations, Mongolia needs to be proactive. When more pressing global agendas compete for Washington’s attention, Mongolia often slips through the cracks. Ambitious yet implementable initiatives, such as the Third Neighbor Trade Act, could put Mongolia back on the agenda and bring the necessary breakthrough.

Third, the philosophical interest of the US in Mongolia means it is willing to partner with it insofar as Mongolia is willing to uphold its democratic values. Any erosion of democratic principles in Mongolia, such as obstruction of freedom of speech or assembly, would directly decrease the US interest. The foundation of this bilateral relationship is well maintained yet fragile. This means, when respecting the interests of its two immediate neighbours, Mongolia needs to uphold its democratic principles and ensure never to infringe upon the rights of its citizens. The US had an undeniable role in the success of Mongolia’s democracy and sovereignty in the past three decades. If the US engagement with Mongolia decreases, it will have irreversible effect on the regional prospects for democracy. Although the natural ebb and flow of bilateral relations have plateaued at the moment, history shows us that breakthroughs can emerge if both sides keep an open mind and remain willing to work hard.
Endnotes


2. ibid.


5. ibid.


8. ibid.


12. $ODQ0:DFKPDQ'RQWIRUDNH0RQJ$VLD5ROLF$YROS


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Mongolia’s Relations with the West


SWEDISH-MONGOLIAN FOREIGN RELATIONS: WARM SYNERGY WITH STRONG POTENTIAL BUT CHRONICALLY UNDERDEVELOPED

Erik Danielsson
Despite contact between the two peoples going back more than 400 years, two decades of Swedish development assistance following Mongolia’s democratic transition and a large Mongolian diaspora in Sweden, the Swedish–Mongolian relationship continues to be chronically underdeveloped. While Mongolia needs to be more proactive in engaging with Sweden, the latter should comprehend that having strong relations with the Asian country is strategically important for their regional development ambitions. With the 60th anniversary of formal diplomatic relations taking place in 2024, there is a small window of opportunity for Sweden and Mongolia to deepen the people-to-people contacts and reinvigorate governmental cooperation. Individuals and non-government groups from both countries have the potential to be influential actors in enhancing this promising bilateral partnership.

Earliest days

The first recorded contacts between the Swedes and Mongolians date to the early 1700s. Following Sweden’s defeat at the Battle of Poltava in 1709, Swedish artillery warrant officer Johan Gustaf Renat was captured by Russian Imperial Forces and sent to Siberia along with other prisoners of war. There, he entered the service of the Russian tsar and assisted in producing maps of Central Asia. During a 1716 expedition to search for gold deposits along the Irtysh River, Renat and other expedition members were ambushed by the Dzungar Khanate forces. Renat would spend 17 years in Dzungar captivity in what is now Western Mongolia, where he helped Tsewang Rabtan and Galdan Tseren Khaan establish a formidable artillery regiment and cannon foundry to use in their wars against China’s Qing dynasty. Renat would marry Brigitta Scherzenfeldt, a fellow Swede also held in captivity in Dzungar (she happened to be the knitting instructor to Tsewang Rabtan Khaan’s favourite daughter and ran weaving workshops). In 1734, Renat and Scherzenfeldt returned to Sweden.¹
Swedish–Mongolian Foreign Relations
Warm Synergy with Strong Potential but Chronically Underdeveloped

It would be nearly 100 years before the next encounter between the Swedes and Mongols. The new contact would be through Swedish efforts to share missionary work with Mongolians. The first Swedish missionary to meet the Mongols was Father Cornelius Rahmn, who preached to the Buryat and Kalmyk Mongols in Russia between 1819 and 1823 but was forced to end his work due to the Russian government’s suspicions that he was actually a foreign agent. Swedish missionary activities peaked between 1879 and 1949, when the Swedish Mongol Mission was active. The Swedish Mongol Mission operated mainly in the eastern part of Inner Mongolia. Because the Mongols were strongly influenced by Tibetan Buddhism, it was difficult for the missionaries’ evangelical messages to gain a foothold, leading them to primarily provide health care and schools.²

One of the most prominent Swedish missionaries was Count Frans August Larson, who served from 1901 to 1913 but eventually became a businessman and interpreter in Mongolia. Larson advised prominent political figures, such as the Bogd Khaan and then-Chinese President Yuan Shikai, on questions regarding Sino-Mongolian relations. In 1920, he was bestowed the title of Count by the Bogd Khaan. Count Larson later published several books on Mongolia, including his magnum opus autobiography Larson, Duke of Mongolia, which received international notoriety and was translated into English and other languages.³

Between 1927 and 1935, Swedish explorer Sven Hedin led a Sino-Swedish expedition to research meteorological, topographic and prehistoric conditions in Mongolia, the Gobi Desert and the Xinjiang region. During the fourth expedition, Hedin took various photographs relating to Mongolian history, culture, arts and lifestyle and collected Mongolian artifacts. Hedin’s collection makes up a considerable portion of the artifacts relating to Mongolian history and culture that are housed in the Ethnographic Museum in Stockholm.⁴
Following the 1921 Communist Revolution in Mongolia, a temporary gap in relations arose after the Swedish Mongol Mission closed its doors in 1949 and the missionaries returned to Sweden. It would not be until 1964 that Sweden and Mongolia officially established diplomatic relations. The Swedish Ambassador to China was accredited to Mongolia, and only in 2005 was a Swedish honorary consulate established in Ulaanbaatar. In 2003, Sweden and Mongolia signed a bilateral agreement on promoting and protecting investments as a first step towards deepening economic cooperation. Mongolia established an embassy in Stockholm in 2009 and operates an honorary consulate in Gothenburg.\(^5\)

High-level visits between Mongolian and Swedish officials have been limited, with only three taking place since the establishment of diplomatic relations. The first high-level visit to Sweden by a Mongolian President took place in 2012, when Elbegdorj Tsakhia met with government and non-government stakeholders. When he was Foreign Minister, Carl Bildt (and former Swedish Prime Minister) made an official visit to Ulaanbaatar the following year. The 2015 visit to Sweden by then-Mongolian Foreign Minister Purevsuren Lundeg resulted in a wave of optimism over increased bilateral visits and future cooperation on technology transfers. But subsequent official state visits have largely entailed sporadic parliamentary delegation visits and ambassadors merely presenting their credentials.\(^6\)

In May 2022, First Deputy of the Swedish Parliament, Åsa Lindestam, led a parliamentary delegation to Mongolia. During the week-long meetings, the main concern that the Mongolian side raised was the need for Swedish support for President Ukhnaagiin Khurelsukh’s One Billion Trees initiative. The Swedish side expressed interest in cooperation on girls’ and women’s issues because it is a major administrative
priority of the Swedish government’s feminist foreign policy. However, no projects on female empowerment were initiated.\textsuperscript{7}

This parliamentary visit garnered much political interest for Mongolia, and a dialogue on enhancing the bilateral relationship with the Swedish Parliament was started. Upon his return from the visit, parliamentarian Markus Wiechel questioned Foreign Minister Ann Linde as to why Sweden had not established an embassy in Mongolia, given the warm bilateral relations and strategic importance of the country’s geographical location. Foreign Minister Linde responded, “At present, I find the existing solution for Mongolia to be well-functioning and effective.”\textsuperscript{8}

\textbf{Mongolian democracy is a strategic asset for Sweden}

Mongolia’s democratic progress is a strategic asset for Sweden because it improves the lives of people in poverty, strengthens the rule of law and promotes human rights, hence aligning with the overall development interests of the Swedish government in Asia. A deterioration in Mongolia’s democratic successes would be a major setback to the liberal democratic order. As the Swedish Embassy in Beijing’s 2010 report looking at 20 years of assistance to Mongolia emphasized: “...it is a miracle Mongolia is a democracy being sandwiched between two authoritarian states.” Given the countless number of challenges facing the global democratic order, it is thus in Sweden’s best interest to cooperate with other like-minded countries to prevent and combat democratic backsliding in Mongolia.\textsuperscript{9}

The overall strategic objective of Sweden’s regional development cooperation in Asia for 2022–2026 is “to create opportunities to improve the lives of people living in poverty and oppression”. To achieve this, the Swedish Foreign Ministry and the Swedish Development Agency (SIDA) seek to contribute to activities that promote human rights, democracy, the rule of law and gender equality and that support environmentally
and climate-resilient sustainable management of ecosystems and biodiversity and the sustainable use of natural resources.\(^\text{10}\)

Assisting Mongolia with gender equality, climate change mitigation and democratic governance aligns with Sweden’s national interests of spearheading a foreign policy in support of women’s empowerment and overall strategy in Asia. It would also greatly improve the lives of Mongolians, strengthen trust in democratic institutions and enhance the Swedish–Mongolian bilateral relationship. The 2024 commemoration of 60 years of formal diplomatic relations between Sweden and Mongolia presents Sweden with the opportunity for stakeholders from various sectors to entrench themselves in Mongolia.

**Twenty years of development assistance**

Despite two decades of development assistance, the Swedish–Mongolian bilateral relationship remains, as mentioned, underdeveloped. SIDA was active in Mongolia following the democratic transition by focusing on support for the reform process and contributing to the national poverty alleviation programme and by funding numerous small-scale but complex projects on developing public administration, banking, health care, water, sanitation, democracy and human rights. But then, in 2010, its projects were phased out.

In cooperation with SIDA, the Swedish Red Cross supported and financed disaster relief training. Between 1997 and 1999, total Swedish funding for these projects amounted to 39.23 million krona. It was hoped that the network and positive reputation that SIDA had established during its time in Mongolia would help Swedish businesses establish a strong presence in the country.\(^\text{11}\)

The vast network that SIDA established between 1990 and 2010 has unfortunately not been thoroughly used and has not resulted in any
major achievements, with only a few projects ongoing. Stockholm’s fixation on other regional issues and its pivot towards engagement with other developing countries in Asia explain the failure of the Swedish network in Mongolia that took more than 30 years to materialize. On the Mongolian side, such factors as the insecure investment environment and the lack of a critical mass of consumers in Mongolia has resulted in Swedish businesses hesitating from establishing themselves there.

The failure to follow through and maintain the Swedish networks in Mongolia was made clear for all to see when then-President Battulga Khaltmaa (who was Minister of Roads, Transportation, Construction and Urban Development in 2010, when a Swedish delegation met him) did not visit Sweden during a 2020 European trip and visited Norway instead.  

Military relations

Swedish–Mongol military relations hit a high point in the early 1700s when Renat helped the Galdan Tseren Khaan establish an artillery regiment. Current military cooperation between Sweden and Mongolia is practically non-existent and symbolic at most. However, both countries’ security interests converge, and there is room for extensive cooperation on these issues. Sweden and Mongolia actively contribute to international peacekeeping missions, and both countries are targets of Russian disinformation campaigns. Mongolian military experts are keen to learn from Sweden about establishing a homeland defence strategy.

This past June, Mongolia hosted the Female Peacekeepers International Conference to highlight the role of women in international peacekeeping missions and to which Sweden sent an official delegate. This is the largest extent of military exchange between the two countries. The
Swedish presence at the 2022 Khaan Quest international peacekeeping exercise was not officially sent by the Swedish Armed Forces; rather, they were contracted by the United States’ Department of Defense. Stockholm’s rationale behind this is that the Swedish Armed Forces does not have enough fiscal resources to devote towards expanding bilateral military cooperation with Mongolia, given other priorities.\textsuperscript{13}

Given Sweden’s recent application to join the North Atlantic Treaty Organization (NATO) and its subsequent allocation of sufficient budget resources to the alliance, the Swedish Armed Forces may now have an opportunity to join United States-led efforts in Mongolia, one of which includes sending an official delegation to the Khaan Quest or starting their own military-oriented programmes. Because Mongolia is a free and open society, in which its citizens openly express their views on social media, including Facebook and Twitter, it leaves the population susceptible to being coerced or manipulated by disinformation. Therefore, Ulaanbaatar has expressed a strong interest in cooperating and learning from Stockholm on psychological defence and countering disinformation operations. There is potential for the new Swedish Psychological Defence Agency to train and conduct joint research with Mongolian defence planners.

Sweden and Mongolia also should seek to establish a form of military cooperation that mirrors the military cooperation between Germany and Mongolia. Since 2019, German mountain troops have been flying to Mongolia to support the establishment of a mountain infantry force.\textsuperscript{14}

**People-to-people exchanges**

Sweden maintains a positive reputation in Mongolia. This is partially due to many Mongolians having relatives or friends who are among the Mongolian diaspora in Sweden. The Mongolian economy is indi-
rectly supported by Sweden through remittances sent home. The major economic sectors that Mongolians in Sweden contribute to are the culinary (in particular, sushi restaurants), hospitality and construction industries. Mongolians who move to Sweden have a better chance at increasing their economic standing and thus improve their quality of life. It is a common practice that Mongolians return home with their newly found wealth, knowledge and experience to advance economic development opportunities in their respective hometowns. These Mongolians return to their homeland as advocates and ambassadors for Sweden and help reinforce a positive image of Sweden. A great example of this is demonstrated by the restaurant Stockholm Sushi in Ulaanbaatar. After a 13-year career as a sushi chef in Sweden, the Mongolian owner returned with his family and opened what has become one of the most popular sushi establishments in the nation’s capital.

The Swedish diaspora in Mongolia was at its largest size during the days of the Swedish Mongol Mission, in the late 1800s and early 1900s. Since the democratic transition of Mongolia, there have been fewer than ten Swedish nationals working in Mongolia at any given time. One of the most remarkable Swedish expats in Mongolia is Jan Wigsten, who has conducted tourism and business since the 1980s and has established himself as one of the leading providers of luxury tourism in the country.\textsuperscript{15}

In the Sámi culture, Sweden shares a direct parallel with the reindeer-herding culture of Mongolia. The people-to-people contacts in their field are strong due to Sweden sending reindeer to Mongolia to help replenish depleted herds. And Mongolia regularly sends delegations to take part in the World Reindeer Herders’ Congress in Jokkmokk, Sweden.\textsuperscript{16}
Need for non-government organizations

Although the Swedish–Mongolian relations are warm, there is room for improvement on promoting non-government (NGO) cooperation. Continuous cooperation between Swedish and Mongolian NGOs has historically resulted in positive outcomes for both sides. Swedish NGOs in Mongolia have had an important role in supporting the most vulnerable people. A notable example is Talita, a Swedish NGO that supports women exploited in prostitution, pornography and human trafficking. In 2013, Talita established a presence in Mongolia, becoming the first NGO in the country offering long-term support and safe houses for women. The Swedish Christian NGO Interact also has maintained a presence in Mongolia, focusing on combating human trafficking, child protective services and sustainable livelihoods.

One shortcoming is the lack of Swedish and Mongolian NGOs working to promote bilateral relations. The only Mongolian NGO to do so is the Mongolia–Sweden Development Co-operation Centre that was established in 2001 to further relations between the two countries. However, it seems to have ceased to exist due to no available information on activities. In Sweden, the Mongolian National Association was established in 2011 as a gathering place for the Mongolian diaspora; the Association organizes cultural events in Sweden that promote Mongolian national holidays.17

Environmental cooperation

Mongolia has been proactive in engaging Sweden to support cooperation on environmental issues, with a major project being the One Billion Trees initiative (a national movement that seeks to plant 1 billion trees by 2030 to combat desertification, deforestation and food insecurity as well as demonstrating Mongolia’s commitment to fulfilling the United Nations Sustainable Development Goals.) In May 2022, Yangug
Sodbaatar, the Chief of Staff of the Office of President, made a working visit to Sweden to meet with experts at the Ekebo Research Station of the Swedish Forest Research Institute, the Swedish-based Nordic Genetic Resource Center and the Sveaskog state-owned forest company’s tree nursery. The visit resulted in the signing of several memoranda of understanding between important Swedish and Mongolian forestry actors. Mongolia sees Sweden as greatly experienced in utilizing its forest resources and seeks to learn from Swedish forestry actors to help implement the One Billion Trees initiative. Bilateral cooperation on this initiative is a promising method of engagement that will help Mongolia boost its capacity for domestic tree nurseries by introducing Swedish technological solutions and developing an appropriate method of management in the forestry sector based on the Swedish model.

Another example of impactful environmental cooperation is the Swedish Environmental Protection Agency’s partnership with the United Nations Development Programme and the United Nations Environment Programme that is behind the Environmental Governance Programme in Mongolia. The programme focuses on sustainable natural resource management by implementing environmental monitoring approaches to facilitate participation and mutual responsibility among Mongolian stakeholders in the environmental governance of mining.

Academic relations

Following his May parliamentary visit to Mongolia, Swedish parliamentarian Wiechel also questioned the Minister for International Development and Cooperation, Matilda Ernkrans, as to what extent she had worked to develop academic exchanges and cooperation between Swedish and Mongolian universities. He instead received an answer from the Education Minister, Anna Ekström, who responded that the Swedish government encourages Swedish universities to cooperate with universities from lower-middle-income countries but that any aca-
Academic exchanges with Mongolian universities is something that Swedish universities and colleges should decide on independently. However, Swedish academic cooperation with Mongolia is limited. Among the few known examples, Uppsala University, together with the Royal Swedish Academy of Letters, History and Antiquities, launched a project in 2019 to catalogue and digitalize more than 1,400 pictures taken by Swedish missionaries in Mongolia at the beginning of the 1900s.20

As of 2022, only six Swedish students have conducted minor field studies in Mongolia as part of research for their respective thesis work. In 2018, Luleå Technical University and the National University of Mongolia established a partnership under the Linnaeus-Palme Programme and received funding totalling 472,400 krona (US$46,250) to allow for Mongolian professors to visit and lecture in Luleå.

There is paleontological cooperation between the Institute of Paleontology and Geology of the Mongolian Academy of Sciences and the Swedish Museum of Natural History that involves a four-year joint project studying Precambrian and Cambrian sedimentary fossil sites to determine the habitats of the earliest known life forms and the climate of that time. There remains, however, a large gap in research and interest by Swedish academics on Mongolian politics, military, economy and society. 21

European Union–Mongolia relations overshadowing bilateral relations

The European Union and Mongolia established diplomatic relations in 1989. In 2006, the European Union established a technical office in Ulaanbaatar that was upgraded to a Delegation in 2017. In 2014, Sweden ratified the Partnership and Cooperation Agreement between the European Union (and its Member States) and Mongolia and expressed hopes that the new agreement would facilitate cooperation and exchange between Sweden and Mongolia, both bilaterally and in various contexts within the European Union framework.22
Unlike other Member States, Sweden has been largely unsuccessful in simultaneously improving its bilateral relations alongside European Union relations with Mongolia. Following the signing of the 2014 European Union–Mongolia Partnership Agreement, Sweden handed authority over to the European Commission in carrying out development assistance to Mongolia. Development assistance is now seen as a pillar of European Union–Mongolia relations because it helps support the Mongolian government and civil society, with the final objective of eradicating poverty while improving sustainable development, including the pursuit of the United Nations Sustainable Development Goals.

There is a large number of Swedish nationals working for the European Union Delegation, and their efforts have positively and comprehensively impacted multilateral relations with Mongolia. Yet, the lack of official Swedish engagement in European Commission projects in and with Mongolia is apparent. The European Union’s two areas of focus in Mongolia are improving governance of revenues for inclusive and sustainable growth and support for better employment opportunities through the creation of skilled jobs and decent work outside of the mining sector. Sweden should more actively support the European Union in these areas in Mongolia by sending more experts and/or assistance in the form of its own bilateral projects that complement the European efforts.

Enhancing the bilateral relationship

In addition to more active support, Sweden should be more proactive in engaging Mongolia. Swedish attention towards Mongolia decreased dramatically after the scaling back of projects by SIDA in 2010. There were hopes that the network that SIDA established would help Swedish businesses and NGOs to integrate themselves into Mongolia. However, as noted, Swedish government and non-government organizations’ activities in Mongolia have remained minimal.
There are several low-effort actions that can be taken to improve bi-lateral relations that would benefit both sides. First of all, Sweden should look to upgrade its diplomatic presence by opening an embassy in Ulaanbaatar. The closure of the Chinese border due to Beijing’s zero-COVID-19 policy has increased the time it takes for Mongolians to secure a visa at the Swedish Embassy in Beijing. Establishing an embassy in Ulaanbaatar would facilitate and support an increased presence of Swedish activities and business in Mongolia and help to monitor activities. It would also allow Sweden’s Beijing Embassy to focus on China’s domestic priorities, which would not directly impact Sweden and Mongolia relations.

Sweden and Mongolia should also seek to implement a new visa-free travel agreement. Currently, citizens of both countries are required to apply and pay for visas to enter the respective country. A major reason why a visa-free regime has not been implemented yet is because of consular issues relating to incidents in which Mongolians previously entered Sweden illegally or overstayed their visa. In 2021, the Swedish police had 24 open deportation cases against Mongolians who had illegally resided in the country. According to Statistics Sweden data, 5,311 Mongolian nationals were permanent residents as of 2021. Yet, after their Swedish-born children and Mongolians illegally residing in Sweden are accounted for, there are an estimated 8,000–10,000 ethnic Mongolians living in Sweden, making it one of the largest European destinations for the Mongolian diaspora. This large concentration of Mongolians was the leading factor behind the decision to open the Mongolian Embassy in Stockholm in 2009.23

Similar to Sweden, Mongolia is also making efforts to establish a “feminist foreign policy strategy”. The Mongolians see Sweden’s feminist foreign policy strategy as the most comprehensive and thus the government has sought Swedish support in forming a Mongolian action plan and to strengthen the country’s democracy. As a major champion
of female empowerment issues, Sweden should aim to give guidance and to share knowledge with the Mongolian Foreign Ministry in this endeavour.24

Conclusion

The Mongolia–Sweden bilateral relationship is promising across multiple domains, whether that be women’s empowerment, combating climate change or people-to-people exchanges. Yet, the lack of a Swedish Embassy in Ulaanbaatar, non-existent military cooperation, negligible academic exchange and halted development assistance despite aligned interests continue to be major obstacles that block expanding the bilateral partnership and result in the relationship continuing to be chronically underdeveloped.

Mongolia needs to be more proactive in voicing its interest in cooperation and engagement with Sweden, while the latter should comprehend that having strong relations with the Asian country is strategically important for Swedish regional development ambitions. Finally, as the past has shown, individuals and non-government groups from both countries can be important actors in supporting governmental aims and enhancing this promising bilateral partnership.

Sweden and Mongolia have the opportunity to re-engage each other on development assistance and expand cooperation by initiating bilateral security projects. Both countries share a similar stance on nuclear non-proliferation. Sweden can work with Mongolia to promote non-proliferation and nuclear weapon-free zones at the United Nations. Sweden could collaborate with Mongolia and other Asian partners of the Organization for Security and Co-operation in Europe—both countries being members—to promote human rights and the rule of law and law enforcement. And they could collaborate on feminist foreign policy in a two-pronged approach, with one at the United Nations
and the European Union and the other through NATO, with a focus on strengthening women uniformed personnel in the military, police, para-military and peacekeeping.

Lastly, Sweden and Mongolia both maintain good relations with the Democratic People’s Republic of Korea, and there is room for bilateral cooperation to engage with the northern Korea, in particular on disaster risk reduction and management, humanitarian aid projects, academic exchanges and strategic dialogue.
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Endnotes


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Mongolia’s Relations with the West


CHAPTER FIVE

Mongolia and the International Order
SMALL-POWER DIPLOMACY: MONGOLIA’S PEACEKEEPING COMMITMENT

Ch. Nyamsuren & J. Mendee
Mongolia first emerged on the United Nations peacekeeping contribution list in 2002 with four military observers and it ranked at 82nd out of 89 countries in terms of personnel deployed. Today, Mongolia stands at 24th out of 123 countries. At the time of writing, 881 military personnel, including 15 experts, were being deployed to peacekeeping missions.¹ To maintain this size of the force, Mongolia needs to make available more than 2,000 military personnel or three rotations: one group in the mission, another in preparation and the third just out of a six- to nine-month deployment. Simultaneously, Mongolia deployed its military to the coalition operations in Afghanistan, Iraq and Kosovo along with North Atlantic Treaty Organization (NATO) members. Given the country’s small GDP, population and military, Mongolia’s contribution to the United Nations and NATO is a remarkable commitment and is considered as a reliable partner in peacekeeping.²

In addition to the peacekeeping deployments, Mongolia established an internationally recognized state-of-the art peacekeeping training centre, known as the Five Hills Peace Support Operations Training Centre.³ The centre provides bilateral training opportunities for militaries, from the largest (Indian and German) to the smallest (Belgium and Qatar). The centre hosts a small but unique peacekeeping exercise, Khaan Quest, which brings the militaries of China, Japan, South Korea and the United States together with emerging troop-contributing nations around the world for UN peacekeeping drills. Mongolia’s peacekeeping efforts can be seen as an example of a modest constructive collaboration of major and small powers in a gloomy geopolitical setting.

In this paper, we provide an overview of Mongolia’s peacekeeping participation, explain how it aligns with the country’s national security and foreign policy objectives, discuss its benefits for the military and recommend establishing an international think tank for peacekeeping in Mongolia.
Background

After concluding a memorandum of understanding with the United Nations in 1999 to provide staff officers, military observers and medical officers to peacekeeping missions and passing a law permitting military and police participation in peacekeeping in 2002, Mongolia sought ways to deploy its military contingent in peacekeeping operations. But it was a competitive business. For example, in October 2002, Mongolian President Bagabandi Natsag requested support from then-UN Secretary-General Kofi Annan to deploy an infantry platoon (about 30–36 personnel) and to use the military training centre as a regional peacekeeping training centre for the United Nations. However, a team of experts from the UN Peacekeeping Department investigated the Mongolian military's peacekeeping preparations and concluded that the country would need at least two or three years of training and would need to meet the UN table of organization and equipment. It became clear that the Mongolian military needed time to qualify for UN peacekeeping operations.

In March 2003, the government decided to deploy a contingent in support of military operations in Iraq, led by the United States and the United Kingdom. This was a risky but independent foreign policy decision because its powerful neighbours both opposed the coalition’s military operations. From September 2003 to October 2008, Mongolia deployed 1,192 personnel of an infantry company and construction platoon through ten rotations to Iraq. The Mongolian contingent served in the Polish-led Multinational Division Central–South until the end of the mission. Mongolia’s deployment to Iraq contributed positively to bilateral relations with the United States, the United Kingdom and Poland. In 2005, US President George W. Bush made an official visit to thank Mongolia for its contribution to the coalition operations in Iraq as well as Afghanistan.
Mongolia’s participation in the coalition operations in Afghanistan slowly expanded. First, the Mongolian military was in charge of the training and maintenance of the Afghan National Army artillery force. From October 2003 to March 2012, around 14 mobile training teams (about 300 personnel in total) worked in Afghanistan to develop the national training programme, train Afghan artillery officers and non-commissioned officers and repair artillery weapons. Then, beginning in October 2010, Mongolia sent eight rotations of a helicopter maintenance and training team to support the Afghan Air Force, which was equipped with Russian-made helicopters.

Second, Mongolia deployed a company (120–130 personnel) to protect Camp Eggers, one of the main military camps in Kabul, beginning in October 2009. A platoon worked with the German-led provincial reconstruction team in Feyzabad, in northern Afghanistan, as of December 2009. And in May 2011, a Mongolian platoon began working with the Belgium military to provide security for the Kabul International Airport.

As of 2010, Mongolia was officially recognized by NATO as a troop-contributing nation to its missions in Afghanistan. Mongolia also deployed two platoons to join with the Belgium and Luxembourg militaries to the NATO mission in Kosovo. This was an interesting effort, made by two small members of NATO, to provide opportunity for the Mongolian military to be deployed with francophone-speaking forces in Europe while following the NATO standard of operations.

Meanwhile, as the original UN mission in Sierra Leone ended in 2005, Mongolia was given an opportunity to deploy a military contingent of 250 personnel to protect the Special Court for Sierra Leone. It was an international court tasked with prosecuting individuals responsible for war crimes during the civil war there. Between 2005 and 2011, when the Mongolian contingent was in charge of security, a number of war criminals, including former Liberian President Charles Taylor, were im-
prisoned and prosecuted by the Special Court. This was the first-ever UN peacekeeping deployment of the Mongolian military. From 2009 to 2010, Mongolia also deployed two contingents (528 personnel in total) to the UN mission in Chad to protect civilians. And Mongolia set up a level-II medical field hospital in Darfur as a part of the United Nations–African Union operations. From 2010 to 2017, eight medical teams of 554 Mongolian doctors and nurses provided medical services to more than 11,000 people. From 2011, Mongolia began its largest deployment of 850 personnel (a battalion) to the United Nations Mission in South Sudan. More than 370 officers have been deployed to most of the UN missions as staff officers, liaison officers, mission experts and military observers since 2002.7

The participation of Mongolian women in the UN peacekeeping deployments has also expanded. To date, nearly 800 women have been deployed in the peacekeeping operations: 56 observers and staff officers and 742 with the military contingents. Around 44 per cent of personnel for the level-II field hospital were women doctors and nurses. Now, more than 6.5 per cent of the Mongolian contingent members serving in peacekeeping missions are women.8

The national security and foreign policy rationale

Peacekeeping supports Mongolia’s security and foreign policy objectives. In the post-Cold War period, Mongolia’s security and foreign policies have changed dramatically.9 The Sino–Soviet rapprochement ended the military alliance with the Soviet Union. This resulted in the complete withdrawal of the Soviet military from Mongolia, removed the mutual defence obligation of the 1966 treaty with the then-Soviet Union and Russia and ended massive military–technical assistance for the Mongolian military.

To maintain neutrality, Mongolia’s 1992 Constitution and subsequent
national security and foreign policy concepts restricted the provision of any access to foreign military forces and prohibited the country from joining military alliances.\textsuperscript{10} Mongolia declared its territory a nuclear weapon-free zone in 1992 and joined the Non-Aligned Movement in 1993.\textsuperscript{11} In the absence of any military alliance or security guarantee by major powers, its commitment to neutrality has become the only choice for Mongolia to maintain its sovereignty and independent statehood. Chinese and Russian geopolitical interests could be satisfied by not asserting their geostrategic or military interests in Mongolia and also Mongolia’s commitment for not welcoming any security interests from their geostrategic competitors. Given this external setting, peacekeeping has evolved as the most convenient tool for Mongolia’s security and foreign policies.

First, peacekeeping is a comfortable means to develop military ties with China, the Russia Federation and with third neighbours: the United States, Japan, the European Union, India, South Korea and Turkey. Due to the purpose of peacekeeping for global peace and security, the assistance for peacekeeping capacity-building by the Mongolian military is easily justified. Such development assistance includes the provision of non-combat military equipment, language and professional military training and open exercises. At the same time, China and the Russian Federation have contributed: China built the recreational facility for peacekeepers and provided engineering equipment and the Russian Federation provided military equipment (armoured personnel carriers) at the Five Hills peacekeeping training centre.

Second, peacekeeping deployment substantiates Mongolia’s multilateral diplomacy, which aims to increase the country’s international profile and to strengthen its sovereignty. In the absence of self-defence capability and security guarantees, Mongolia must rely on international organizations, especially the United Nations, for its independent statehood. Thus, Mongolia’s peacekeeping contribution supports its foreign
policy objective as well as the UN objective to maintain global peace and security. Similarly, it helps Mongolia to be recognized by NATO as an official partner and by the Organization for Security and Co-operation in Europe (OSCE) as a member State. And it helps Mongolia develop ties with European partners, including former socialist States, that share a similar past and transformation as well as new relationships in Western Europe.

Third, peacekeeping provides another layer to Mongolia’s foreign policy efforts to host international and regional events, building on its Finland- or Switzerland-like neutrality. Even during the Cold War, especially in the 1970s and the 1980s, Mongolia took the initiative to host small-scale regional events. Now, Mongolia has hosted several international events (the Asia–Europe Meeting), thematic events (with the UN, OSCE and the Shanghai Cooperation Organization) and its own Ulaanbaatar Dialogue. With the United Kingdom, Mongolia co-hosted the first-ever peacekeeping exercise with four permanent members of the United Security Council, in July 2004. Also, the Khaan Quest, an annual event co-organized with the United States, has into a multinational venue welcoming country from the region as well as emerging troop contributors\textsuperscript{12} (see the table at the end of the paper).

The military rationale

Peacekeeping deployment has made important contributions to civil–military relations and military reform. As with many other European former socialist States, control of the Mongolian military transitioned from one-party rule to the multiparty system in which democratically elected officials exercise power. Under the 1992 Constitution, a new civilian control mechanism was established. The decision to deploy military for peacekeeping missions became a clear test for this type of civilian control. Throughout all peacekeeping deployments, civilian leaders have been in charge of the decision-making process, and the military
participates in a professional capacity. The peacekeeping deployments have gradually helped to build healthy civil-military relations within Mongolia. Unlike the period of the 1990s, when Mongolians questioned the need for armed forces and witnessed unpopular news coverage of alcoholism, hazing and other unattractive aspects of the military, peacekeeping has cultivated a new image. Politicians began to see it as a foreign policy tool. The public became aware of Mongolian military’s global deployments, and some youth saw professional opportunities, including foreign schooling and deployment. Peacekeeping saved the military, which had become one of the less-funded, marginalized security services in the absence of any external threat.

Peacekeeping also contributed to military reform. By 1992, the country's excessive defence establishment needed to downsize. The Soviet military had withdrawn, the massive officer corps was discharged and the militarized social structure (the three-year compulsory service along with the reserve system and special units for military training and planning at public organizations, including universities and secondary schools) was dismantled. Both the Soviet military technical assistance and a substantial share of the GDP for defence disappeared overnight. Even though the 1992 Constitution declared that Mongolia shall maintain an armed force for self-defence, the government cut the defence budget drastically due to the economic hardship during the political and economic transition period. The military began to pursue reform policies to develop a “capable, small and professionally oriented” armed force. Professionally oriented meant to bring the standards of the armed forces to a level similar to that of the NATO members. This goal was shared by most former socialist States in Central and Eastern Europe as well as some former Soviet republics. But unlike Mongolia, they were assisted by the United States and NATO member States and the European Union.

Despite the lack of interest among the NATO members, Mongolia
sought all opportunities to educate and train its military personnel. Peacekeeping began to serve as a venue to deploy its military personnel along with NATO member States. And deploying with foreign militaries provided opportunities to compare military capabilities, equipment and personnel and to expedite military reform. For example, the military quickly built up its linguistic capabilities because the peacekeeping missions are mostly conducted in English or French. Also, a core of military officers was educated and trained in Western countries to enable logistical interoperability with the United Nations and NATO forces. Interoperability has been a challenging issue in all areas of operation for any force deployed in peacekeeping operations. The disparity of command-and-control structure, organization, operating manuals, tactics, equipment and logistics creates difficulties for streamlining multinational operations. Bilateral and multilateral training events, exercises and liaison exchanges were created to mitigate the challenges of interoperability. Participation in peacekeeping operations helped the Mongolian military find ways to overcome these challenges and improve its training and operations.

Three major achievements have resulted so far from peacekeeping: It justifies the military to develop a designated, fully staffed and equipped peacekeeping force, such as the peacekeeping brigade, the engineering unit and the level-II medical field hospital. Second, with US assistance, the military created, from scratch, a non-commissioned officer corps that now constitutes more than 70 per cent of the military personnel for any given peacekeeping mission. And third is the establishment of the Five Hills training centre, which hosts pre-deployment training and bilateral and multilateral peacekeeping exercises as well as specialized training courses (for staff officers and military observers).

The future of Mongolian peacekeeping

Mongolia’s peacekeeping commitment continues to expand. Today,
peacekeeping has been recognized as one of the essential missions of the Mongolian military in support of the country’s foreign policy objectives. Both Mongolia’s peacekeeping deployments abroad and its hosting of bilateral and multilateral exercises have been endorsed by political leaders, parties and the public.

Building on these positive experiences and seeking broader acceptance, a logical next step is to develop its academic capacity. Mongolia could establish an international institute (think tank) for peacekeeping to encourage research on peacekeeping, peace support and humanitarian operations and to facilitate international collaboration between policy and academic communities.¹⁵

The institute would serve three purposes. One would be the bigger foreign policy objective of promoting Mongolia as a neutral, international platform for regional and international events, such as the International Think Tank for Landlocked Developing Countries, the Ulaanbaatar Dialogue and events for international organizations. It could be named the International Think Tank for Peacekeeping. The institute would add one more level of activities to the current Five Hills Peace Support Operations Training Centre, which currently focuses on hosting multinational and bilateral command posts (tabletop) and tactical exercises and involves mostly military personnel. The institute could provide a platform for policymakers, academics and interested non-government organization specialists. The institute could conduct research on current and future peacekeeping operations and policy and legal matters and disseminate knowledge and expertise.

The institute could work with several international organizations and interested partners. Foremost, the institute could collaborate with the United Nations Department of Peace Operations to promote peacekeeping policy priority issues, such as a new initiative of the Action for Peacekeeping and empowering women in peacekeeping at the region-
Then, it could work with NATO members to organize academic and educational workshops and projects, for example, to study the lessons learned of the coalition operations in Afghanistan, where Mongolian military personnel served along with other NATO partners.

Along with Five Hills Peace Support Operations Training Centre as a member of the NATO network of Partnership Training and Education Centres and also peacekeeping as a key cooperation area, the institute would benefit both NATO and Mongolia.

Mongolia and the Russian Federation, as members of the OSCE, could co-organize workshops and events and invite Central Asian States to conduct research. They could promote participation in OSCE peacekeeping and policing operations. The institute would also provide opportunity for Mongolia to work with the Shanghai Cooperation Organization as an observer with an explicit aim of promoting talks and discussions on peacekeeping and humanitarian operations.

Finally, the institute could serve policymakers and citizens. It would provide policy recommendations on future peacekeeping operations, conduct research on lessons learned, educate the military and related public servants on peacekeeping operations and help develop research and professional expertise (such as legal affairs). The institute would serve citizens by informing them of the country’s peacekeeping contributions.

Conclusions

For Mongolia, a small State with limited military capability, peacekeeping has become a proven and powerful tool to increase its international profile and to be a responsible member of the international community. Participation in peacekeeping operations has strengthened the country’s ties with international organizations and third neighbours and even supported its role as a neutral platform for confidence-building among the region’s not-so-friendly militaries.
In 2002, when UN Secretary-General Kofi Annan visited Mongolia, political leaders were unsuccessfully keen for his help in deploying a small contingent to a UN peacekeeping mission and in establishing a regional training centre. Only seven years later, Mongolia’s peacekeeping contributions was the highlight of UN Secretary-General Ban Ki-moon’s 2009 visit. The Secretary-General thanked the Mongolian leaders for their participation. And he visited the Five Hills peacekeeping training centre to meet Mongolian peacekeepers who were readying to deploy to Africa.

Mongolia proudly served in the coalition missions in Afghanistan and Iraq until their end. On 17 June 2021, the Mongolian Armed Forces welcomed the return of one of its last contingents, the Mongolian Expeditionary Task Force, from the Resolute Support Mission in Afghanistan. Indeed, peacekeeping has added a new layer to Mongolia’s identity—a reliable contributor to global peace and security and a promoter of confidence-building in the region.

### Peacekeeping exercises in Mongolia

<table>
<thead>
<tr>
<th>Exercises</th>
<th>Remarks</th>
</tr>
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<tbody>
<tr>
<td>Exercise with Belgium</td>
<td>In 2003, the first peacekeeping exercise was conducted with the Belgium military to learn from its expertise. Later, Belgium conducted several bilateral exercises to support Mongolia’s deployments to Afghanistan and Kosovo.</td>
</tr>
<tr>
<td>Khaan Quest</td>
<td>What started as a bilateral training event with the United States Marine Corps in the Pacific in 2003 has become, with the support of the US Global Peace Support Operations Initiative Fund, a regional capstone event since 2006.</td>
</tr>
</tbody>
</table>
### PSOTMON

A P-5 exercise organized in July 2004, it brings military teams of five permanent members of the United Nations Security Council to Ulaanbaatar. The exercise was co-organized and funded by the Operational Training and Advisory Group in the United Kingdom.

### Nomadic Elephant

A bilateral field training exercise with India that rotates the training venue between both countries.

### Nomadic Warrior

A bilateral exercise with the Turkish military to increase interoperability in peace operations and counter-terrorism.

### Decisive Action

A bilateral exercise with the Kingdom of Qatar to share Mongolia's peacekeeping experience with the Qatar military.

### Exercise with Germany

A bilateral exercise to prepare Mongolia’s military deployments to Afghanistan and share peace support-operations expertise.

### Exercise with Chinese People's Liberation Army

A bilateral exercise with the People’s Liberation Army military to share peacekeeping expertise and lessons learned.

### Exercise with the Russian Federation

A bilateral exercise that resumed in 2008 to improve interoperability of the two militaries in peace support and counter-terrorism operations.

**Note:** Except Khaan Quest and exercises with the Russian Federation, all these exercises have been organized on an ad hoc basis.
Endnotes


3 1$723DUWHQHUDQYDLQJDQGQGDWEHQWHVXYDLDEOH at $\text{www.act.nato.int/ptecs}$.

4 After a visit in January 2003, UN experts, headed by the Chief of the Training and Evaluation Service, UN Department of Peacekeeping Operations, advised the use of bilateral agreements with regional countries to develop the regional training centre and to discuss further UN involvement in developing the regional training centre. UN involvement would be restricted only to the organization of UN-sponsored training events.


7 HSDUWHQHWR13HDFHNHSLQJ2SHUDWLRQVRIWKH*QHUDO6WD8RIWKH0RQJ at $\text{Armored Forces}$.

8 Department of Peacekeeping Operations of the General Staff of the Mongolian Armed Forces.

The 1992 Constitution legalized the policy of not allowing foreign troops to enter, be stationed in or transit Mongolian territory unless the Mongolian parliament passes a special legislation allowing such activities (see Article 4.3).

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This issue was discussed within the military as it began to accumulate peacekeeping experience and to designate the Five Hills training centre as a regional centre of excellence on peacekeeping. On the foreign policy side, MP Tsogtbaatar D (a former Minister of Foreign Affairs) and MP Enkhbold N (a former Minister of Defence) initiated and advocated the initiative in 2019.


IKON, “The ceremony to show respect the military contingents served in Afghanistan”, 17 June 2021. Available at https://ikon.mn/n/293t.
EXAMINING THE NUCLEAR WEAPON-FREE ZONE AND INTERNATIONAL RELATIONS THROUGH THEORETICAL LENSES

A. Odonbaatar & J. Mendee
Examining the Nuclear Weapon-Free Zone and International Relations Through Theoretical Lenses

Mongolia’s self-declaration as a nuclear weapon-free zone in 1992 was a major achievement of a small State’s foreign policy aiming to strengthen its own security, to reduce the nuclear war risks between two populous, expansionist and neighbouring nuclear powers and to contribute to regional confidence-building and security. As a result of tireless diplomacy, Mongolia was recognized as the only single-state nuclear weapon-free zone. The United Nations General Assembly issued more than ten resolutions and agreed to discuss Mongolia’s biannual report on its international security and nuclear weapon-free status. Nuclear weapon States issued joint statements in 1995 and 2000 and a joint declaration in 2012 regarding Mongolia’s status. Today, the nuclear weapon-free zone is associated with Mongolia, which has become an active promoter of non-proliferation and has been working to institutionalize the free zone process by concluding a legally binding trilateral instrument with Russia and China. For contemporary international relations study, Mongolia’s nuclear weapon-free zone is an interesting case to examine through different theoretical lenses.

In this paper, we use the theoretical approaches of realism, liberalism and constructivism to examine international relations and the nuclear weapon-free zone process and how these approaches help us predict the future. We explain the importance of establishing a nuclear weapon-free zone unit at Mongolia’s National Security Council or within the Ministry of Foreign Affairs to promote this important initiative domestically, bilaterally and multilaterally.

Realism is a state-centred theory. Because States do not trust each other, they constantly seek ways to maximize their security. In the realist world, great powers matter the most because their strategies and in-
teractions shape or change the international system (or structure). International organizations are ineffective and mostly serve the interests of the great powers. War and conflicts are inevitable as the balance of power shifts. Secondary and small States must balance or bandwagon to survive in this anarchic international system. Realists argue the importance of the nuclear weapon for preventing the emergence of a major world war between the great powers, known as nuclear deterrence. Realists have difficulty incorporating domestic factors into their theoretical explanations.

The main drive for the nuclear weapon-free zone closely relates to Mongolia’s experience during the double Cold War (the Soviet Union versus the United States and China versus the Soviet Union). Mongolia feared becoming a battlefield between the nuclear weapon States on several occasions. First, the United States consulted with the Soviets to carry out pre-emptive strikes on China’s nuclear facilities (near the Sino-Mongolian border) as China began its nuclear weapon programme in 1963. Second, the Soviet military installations in Mongolia were included in the United States targeting list if a war broke out between the Warsaw Pact and NATO countries in Europe. Many observers, including Mongolians, believed the presence of tactical nuclear weapons at the Soviet military bases in Mongolia. Because of the mutual defence treaty between the Soviet Union and Mongolia, there was no requirement for the Soviets to inform their Mongolian counterparts. This experience prompted the Mongolian authority to declare itself a nuclear weapon-free zone immediately following the Soviet military withdrawal in 1992 and to seek security assurances from the five nuclear weapon States that are Permanent Members of the UN Security Council.

Nuclear weapon States have been reluctant to provide security assurance to Mongolia unless all five of them agree to provide such assurance. Providing such security assurance to Mongolia, however, sets
precedent for other States to also ask for it from the nuclear weapon States, which would then affect their long-term strategic calculations and moves (deployment of nuclear weapons, testing, transiting or transferring weapons). The United States refused to recognize Mongolia as a single-state nuclear weapon-free zone or to provide security assurance because some NATO members (Austria, Iceland or Baltic State) and/or defence treaty allies (New Zealand or South Korea) would then push for single-state nuclear weapon-free zone status. France opposed Mongolia’s request because Francophone States could make a similar move. Even though Mongolia’s nuclear weapon-free zone declaration reduces security concerns for China and Russia (as a neutral nuclear weapon-free zone), neither Beijing nor Moscow have agreed to conclude a trilateral treaty to institutionalize Mongolia’s status. Following the same rationale of the United States and France, a deal with Mongolia would serve as a precedent for many other States that would then pressure China and Russia for a similar deal. The role of international organizations in this situation is not powerful when it comes to dealing with the great powers.

Liberalism argues that international relations can be collaborative and progressive. States are interdependent of each other. Therefore, they prefer to cooperate. The increased interdependence, especially economic ties, reduces the likelihood of war and conflict. Liberal theorists believe that States will institutionalize their relations through the international organizations and legal instruments; therefore, the role of international organizations is important and influential to encourage cooperation and to reduce fear and uncertainty. Unlike realism, liberalism examines domestic factors, such as type of government and actors (individuals, interest groups, corporations, organizations and associations) and looks at the world in more cooperative ways. In democratic society, as the democratic peace theory stresses, the political system is transparent, and the audience cost is high for leaders who advocate war. This environment provides opportunities for interest groups to
influence policy decisions. Interestingly, liberal theory de-emphasizes the role of nuclear weapons and defence capabilities.

Mongolia’s nuclear weapon-free zone initiative has worked through international organizations. In September 1992, the Mongolian president used the UN General Assembly to declare its nuclear weapon-free zone initiative. This was one of Mongolia’s first foreign policy decisions without consultation or directive from the Kremlin. Then Mongolia took the issue to the UN Disarmament and International Security Committee (also known as the First Committee). Because Mongolia’s initiative closely links to or is in support of international nuclear non-proliferation efforts, its nuclear weapon-free zone status has been included in the Non-Proliferation Treaty Review conferences. In 1998, the UN General Assembly acknowledged Mongolia’s nuclear weapon-free zone and directed Member States to discuss Mongolia’s international security and nuclear weapon-free status. It also directed the UN Secretary-General to report on implementation on a biannual basis. Despite the reluctance from the nuclear weapon States (the great powers) to acknowledge Mongolia’s nuclear weapon-free zone status and to each reciprocate with security assurance, Mongolian authorities have retained confidence in the international organizations, especially the United Nations.

Mongolian diplomats have reached out to and cooperated with several international organizations. The first is the Non-Aligned Movement, which, with its 120 country members, is the second-largest international forum after the United Nations. Although Mongolia sought membership in the 1960s, it was interrupted when Mongolia established the mutual defence treaty with the Soviet Union and became a military alliance. Following the withdrawal of the Soviet military forces from Mongolia and its declaration of non-alliance, Mongolia obtained membership in 1993. The Non-Aligned Movement welcomed Mongolia’s nuclear weapon-free zone status and acknowledged it as “a commend-
able contribution to the regional stability and confidence-building”.

Another organization is the Conference of States Parties and Signatories of Treaties that Establish Nuclear-Weapon-Free Zones. Mongolia became an active participant as of its first conference in 2005. The final outcome documents of these conferences express support for Mongolia’s efforts to institutionalize the nuclear weapon-free zone. The last, but not the least, is the Association of Southeast Asian Nations (ASEAN) Regional Forum. Mongolia became a member of the Forum in 1999, which expressed its support for Mongolia’s nuclear weapon-free zone status in its 2000 Joint Statement.

Democratic government and non-governmental organizations and individuals have had important roles, as liberal theories have predicted. As a result of the joint push from experts, diplomats and parliamentarians, Mongolia’s State Ikh Khural legislative body passed the Law on Nuclear-Weapon-Free Status in 2000. The law prohibits any State or individual actors from committing, initiating or participating in activities relating to nuclear weapons and requires an interagency review of its implementation.

It is important to highlight the role of non-governmental organizations, especially the Blue Banner, in encouraging academic and policy debates in the country and to reach out to international experts and non-governmental organizations that advocate nuclear disarmament and non-proliferation. Enjoying its non-governmental status, the Blue Banner initiated the track II dialogue process with the Northeast Asian regional network Global Partnership for Prevention of Armed Conflicts. Within this framework, Blue Banner organizes seminars, symposiums and roundtable discussions to influence policymakers, raise public awareness and collaborate with international partners. In support of the democratic peace theory, academics, experts and interested individuals have joined in efforts to strengthen the country’s nuclear weapon-free zone status and have mobilized effectively. This would not be the case in autocratic regimes.
From the liberal theoretical perspective, Mongolia has trusted international organizations, especially the United Nations, and worked closely with like-minded States in the hope of reducing uncertainty through international organizations and legal instruments issued by these organizations. The nature of democratic governance appears to be a facilitating factor for encouraging non-governmental organizations and experts to advocate non-proliferation and nuclear weapon-free zone status in Mongolia and beyond. It could be argued that if Mongolia were under an authoritarian administration, it would be up to the authoritarian leaders whether to promote or oppose the nuclear weapon-free zone issue.

Constructivism considers ideas and social interactions as important variables to examine international relations. Through social interactions, state and non-state actors create a norm to constrain the actions of States that are more predictable and thus potentially reduce uncertainty. Because actors collectively hold ideas and beliefs, their interests and identities are based on the collectively held ideas and beliefs. Constructivist theorists argue that the interests and identities of actors are not fixed and that they change as a result of interactions over time.

Mongolia became a norm entrepreneur by declaring the country’s strong and clear stance against nuclear weapons without consulting its neighbours in 1992 and succeeded in gaining recognition as a single-state nuclear weapon-free zone. Until Mongolia was recognized as such, all nuclear weapon States only recognized a free zone if it involved two or more States that had concluded a multilateral treaty to provide security assurances (or conditional security assurances). Mongolia’s case is unique because it cannot be included in other nuclear weapon-free zones, for example, of Southeast Asia or Central Asia. Its move to become a nuclear weapon-free zone is important for its two neighbouring nuclear weapon States as well as other nuclear weapon States (the United States) to constrain the strategic manoeu-
vring of China and Russia regarding nuclear weapons development and deployment.

Mongolia’s selection of international venues to gain its nuclear weapon-free zone recognition is quite interesting from the perspective of how norm entrepreneurs select venues to create or advocate a new norm. In this regard, Mongolia did not consult with the nuclear weapon States before declaring its intention at the UN General Assembly because they likely would have exerted pressure against such a move due to the precedent it would set for other States to push for single-state nuclear weapon-free zone status and security assurances. By using the UN General Assembly and the Non-Aligned Movement to declare its intention and to gain backing for the initiative, Mongolia risked creating pressure on the nuclear weapon States to reject its follow-up diplomacy through bilateral and multilateral channels.

Mongolia’s anti-nuclear weapon and non-proliferation initiatives align the country more closely with like-minded state and non-state actors—those that hold collective interests and identity against nuclear weapons and proliferation of weapons of mass destruction. The Mongolian initiative also aligns with the confidence-building objectives of the Non-Aligned Movement and ASEAN and with countries that support the Treaty on the Non-Proliferation of Nuclear Weapons.

Because Mongolia’s initiative asks for a trilateral treaty and regulation with its two neighbouring nuclear weapon States, it falls into the agenda of the UN Disarmament Commission (First Committee), which is designated to propose treaties and regulations for disarmament, limitation or reduction of weapons of mass destruction, including nuclear weapons.

From the constructivist theoretical perspective, Mongolia became a norm entrepreneur when it self-declared as a nuclear weapon-free
Examining the Nuclear Weapon-Free Zone and International Relations Through Theoretical Lenses

zone, obtaining the single-state status and becoming the first-ever nuclear weapon-free zone in the northern hemisphere as well as in Inner Asia between two nuclear weapon States. As a result of its diplomacy, Mongolia strengthened its peace-loving identity. It has been accepted by the international community as sharing collectively held ideas, interests and identities as anti-nuclear weapon. Most importantly, Mongolia has gained a new identity in becoming a nuclear weapon-free zone. The changing attitude of nuclear weapon States, especially the United States, confirms the constructivist claim that actors’ attitudes change as a result of social interaction. Although it requires a careful examination, we could make a similar assumption concerning the changing behaviours of other nuclear weapon States. For example, all nuclear weapon States have issued a joint statement respecting Mongolia’s nuclear weapon-free zone initiative. Even though the constructivist approach is not helpful in making a broad or specific predictions about the future, we can explain or predict behaviours of actors that we have identified within their social structures.

The future of nuclear weapon-free zones does not look good if we rely on realist theories. The great powers are backing off from their commitments of non-proliferation and even threatening each other with their nuclear arsenal. For instance, the Russian president threatened the United States and NATO members if they should involve themselves in the Ukraine war. Many people in Europe are fearful of Russia using its tactical nuclear weapons to win in the proxy war in Ukraine, while international experts, for example, at the International Atomic Energy Agency, are expressing concern about the safety of nuclear facilities. International organizations, such as the United Nations and the Organization for Security and Co-operation in Europe, have failed in preventing or stopping the war in Ukraine. The United States is aiming to contain China to prevent China from changing the current in-
ternational order. Secondary States are struggling whether to balance against China or to sit on the fence.

Because a nuclear threat exists in South Asia (India versus Pakistan) and Northeast Asia (North Korea, China, Russia and the United States), political leaders and military experts will probably advocate strategies or policies to seek nuclear weapons or a nuclear umbrella. In the logic of the security dilemma, if one country increases its security, it will increase the insecurity of other countries. Therefore, States will engage in an arms race, including nuclear capability. For example, given North Korea’s nuclear capabilities, rising China’s military capacity and the likelihood of the United States reducing its military presence, Japan and South Korea should think of acquiring nuclear capabilities to deter China and North Korea. From the realist perspective, the role of a nuclear weapon-free zone or non-proliferation efforts will be downplayed, but the role of nuclear capabilities and nuclear umbrella will be stressed. States are willing to spend more money to prevent the non-state actors from acquiring and using nuclear weapons.

Liberal theories present a “half-full glass” vision regarding the nuclear weapon-free zone. From the liberal theoretical perspective, we are still living in the interdependent world, and States should work together to strengthen the international organizations, legal regimes and cooperation at all levels to reduce the tensions and uncertainty. The UN Security Council, the UN General Assembly, the First Committee, the Non-Aligned Movement, the Organization for Security and Co-operation and specialized agencies like the International Atomic Energy Agency need to restrain the actions of warring States and pressure them to implement treaties, regulations and action plans against nuclear weapon proliferation.

Following Japan’s, Austria’s and Mongolia’s examples, States, even those in the military alliance, should push for single-state nuclear
weapon-free zone status and seek security assurances from the nuclear weapon States. Liberal theories will expect an increased role of domestic politics and type of governance. In the liberal democracies, the general population will pressure their leaders to reduce spending on nuclear weapon programmes and to collaborate with like-minded States to strengthen their position against the use of tactical weapons. Authoritarian leaders will experience a difficult period for justifying their military and war spending at the expense of the welfare of their people. Liberal theories expect the geopolitical competition, arms race and proxy wars will exhaust the political and economic resources of the governments. Some will be replaced by elections, others by revolutions. Unlike the realist theories that will suggest developing nuclear capabilities or seeking a nuclear umbrella, the liberal theories will promote international cooperation to create ways to reduce nuclear threats (nuclear war, tactical weaponry, safety of nuclear plants or terrorist use) and to increase the interdependence and trust among States. In this line, Mongolia should work actively through the United Nations and other international and regional organizations to further institutionalize its nuclear weapon-free zone status and collaborate with other likeminded States and nuclear weapon-free zone States.

Constructivism stresses the importance of ideas, norms and social interactions of actors, be they state, governmental or non-governmental actors. Unlike the realists who believe that structure drives state behaviour, the constructivists argue that actors can transform structures through social interactions. This might be another momentum for actors who promote the norms of nuclear weapon-free zones and non-proliferation. In turn, these norms can constrain the behaviours of state actors. As the danger of nuclear weapons increases, actors—state and non-state and national, regional and global—will cooperate for a better and safer world. In this thinking, we could expect Mongolian norm entrepreneurs will reach out to certain actors, for example, in Bangladesh, Nepal and Sri Lanka through the Non-Aligned Move-
Mongolia and the International Order

Mongolia also could reach out to the nuclear weapon-free zones in Southeast Asia and Central Asia to institutionalize its own status as well as work with Japan and like-minded actors in Northeast Asia to push for free zones there. We imagine Mongolia can work easily with Canada, Norway and other States promoting the nuclear weapon-free zone norm to the Arctic through the Organization for Security and Co-operation, in which all concerning States hold membership. From the constructivist theory perspective, Mongolia’s identity as a nuclear weapon-free zone could be strengthened by moving out of its past decade of inactiveness and renewing its non-proliferation efforts more widely.

Mongolia cannot lose any of its soft power diplomacy tools. The nuclear weapon-free zone deserves to have a special unit either at the National Security Council or within the Ministry of Foreign Affairs that advocates the nuclear weapon-free zone initiative domestically, bilaterally and internationally. Domestically, Mongolia needs to develop a national strategy that requires regular review. Two reviews of the implementation of the law on nuclear weapon-free status have concluded it to be unsatisfactory. Mongolia needs to prepare the biannual report seriously, which could include issues relevant to its security and would attract the attention of the UN Secretary-General. And Mongolia should propose that the UN General Assembly conduct a second comprehensive study of nuclear weapon-free zones. With the first study having been conducted in 1976–1977, another study is long overdue, given the growing danger of nuclear war.

The much-needed unit should engage with the great powers (Russia,
China and the United States) to renew discussions on security assurances and a trilateral treaty for verification and monitoring of Mongolia’s nuclear weapon-free zone status. The unit should engage with the Non-Aligned Movement, ASEAN, the European Union, the Organization for Security and Co-operation, the International Atomic Energy Agency and with United Nations committees and organizations to advocate the nuclear weapon-free zone and non-proliferation. It should organize international forums on nuclear weapon-free zones that include Northeast Asia and the Korean Peninsula. It should resemble the Ulaanbaatar Process, which is an inclusive track II annual dialogue initiated by a Mongolian non-governmental organization in 2015. Research should be the key component of the unit, with focus on nuclear weapon-free zones, single States, institutionalization, disarmament and the non-proliferation of weapons of mass destruction. Instead of simply celebrating the anniversary of its nuclear weapon-free zone status, Mongolia should act proactively to capitalize on its soft diplomacy. But it cannot be a marginal task of a Foreign Ministry department or mission abroad—such a unit deserves a dedicated staff and national strategy to research, network and advocate internationally.
Endnotes

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15 Alexander MacDonald, “The theory and evolution of nuclear-weapon-free

16 For venue shopping, see Katharina Coleman, “Locating norm diplomacy: ven-

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Free Zones in All Its Aspects.
MONGOLIAN WOMEN PEACEKEEPERS

J. Mendee, T. Munkh-Orgil & Ch. Nyamsuren
In September 2021, Mongolian President Khurelsukh Ukhnaa pledged to the United Nations General Assembly to increase the percentage of Mongolian woman peacekeepers by 15 per cent, in alignment with UN Security Council Resolution 1325 on women, peace and security (2000). In addition, the President, who is the Commander-in-Chief of the Armed Forces, announced that Mongolia will host an international conference in Ulaanbaatar on the participation of female peacekeepers.¹ Then, in December, at the 2021 Seoul UN Peacekeeping Ministerial Meeting, Mongolian Defence Minister Saikhanbayar Gursed encouraged his counterparts to send delegates to the above-mentioned conference in June of this year.²

On Mongolian Military Day (18 March), the President bestowed the rank of Brigadier General to then-Colonel Bolor Ganbold, making her the first female general in the country’s military history. Bolor was among the first female cohorts at the Mongolian Defence University in 1994 and was one of the first female peacekeepers serving in a field mission in Africa and in the UN headquarters in New York. Even though the news of the first female general made popular headlines, for many female soldiers, her promotion had been long overdue. For many women in the military and other uniformed services in Mongolia, gender equality has been neglected.

A strategy and policy guidance for supporting women personnel in the Mongolian armed forces and in the UN peacekeeping operations is sorely lacking. This paper describes the Mongolian women peacekeeping deployments and the commentary and recommendations from two expert workshops and a survey of women uniformed personnel. In concluding, the authors also recommend the establishment of a mobile training team of women soldiers to inspire other female personnel and to work towards changing men’s attitudes in the military and
strengthening feminist foreign policy.

Overview of Mongolian women peacekeeping deployments

The deployment of Mongolian female personnel to peacekeeping missions is recent and has grown significantly even in the not-so-woman-friendly male-dominated military culture. In the 1960s and 1970s, when Mongolia was a heavily militarized nation, uniformed women served only in the military hospitals, logistics and administration. None of these women were permitted to be trained or serve in the frontline specialties or leadership posts. Things began to change in 1994, when the Defence University recruited the first female cadets and, that same year, the Non-Commissioned Officer [NCO] Academy accepted its first batch of female cadets. The peacekeeping-designated special battalion (known as the Elite Battalion), which was established in 1997, employed the first female graduates from the Defence University and the NCO Academy.

Although these female personnel attended all types of training events and tactical exercises in the country, they were, again, not permitted to join in any multinational peacekeeping exercise until a Multinational Platoon Training Event in Bangladesh in 2002, when Mongolia was encouraged by the organizers to send female personnel. Similarly, the foreign military training programmes, including military observers and staff officers, were not open to Mongolian female military personnel until 2005, when the United States welcomed to send female officers and non-commissioned officers. By that time, only a few female personnel were allowed to attend language instructor courses and/or medical exchanges in the United States. Even the advanced professional military training and education programmes, such as the command staff-level courses in western countries, were not open to female officers until 2011. The first female officers were sent to UN military observer courses abroad only after the funding government imposed the condition-
ality or preference for female personnel. The US International Military Training and Education Programme also encouraged Mongolia to send female personnel to its officer and non-commissioned officer courses. As a result, in 2006, four years after Mongolia sent its first male military observers, the first female Mongolian military observer slot was filled, in the United Nations Mission for the Referendum in Western Sahara.

In 2008, the Mongolian Armed Forces took a significant step to implement the UN Security Council Resolution 1325 and deployed its foremost female peacekeepers within the military contingent to the UN Mission in Liberia. From 2008 to 2010, 44 female personnel were deployed to Liberia for that peacekeeping mission, although mostly in administration, kitchen and medical teams, however. The deployment of female personnel was increased in 2010, when Mongolia deployed a Level II Field Medical Hospital to Darfur as part of the United Nations–African Union operations. Due to the nature of the deployment as medical, nearly 50 per cent of the personnel, or a total of 243 doctors and nurses in seven rotations, were women. In 2015, proving female members’ capability to operate at commanding posts in a highly risky environment, the first-ever female Contingent Commander was deployed to Darfur.

From 2011, participation of female personnel increased dramatically as Mongolia deployed its peacekeeping battalion to the United Nations Mission in South Sudan. As of March 2022, 513 women had served in South Sudan; 7 per cent of the current battalion personnel in the country is female.

In addition to the UN peacekeeping deployments, Mongolian women have been deployed within the Mongolian company to the NATO-led Resolute Support operation in Afghanistan. This was only due to a request from the German government for Mongolian female soldiers to learn from German counterparts while dealing with Afghan women
and children (who cannot openly engage with men who do not belong to their household easily).

Mongolia’s individualized deployments, such as military observers and staff officers, have increased significantly in the field and at the UN headquarters in New York, including for women.蒙古女性观察员、工作人员和常备部队成员现在在西撒哈拉、乍得、塞拉利昂、苏丹、南苏丹和阿富汗（图1）等战场任务中服役。尽管女性部署的数量有所增加，但自2014年以来略有减少（图2）。

Mongolian women’s participation in United Nations peacekeeping operations

Source: Department for Peace Operations of the General Staff of the Mongolian Armed Forces, March 2022.

Although it appears to be that opportunities for female deployments have increased within the past 15 years, it was not the result of a national strategy following the Women, Peace and Security initiatives or a service-specific strategy or planning. Basically, two factors had a supporting role: The United Nations requested the deployment of female personnel and the self-encouragement and competitiveness of female Mongolian personnel pushed them to learn and compete for peacekeeping slots and to demonstrate their ability and skills to fulfil the peacekeeping tasks. Still, even for a female-dominated contingent like the field hospital, the Mongolian authorities remain reluctant to appoint female officers in charge of a mission. Women deployed with a contingent are mostly tasked to carry out administrative, logistics or support roles, which could be rationalized for two reasons: (i) concern for the safety of female personnel in hostile zones and/or (ii) a mistrust or lack of training of female personnel for front-line duties.
Opportunities, Challenges and Solutions

With the aim of initiating Women, Peace and Security research, the authors of this paper organized two small but closely integrated workshops along with an opinion survey of female personnel who have served or are currently serving in a peacekeeping mission.

The first workshop, on the Participation of Women in Peacekeeping Operations (18 November 2021), was sponsored by the Office of the President and the Friedrich Ebert Foundation of Germany. The female peacekeepers shared their experiences and insights from a total of five peacekeeping deployments: individualized deployments (military observer and staff officer), infantry company to the UN Mission in Sierra Leone, infantry battalion to the UN Mission in South Sudan, Level II Hospital in a joint African Union and UN Mission in Darfur and the coalition mission, Resolute Support, with Germany in Afghanistan. Another objective was to provide an opportunity for women from the civilian police and border troops to share their experiences of being deployed to the UN civilian police and peacekeeping missions. The final objective was to discuss overall and mission-specific challenges for the deployment of women with policy-level experts in the military as well as other uniformed services, including the border troops, internal troops, emergency troops, marshal services and the police.

The second workshop, Lessons Learned of Women Peacekeepers (14 March 2022), was again initiated by women peacekeepers and sponsored by the Friedrich Ebert Foundation. Unlike the previous event, this workshop brought together a diverse group of experts, including retired women peacekeepers, male officers and non-commissioned officers and personnel from the uniformed services, including the police and border troops. The participants were divided into several discussion groups to identify, categorize and prioritize challenges for women participating in peacekeeping missions and to forge practical policy
recommendations to overcome the cultural, institutional and individual barriers to greater female inclusion.

All participants in both workshops also responded to the voluntary, anonymous opinion survey, which asked three questions: (i) What are the opportunities for women in peacekeeping? (ii) What types of challenges do women personnel encounter? (iii) What practical solutions can overcome these challenges? In addition, a test opinion survey was distributed among women peacekeepers who had served or are serving in a UN mission. Due to the timing and financial constraint, the opinion surveys did not reach a sufficient level of survey sample. However, the following findings stem from the limited survey responses, expert-level discussions conducted in the two workshops, involving a total of 50 participants. What appears here should encourage further policy research that will thus compel the political and military leaders to make sustainable and meaningful commitment to the international objectives on women, peace and security required through the landmark Security Council Resolution 1325 that emphasizes the importance of women’s full and equal participation in conflict resolution, peacebuilding, peacekeeping, humanitarian response and in post-conflict reconstruction.

Opportunities

Peacekeeping missions provide multiple opportunities for female uniformed personnel. The women participants cited policy initiatives at the United Nations and other international organizations (such as the Organization for Security and Co-operation in Europe and the North Atlantic Treaty Organization) to include more female than male personnel for a range of deployments, from the individualized to contingent deployments and from the field to UN headquarters. The increased deployment opportunities have had positive and lasting consequences for Mongolia, its uniformed services, and its personnel (individually).
In seizing more of these opportunities, the country will strengthen the delivery of equal rights (gender) and fulfil the country’s responsibility to take the international gender equality initiatives seriously.

For the uniformed services, many participants argued that the peacekeeping deployment opportunities enable female military personnel to improve their professionalism by serving in the real-world scenarios and in a multinational setting. Most participants explained how these peacekeeping opportunities empower women soldiers and contribute to their professional development.

Challenges

Challenges for women peacekeepers fall into two large categories: one concerns cultural or overall institutional challenges and the other relates to deployment stages (pre-deployment, deployment, and post-deployment).

The participants agreed on three major challenges in the first category. First, the military human resource policy towards female personnel is unclear. Although there are no gender-based restrictions in the laws, resolutions or regulations, female personnel are often excluded from military jobs because of their sex. Second, there are no specific policies on education and training of female military personnel. Again, in the absence of formal restrictions, it is difficult for women to enrol in a language course (English or French) or in the professional military education programmes in Mongolia and abroad. One participant explained that the recently imposed requisite (of being deployed in a mission at least once) for enrolment in the English language courses automatically closes any opportunity for women longing to be deployed. Third, mid- and senior-level leadership posts remain closed for women soldiers. Because women are not represented at the senior leadership level, many female participants in the workshop argued that their interests
are not considered in the male-dominated decision-making processes.

These three challenges are closely related and were also articulated by the participants during the second workshop. The overall institutional setting strengthens the male-dominated culture, in which men are reluctant to introduce or initiate human resource policies that encourage expanded roles for women in the military. In addition, several participants highlighted communication and cultural challenges for male leaders and personnel when dealing with their female counterparts how to treat women as professionally equals. In the absence of awareness training or ethical guidelines, male leaders and personnel lack the skills to work with female personnel.

The deployment-related challenges relate to specific stages of a peacekeeping mission. In the selection stage, because the peacekeeping slots are limited, many women use informal networks to be selected. This makes the merit-based selection process ineffective and marginalizes those women who follow the formal procedure. At the pre-deployment stage, participants highlighted how the military leaders increase the training load for women personnel, most likely to encourage the selected women to voluntarily drop out and thus reduce or eliminate the female personnel for deployment. This discrimination causes unnecessary stress individually as well as collectively for female personnel.

The overall pre-deployment training package does not meet the field requirements and does not include some necessary training elements (such as orientation on the religions and culture of the host nation or tailored training for those fulfilling medical or law enforcement duties).

The long list of challenges that emerged through the survey and workshops was topped by the lack of psychological support (such as counselling). Military commanders will insult and belittle all personnel for any wrongdoing or mistakes, even without proper investigation first.
In addition to weather, terrain and mission-specific stress factors, this type of unprofessional attitude and actions of military leaders automatically increases the stress, especially for female personnel. Logistical support is another big challenge. Because the barracks and washrooms in the area of operation do not properly follow the military rules, regulations and standards, hygiene and comfort are reduced. The military leaders or senior officers treat female personnel discriminatorily, with little respect, as if they are trying to discourage female personnel to participate in the peacekeeping mission.

Although many participants were reluctant to discuss the issue of sexual harassment at all stages of deployment, it was quite clear the issue needs to be investigated. The military does not have clear-cut rules and regulations on sexual harassment, nor is there any proper training provided to commanding officers and personnel on how to deal with this issue.

The other challenge at the deployment stage is communication with family members. Due to security concerns (information protection concern), female and male personnel cannot maintain regular communication with their family and loved ones. This certainly causes challenges for married women and unnecessary stress.

In the post-deployment stage, participants complained about the quality of the medical care and support. In general, participants criticized the absence of lessons learned activities. Action reviews or lessons learned by a contingent are discussed only at the leadership level, which restricts opportunities for individuals to collectively share their mistakes or learn what to improve on. Experience-based assessments among the peacekeepers are not carried out effectively; hence, follow-up actions are lacking to fill any gaps.
Solutions

The participants recommended several solutions with varying degrees of practicality and/or priority. Many participants suggested developing a military human resource policy that facilitates the participation of female personnel in peacekeeping missions in more substantive ways than a ceremonial or showcase manner. Such a human resource policy needs to align with objectives of the UN Security Council Resolution 1325 on gender mainstreaming and be reflected in the national strategies, programmes and plans for armed forces development.

The second priority cited is education advancement and training for female personnel. To increase the quality of professionalism and representation at the leadership level, it is necessary to have a comprehensive educational and training programme, starting at the NCO Academy and the Defence University (bachelor’s degrees) and moving into professional military development (specialized and advanced courses) programmes. Leadership and mid-level positions should be openly declared as competitive, merit-based and gender-inclusive positions.

The third priority solution is to change the current policy documents, such as rules, regulations and standards regarding the selection, pre-deployment training, deployment and post-deployment processes. The policies regulating these matters are outdated and vague. Revised or new policy guidelines to improve the selection process, to reform the pre-deployment training programmes, to improve the military organization and service at the deployment stage and to introduce a psychological support system post-mission on rehabilitation and welfare aspects are all needed.

The fourth highlighted solution is to update the Mongolian military rules and regulations in conformity with the UN and other international standards.
The last two points from the participants refer to a revision of the military ethical regulation and to draft policy guidelines regarding the health of women military personnel, especially those deployed in peacekeeping missions.

Concluding thoughts

The Mongolian President’s call for increased female participation in UN peacekeeping missions is a timely, practical, and important foreign policy objective. Over the past five years since the United Nations put forward an initiative to increase the participation of women peacekeepers to better protect women and children from violence, Mongolia has made a significant contribution in sending more than 800 female personnel for the UN and coalition missions. Mongolia’s commitment is timely because it fulfils its responsibility as a UN Member State. It is practical because the country has already made substantive contributions and, as a small State, Mongolia seeks all possible ways to strengthen its multilateral policy amid the geopolitical tension of great powers. Rather than taking sides with one of the rival great powers, Mongolia seeks ways to strengthen its ties with the international community. Therefore, it should strive to increase its visibility and contributions. Empowering women and increasing gender equality now sets Mongolia apart from countries in the East and Central Asian neighbourhoods. A more women-equal foreign policy would likely improve Mongolia’s relations with developed democracies in Asia, Europe and North America. Many of these countries regard Mongolia as a like-minded State when it comes to issues for women and children. Such a women-equal foreign policy would strengthen Mongolia’s democratic identity and strengthen ties with many of its third neighbours and beyond.

In addition to the many good ideas that emerged through the workshops and survey, the authors suggest the establishment of a mobile training team. It should consist of women peacekeepers (inclusive of
retired officers) who share their experiences with commanders and other male personnel to change their mindsets and with female personnel to inspire them (such as coaching). The mobile training team would work with military units as well as units and personnel of the other uniformed services, such as the police, border troops, internal troops, and emergency troops. If this idea is workable and helpful for Mongolia, the mobile training team also could work beyond Mongolia, such as with emerging troop and police personnel contributing countries.

Endnotes


4 Department of Peace Support Operations, General Staff of the Mongolian Armed Forces, 5 April 2022.


6 Peace support operations department, General Staff of the Mongolian Armed Forces, 26 March 2022.

7 Ibid.
MONGOLIA’S FEMINIST DIPLOMACY: THE NEED FOR A STRATEGY

J. Mendee, L. Byambakhand & V. Oyu
Mongolia’s feminist diplomacy: The need for a strategy

Introduction

As the year starts, the Mongolian Parliament confirmed the appointment of six female ambassadors nominated by the President. According to Foreign Minister Battsetseg Batmunkh, also a woman, this was the largest number of female ambassadors ever appointed in a single year.¹ In June, Mongolia will host an international conference in support of the United Nations Security Council Resolution on Women, Peace and Security and titled “Strengthening the Role of Women in Peacekeeping”. The Mongolian military has deployed more than 900 female peacekeepers to United Nations and other coalition peacekeeping missions and now ranks as the top female troop contributor from the region.²

In this paper, we argue that Mongolia has had a long tradition of pursuing feminist diplomacy. Since the country’s admittance to the United Nations, Mongolia has voted favourably on resolutions concerning women and children. The strong presence of female diplomats in multilateral diplomacy has been key in shaping the country’s pro-women foreign policy stance. During the socialist period, Mongolia initiated and co-sponsored United Nations resolutions for the improvement of the situation of women and girls in rural areas. Following its democratic transition in 1990, Mongolia joined with other like-minded nations at the United Nations Human Rights Council and the Organisation for Security and Co-operation in Europe (OSCE) on the protection of women and children.

Despite its history in the international arena, Mongolia needs a comprehensive national strategy to increase the public awareness of its international efforts, such as the Women, Peace and Security conference, to increase female participation in future United Nations peacekeeping
missions, including the civilian police, and to empower women diplomats in decision-making processes. This type of national strategy will strengthen the country’s democracy, distinguish Mongolia from patriarchal societies in Asia and empower its multilateral diplomacy during times of heightened geopolitical tensions. Indeed, Mongolia could take a leading position in this regard and influence other States in the greater neighbourhood of Asia.

Feminist foreign policy is a relatively new phenomenon in foreign policy studies. It has emerged in several ways, mostly to promote gender equality and the empowerment of women and girls internationally.

First of all, international organizations such as the United Nations, the European Union, the international financial institutions and OSCE have taken the pursuit of gender equality seriously and have promoted gender mainstreaming to ensure equal representation of women and men and their equal participation in global governance. This certainly encourages Member States to actively promote feminist foreign policy through their participation in these organizations.

Another push has been United Nations Security Council Resolution 1325, which acknowledges the disproportionate impact of war on women and mandates Member States to increase their “representation of women at all decision-making levels in national, regional and international institutions and mechanisms for the prevention, management and resolution of conflict”. As a result, many States have made real commitment internationally and domestically to promote the role of women at all stages and levels of security policymaking.

In addition to these multilateral approaches, States have introduced different types of feminist foreign policies, presumably for multiple ob-
jectives (for a purely normative cause, as pragmatic policy objective and/or as parochial political interest). Australia, Canada, Germany, France, Libya, Luxemburg, Mexico, Spain, Sweden and the United Kingdom have become leading States on feminist foreign policy.

Of them, Canada, France and Sweden have pledged to make more substantive changes than the other States. Sweden’s feminist foreign policy is regarded as the most comprehensive. It is explained as a three-R approach: for “rights”, meaning to protect women’s rights internationally, as entitled in the United Nations Human Rights Declaration, in United Nations Security Council Resolution 1325, in the Geneva Conventions and in the Treaties of the European Union; for “representation” and thus to provide participation of women at all levels and stages of decision-making processes; and for “resources” and thus to devote financial and human resources for the cause of feminist foreign policy. In response to criticism regarding its feminist policy, the Swedish government took on a fourth R—research—to increase the research capacity in support of feminist foreign policy.

In contrast, Canada’s feminist foreign policy, as embodied in the Feminist International Assistance Policy, is narrowly defined and only promotes gender equality and the empowerment of women and girls as an important approach to eradicating poverty. Although it is advocated as feminist foreign policy, the Canadian approach has not embraced gender inequality as the Swedish approach has done. Rather, it has put women and girls in the focus of its poverty eradication (or development) assistance. The French feminist foreign policy, as embodied in the International Strategy on Gender Equality, also focuses on its foreign assistance programme and highlights support for women’s rights and feminist civil society.

All three States rank high in the international gender equality indices and are more open than most States to gender parity (through their
women ministries, senior appointments, economic participation, educational attainment and health care access). It is no surprise that these States are willing to project feminist foreign policy initiatives. But they are also criticized for advocating feminist universalism while trading with non-democratic countries, where women and girls are typically maltreated and often denied their human rights. These States, particularly France, and Canada, were all colonial powers, and some even maltreated their Indigenous populations.

Despite the criticisms, feminist foreign policy has generally gained substantial ground as a civil society movement and public fight against the systemic, institutionalized male-dominated power structure and culture.

**Mongolia’s feminist diplomacy**

The Mongolian feminist foreign policy has three features: (i) a solid supportive stance for international initiatives for women; (ii) an expanding role of women in the foreign service; and (iii) Mongolian women are actively participating in peace-support operations.

Since 1961 when it gained membership into the United Nations, Mongolia has been a strong supporter of international initiatives for women. In 1965, Mongolia hosted an international seminar on the role of women in society as one of its first United Nations events. In 1976, the United Nations General Assembly adopted a Mongolia-sponsored resolution on Improving the Situation of Women, which became one of the signature initiatives of Mongolia at the United Nations. The resolution has since broadened its scope and has been retitled as Improvement of the Situation of Women and Girls in Rural Areas. In 1981, a Mongolian female diplomat was elected as the first Chairperson of the United Nations Committee on the Elimination of Discrimination Against Women. These efforts were reinforced as the country made
its democratic transition in 1989–1990, and Mongolia’s proactive policy on gender equality and women empowerment became a de rigueur feature of its diplomacy positions.

Mongolia’s female diplomats served in important elected positions in the General Assembly’s Second and Third Committees—both dealing with socioeconomic development and human rights. Mongolia has made notable contribution to the United Nations Commission on the Status of Women through its inclusion as a member in three periods. In 2016–2018, Mongolia served as a member of the United Nations Human Rights Council, where it demonstrated its strong stance on gender equality and women’s empowerment. In other international organizations where Mongolia holds membership status, such as the OSCE, the country pursues similar diplomacy regarding women’s rights and empowerment and gender mainstreaming.

There are two explanations for Mongolia’s proactive feminist diplomacy: One reflects its commitment for improving the status of women and girls, which dates to when the country gained United Nations membership in 1961 and adopted socialist policies for women (such as provision of universal education for women and downplaying the patriarchal traditions while promoting the political, economic and social roles of women in society). The other relates to the country’s attempt to pursue a unique foreign policy that provides escape from its geopolitical realities, serves its peaceful, constructive multilateral engagement ambitions and strengthens its democratic identity.

The role of women in Mongolia’s foreign policy has been steadily, but slowly, growing. Mongolian women started joining the diplomatic service as of the early 1950s. However, they were not welcomed into policymaking posts in those early days.

To strengthen its diplomatic service, Mongolia began in 1951 to send
its diplomats (all men at first) to the Moscow Institute for International Relations. It took four years for the first cohort of women to be sent to Moscow for training as professional diplomats. But as a result, there were about 15 female diplomats working at the Ministry of Foreign Affairs in the period of 1960–1970. In 1956 and for the first time, two women were granted the diplomatic rank of Third Secretary. It wasn’t until 1986 when a woman diplomat was appointed to head a diplomatic mission—as the Permanent Representative to the United Nations Educational, Scientific and Cultural Organization. Since then, several female diplomats have led the Mongolian Missions at the United Nations headquarters and regional headquarters.

The 1990s was a boom period for women in the diplomatic service, for two major reasons: one was the democratic transition, which opened up the diplomatic service, and the other was the training of diplomats locally. This shift contributed to the number of women serving in the diplomatic service and the increased role of women in the policymaking process for foreign policy. For the first time, in 1998, a woman was appointed as Minister of Foreign Affairs. Mongolia has since had three women Foreign Ministers, including the current incumbent. Mongolia appointed its first woman ambassador in 2001—she was posted to Belgium, which is an important hub for Mongolia’s multilateral diplomacy in Europe. And as noted, Mongolian political leaders recently appointed six women within the 31 ambassadorships, a record number in its foreign service history.

The expanding presence of women in these roles is likely attributed first of all to how the political leaders are basically responding to the call for the increased inclusion of women in political affairs, including foreign policymaking. This is connected with the objective to increase their popularity within and beyond a political party. But it is also the result of the increase in women diplomats in the foreign service. As of 2019, 34.5 per cent of the country’s diplomats had been women, many
of them in a mid-level management position. And this is due to the growth of female staff. As well, it also could be due to a well-intended foreign policy decision, albeit not clearly explained, to present an image comparable with other developed democracies. While it is not possible to firmly single out any factor or determine the confounding factors relating to cause and effect, clearly the role of women diplomats is increasing, albeit slowly, in the Mongolian foreign service.

The inclusion of female Mongolian personnel in military peacekeeping missions began in 2006 with the deployment of the first female military observer to the United Nations Mission for the Referendum in Western Sahara. Then, in 2008–2010, 44 female personnel were deployed to the United Nations Mission in Liberia. More than half of the 243 military medical personnel deployed over seven rotations to Mongolia’s Level II Field Medical Hospital in Darfur from 2010 until 2017 were women (likely due to the nature of medical deployment). Since 2011, Mongolia’s female deployment has increased dramatically with its peacekeeping battalion (850 personnel) to the United Nations Mission in South Sudan. A total of 513 women have served in South Sudan, and 7 per cent of the current battalion personnel in South Sudan is female.

The Mongolian military has deployed female personnel to the coalition operations in Afghanistan, including with the German military contingent. In the coming years, the deployment of female peacekeepers has the potential to become a visible feature of Mongolian feminist diplomacy.

In 2019, the United Nations initiated a goal to increase the percentage of women serving in security roles: by 15 per cent in military contingents; by 25 per cent among military observers and staff officers; by 20 per cent among women serving in police units; and by 30 per cent among individual police officers.
The Mongolian political and military leaders are committed to increasing the overall number of peacekeeping deployments, according to such policy documents as the Basis of the State Defence Policy of Mongolia (equivalent to the military doctrine)\textsuperscript{13} and the action plans of the President, who is the Commander-in-Chief of the Armed Forces, and action plans of the Prime Minister.

There is also growing interest among female military personnel to participate in peacekeeping missions for reasons ranging from professional development goals to personal interests. Female personnel in other security and law enforcement organizations, including border troops, emergency troops, internal troops, the marshal service and the police, are also interested to serve in peacekeeping missions.

The increasing international demand, political will and the availability of interested personnel are creating favourable conditions for Mongolian women to contribute a greater role within the feminist foreign policy. Having deployed more than 900 women peacekeepers, Mongolia is the leading contributor of women personnel from Central and Northeast Asia. This deployment is regarded as a timely contribution to implementation of Security Council Resolution 1325, which aims to increase women’s participation in the prevention, management and resolution of conflicts.

**Need for a national strategy**

Although most foreign policy and security experts downplay the potential strength of the feminist diplomacy of small, vulnerable States like Mongolia in these heightened geopolitically tense times, the sustained pursuit of such diplomacy will have positive impact for Mongolia internationally and domestically. But to succeed, the country needs a measurable and achievable strategy—a national action plan.
Such an action plan can address many shortcomings. It will connect Mongolia’s international pledges with the domestic audience and help mainstream policies for gender equality. At the international stage, Mongolia appears to be wholeheartedly endorsing all major initiatives to protect women’s rights and gender equality. The extensive list includes the Sustainable Development Goals, United Nations Security Council Resolution 1325, the Beijing Declaration and Platform for Action and the International Conference on Population and Development. But these documents are mostly known to a small circle of experts, such as diplomats, human rights and gender specialists and a few military officers who have served in United Nations headquarters posts. They are unknown to the general Mongolian public, who should be made aware of these international initiatives because they have strong domestic implications for protecting women’s rights and promoting gender equality.

An action plan would promote ways to address the challenges for women diplomats and peacekeepers, who are important agents for the feminist foreign policy. There is neither a plan nor policy research on how to increase women’s roles and participation at all levels of the policymaking processes in the foreign and security services. In the absence of a plan or strategy and regulations concerning gender parity, many female diplomats and military personnel have experienced all types of challenges throughout their career. As a result, both the foreign service and military have lost many talented personnel who otherwise would have helped strengthen the country’s image internationally and domestically.

An action plan also would make Mongolia’s feminist foreign policy stance as clear as possible for the international audience, starting with the United Nations and the OSCE. A clear action plan would welcome all types of cooperation with the European Union and like-minded States multilaterally as well as bilaterally. And this would allow Mongolia to shine differently from the traditional patriarchal societies of Central and Northeast Asia. Promoting equality and inclusiveness, which are hallmarks of most
modern democratic societies, through a national action plan would also strengthen the country’s distinctive democratic identity.

This national action plan should be based on good research and inclusive discussion rather than a one-time public relations agenda of politicians, factions or parties. The research needs to assess current feminist diplomacy within the larger setting of gender equality to identify primary and secondary challenges that will then lead to a national action plan (strategy) that deeply strengthens Mongolia’s feminist diplomacy. Instead of advocating a one-sided feminist agenda, the action plan should focus on multiple ways to promote gender parity and equality. And the national action plan must be measurable, achievable and accountable. This will require a legal mandate for the annual independent evaluation of implementation.

Conclusion

Feminist foreign policy is not new in Mongolia’s diplomacy. In the area of multilateral cooperation, women diplomats have had an important role in advancing the country’s foreign policy stances and shouldering many new initiatives within international organizations where Mongolia is a member, observer or partner.

Adding to this tradition, Mongolian military women are becoming visible contributors for United Nations’ initiatives to increase female participation in preventing, managing and resolving conflicts. In response to the United Nations’ call for more women personnel, other security and law enforcement forces are willing to deploy their female personnel to support peace operations.

Mongolia seems at a critical crossroad in which political leaders are in support of gender parity at all levels and stages of policymaking. However, Mongolia needs to develop a national strategy or action plan...
to capitalize on this momentum. Otherwise, the political will and support will wane, and the feminist diplomacy could be politicized or abandoned until the next election cycle.

Mongolia has the advantage of employing feminist foreign policy because it is endogenous and has strong roots in the country's history and culture. Unlike some other countries, Mongolia does not have past baggage (such as a colonial history or maltreatment of Indigenous Peoples), and Mongolia does not pursue contradictory actions (such as trading arms with authoritarian dictators).

If Mongolia makes a steadfast strategy, its feminist foreign policy will strengthen the country's democracy and its embrace of equality as well as its international profile as a responsible member State with all its international legal obligations.

Endnotes


Ider Luvsandanzan, Rapporteur of 27th Session of the United Nations General Assembly Third Committee; Ider Luvsandanzan, Chair of the 32nd Session of the United Nations General Assembly Third Committee; and Enkhtsetseg Ochir, Chair of the 65th Session of the United Nations General Assembly Second Committee.


Ibid., pp. 301–303.


CHANGING SOFT POWER DYNAMICS IN MONGOLIA

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Many Mongolian parents seek all possible opportunities to educate their children in the English-speaking world, mostly in North America, Europe and Asia (Australia and Singapore). English has become the favourite language among youth, and Chinese is the second most-studied language. Korean movies are the most watched, while Chinese and Russian movies still attract some viewers. But this was not the case during the socialist period of the 1940s–1980s. The choice of language was Russian because studying in Russia or knowing the language was the primary criterion for social and professional advancement. Television programmes, books, journals and newspapers in the Russian language were considered a luxury for many Mongolians who had no access to other soft powers. The country was closed off from any type of soft power from China—a sworn enemy at that time—and, of course, the Western countries that were the geopolitical competitors of the Soviet Union. A few Mongolians studied in Central and Eastern Europe, but only those approved by the Communist Party and secret service travelled to other parts of the world beyond the Soviet Union. As a result of the geopolitical ease between the great powers (China, Russia and the United States) in the late 1980s, Mongolians became open to the influence of all types of soft power from all countries capable of projecting them. The soft power influence of third neighbours have collectively increased enormously in Mongolia, while the Chinese soft power has gradually gained ground. These changes are due to the decline of the Russian soft power.

This paper explains the changing dynamics of soft power in Mongolia: why and how Western soft power succeeded, why Chinese soft power is slowly growing and why the Russian soft power has declined.
Mongolia at the receiving end

Soft power is not clearly defined and is still a debated concept in international relations literature. Most scholars accept Joseph Nye’s definition of soft power as the opposite meaning of hard power: “the ability to affect others to get the outcomes one wants”.¹ The concept was introduced during the 1980s, when scholars were increasingly hopeful about peace and interdependence. In the international relations literature, soft power is examined from the perspective of great or major powers, and scholars have debated how these States competitively use soft power to change the behaviour of secondary and small States.

Despite disagreements on what elements should be considered as soft power and how to examine their influence, creative researchers recently designed frameworks to measure soft power and rank the major powers.² The most common categories in these rankings include culture (education, arts, way of living, language, etc.), government (political values, foreign policy, etc.) and business (technology, goods, products, economic models, etc.). Because the concept is fluid and inclusive, it is impossible to present comprehensive research on soft power or debate which major power has relatively effective influence over the foreign policy behaviour of secondary or small States like Mongolia.

Mongolia is only at the receiving end of soft power. The country has limited soft power to change the behaviour or attitude of other States. Nor can it escape or fend off the projection of soft power by any major power, especially in today’s increasingly connected world.

In this paper, we centre our thesis on the role of the political and cultural aspects of soft power. The examination of the Mongolian case is intriguing for two reasons: (i) Due to the geopolitical competition between the great powers, it was under the influence of the Soviet hard and soft power. And (ii), because of the Soviet decline, it became open
to soft power from all major powers.

**Western soft power**

As a result of Mongolia’s opening to the outside world, political and economic reforms and the pursuit of its Third Neighbour Policy since 1990, the collective influence of Western soft power has gradually increased in Mongolia. Although the third neighbours are not defined and are debated among Mongolian scholars, it includes mostly English-speaking countries or those with strong connectivity with these countries. They are the countries under strong influence or connections with Anglo-American or Western European culture and lifestyles.

The third neighbours have had a strong impact on Mongolia’s democratic development. Even though dissenting views were marginalized and even persecuted during the socialist period, the communist regime was dismantled in 1990, when the first-ever multiparty election was successfully and peacefully concluded. Since then, Western liberal democratic ideas—freedom of expression, religious and economic rights, elections and civil society—have been diffused into Mongolia through Mongolians who have studied in Central and Eastern Europe. They have also permeated through the engagement policies of Mongolia’s third neighbours, such as the United States, Germany and other Western democracies.

At the same time, the United States and donor countries, led by Japan, have imposed a non-reversal of democratization for Mongolian political leaders as a conditionality for their economic and humanitarian assistance, such as in the 1990s. Despite some deficiencies, especially the rule of law, the political values or orientation of liberal democracy have been accepted as new norms by political leaders and most of the citizenry. A regular, peaceful and open election has become the only way of transferring power between political leaders. Since 1990, Mon-
Mongolia has held eight parliamentarian elections and presidential elections peacefully. This is a key criterion for electoral democracy.

Human rights are respected and protected in Mongolia relatively well, at least in comparison to its neighbouring countries and former communist authoritarian regimes in Central, Northeast and Southeast Asia. It is quite safe to conclude that the influence of Western soft power regarding political values has been successful, and Mongolia is now regarded as a like-minded State by Western developed democracies, along with India, Japan and South Korea. In fact, Mongolia’s stance in the international arena, such as within the United Nations, the Organization for Security and Co-operation in Europe and the ASEAN Regional Forum, is often aligned with the other democracies, except on the issues involving its two big neighbours.

The diverse cultural elements of Western soft power have become popular over the past three decades in Mongolia. Before the 1990 opening, only a few privileged or authorized persons (diplomats, athletes, artists) had an opportunity to travel to Organisation for Economic Co-operation and Development countries, while the rest of the population held extremely negative views of these countries. And yet, songs of the Beatles, ABBA and other rock bands became quite popular among closed circles as well as in the discotheques. Jeans were the most expensive item on the black market.

Since 1990, Western culture (language, arts, movies, songs, goods, brands, lifestyles, religion) has been gaining attraction in Mongolia through three major routes. The first route has been all types of exchanges, such as education or training for Mongolians abroad, subject-matter experts and volunteers in Mongolia and humanitarian assistance projects. These exchanges, mostly funded by the third neighbour governments, have become instrumental for Western soft power entering Mongolia.
The second route is the media and movies. As the party-censorship system for information and media was dismantled, Mongolians gained increased access to Western television programmes and arts. This access was further accelerated as the country’s internet connectivity improved along with the development of social media. And the third major route is through the growing Mongolian diaspora communities. Since 1990, Mongolians have slowly begun to migrate, mostly for economic reasons, to developed countries. Mongolian communities in North America (Canada and the United States), Europe and Asia have had a substantial role in promoting Western culture back home.

According to our 2021 youth public opinion survey, Western soft power is highly popular among Mongolia’s youth. More than 70 per cent of young Mongolians (aged 18–35 years) have positive images of Germany, Japan, South Korea and the United States, according to the survey, entitled How Do Mongolian Youths Respond to International Relations and Foreign Policies? The survey findings also emphasize that soft power projections from foreign countries through music, films and other arts are having notable impact on Mongolian youth. It is common for youths to keep up to date on British, American and Korean movies and music and to learn those languages. Among the survey responses, Australia, the United Kingdom and the United States were the more popular countries to study in, while Japan and South Korea were the top Asian countries where young Mongolians want to study. In terms of movies and media content, American or English-language and Korean content were highly popular, followed by Japanese food and media. After the Mongolian language, 35 per cent of young Mongolians reported through the youth survey that they receive international news in English—a strong indication of how popular the English language is in the country.

In the 2000s, before the mining boom in Mongolia, many Mongolians went to work in South Korea, and their remittances became an income
source for many households. As of 2020, the largest Mongolian diaspora, at 40,000 individuals, lived in South Korea. Through people-to-people exchanges and other official exchanges between the two countries, Korean cuisine and media content are favoured by Mongolians.

Japan began receiving many workers from Mongolia recently; a Japanese government scholarship is one of the prestigious awards among top Mongolian students when they finish high school.

The collective influence of soft power from third neighbours has had a strong role in changing Mongolians’ political orientation and values as well as impact on their daily lives through television programmes, lifestyles and the arts. The connectivity with Western political values and culture adds a distinction to Mongolia’s identity in comparison to its neighbours and increases Mongolia’s international connectivity. Politically, the governments of Japan and South Korea now see Mongolia as a potential mediator on the Korean Peninsula issue in Northeast Asia.

**Resisting Chinese soft power**

Despite traditional resistance to Chinese influence, Chinese soft power has been gaining ground in Mongolia. But just as there is global concern for Chinese political, economic and cultural influence, there is a wariness of the Chinese soft power influence in Mongolia. Unlike the Western soft power, Chinese soft power seems to be based on economic development and material well-being rather than the political value of Chinese culture.

Despite a brief period of amicable relations from 1950 to 1962, anti-Chinese attitudes were institutionalized during the 1960s–1980s through the use of negative ideas, images and theories of a Chinese takeover or threat based on recent memories of its colonization of Mongolia and irredentist claims about a lost territory. Even though Sino–Mongolian
relations were normalized in 1989, Mongolian political elites did not deconstruct the institutionalized anti-Chinese attitudes; rather, major political statements often contained policies directed at restricting Chinese influence in Mongolia. If the anti-Chinese attitudes served the purpose of the Soviet military presence in Mongolia during the Cold War, they have also resonated with Western anti-Chinese rhetoric and attitudes since the 1990s.

Since 1989, China has gradually increased its soft power in Mongolia, starting with free visas. The travel patterns of Mongolians have changed dramatically, especially after Russia imposed a visa requirement on Mongolians (which they lifted in 2014) while China offered Mongolians 30-day visa-free travel. The visa-free travel arrangements have benefited Mongolians in several tangible ways, allowing them access to foreign embassies not represented in Ulaanbaatar and facilitating the import of goods from China.

Another effective use of soft power has been the preferential access granted to Mongolians for Chinese medical facilities. As the public health system continues to struggle in Mongolia, Chinese medical facilities have become hugely beneficial for Mongolians with urgent medical needs. Because of cost, distance, visa hurdles and linguistic challenges, few Mongolians can seek medical services in India, Japan, South Korea, Thailand or even the United States, making the Chinese medical facilities highly attractive.

As China began to strategically promote educational programmes, annual scholarship numbers for Mongolians grew substantially. For instance, under the 2013 Strategic Partnership Action Plan, China pledged 1,000 scholarships annually, and one fifth have been for undergraduates. This makes studying in Chinese competitive with other schooling opportunities for children who could not afford the cost of education in English-speaking countries or far away in Russia. As a result, Chinese
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Schools are becoming the choice of many young Mongolians, as indicated in the 2021 youth survey and in other statistics. And the number of Chinese private schools in Ulaanbaatar is also on the rise. There are three Confucius Institutes and more than ten Chinese cultural centres and Chinese language classrooms in Mongolia. Confucius Institutes are usually established next to universities, such as the National University of Mongolia, the Mongolian State University of Education and Khovd University. The number of Chinese scholarships to Mongolian secondary school graduates has been increasing. By 2021, more than 10,000 students (unofficial number) had studied in China.

Chinese dramas and movies appear frequently on television. Within the framework of cultural relations between the two countries, China freely offers 25 of its best movies, dramas and television shows to Mongolian programming.

The increasing travel volume between two countries for the previous factors along with general tourism is enabling the Chinese soft power to gain influence. Especially in the past ten years, travel between Mongolia and China has increased tremendously. Before the COVID-19 pandemic, Chinese travellers accounted for around 30–40 per cent of tourists visiting Mongolia. Vice versa, around 80 per cent of all Mongolians who travel abroad go to China every year.

From the economic side, China is Mongolia’s top trade partner and second-biggest investor. Chinese direct investment accounted for around 30 per cent of total foreign direct investment into Mongolia as of 2020 (at US$6,358 million). China is a vital partner for Mongolia. China accounts for 80 per cent of Mongolian exports and more than 30 per cent of its imports. During the COVID-19 pandemic, every Mongolian felt that the urd khil (which means southern border in Mongolian) is important for their everyday life. A little delay or interruption at the urd khil due to the COVID-19 restrictions directly and immediately affected everyday
consumer product access in Mongolia. The growing economic relations between the two countries has opened the door wider for developing greater soft power influences.

Declining Russian soft power

There was a time when Mongolians looked at Russia as its big brother. During the years before the 1990s, Russian influence was powerful, both in hard and soft power. Mongolia was dependent on the Soviet Union politically and economically. The Soviet Union maintained a military presence in Mongolia until Mikhail Gorbachev’s decision to withdraw at the end of the 1980s. The Soviet Union at that time and now the Russian Federation see Mongolia as a buffer State between China and other big powers, such as the United States. Mongolia’s geographic location increases its geostrategic importance. Economically, major income sources, such as the Erdenet copper mine, and other strategic facilities, such as railways, have Soviet participation and influence in their origin.

Even cultural ties were strong between the two countries. Russian literature was the most read among Mongolians. Studying in the Soviet Union was the guarantee of life well-being, at least before the 1990s. Almost anyone who had a chance to study in a Soviet school or learn Russian found it gave them a big chance to change their life trajectory. In those years, most Mongolian professionals trained in the Soviet Union. They came back and worked in their respective field. Through them, people-to-people exchanges and other cultural elements came to Mongolia. The generations born in that period have strong nostalgia for the Soviet Union.

Not many foreign television channels could stream into Mongolia before the 1990s. Only a few Soviet channels were on household televisions. And the Soviet TV programmes, movies and songs thus had huge
influence. Buildings constructed during those years in Ulaanbaatar all reflected Soviet architecture. To this day, a Russian or Mongolian visiting the other country most likely would feel a similarity between the architectural appearances.

After the 1990s, Russian interest in Mongolia loosened, allowing for Mongolian interests to diversify through changes in international relations. Russia kept its hard power interest towards Mongolia. Russia still considers Mongolia as a buffer State against China and other powers, such as the United States. Russia still has heavy influence over Mongolia’s electricity and fuel supply. For instance, due to the COVID-19 pandemic restrictions, Russia interrupted its fuel supply for a few days last year. Those few days of interruption caused temporary chaos in September and October in Mongolia, indicating the retaining degree of hard power influence.

But unlike the hard power factors, Russian soft power influence lost its pre-eminence among Mongolians. The Russian language became no longer a priority to learn, and Moscow lost its appeal to parents wanting to send their children for studies. As the Russian interest in Mongolia loosened, its soft power influences were replaced by the Western soft powers. The Russian visa restriction until 2014 pushed Mongolians to choose visa-free China as a transit country to visit other countries or to do business. In 2014, Russia finally allowed Mongolians to travel or transit without a visa for up to 30 days. But the damage was done. The bureaucratic and old-fashioned system of Russia took away its cultural shine among Mongolians.

Since Putin’s visit to Mongolia in 2000, Russia has increased the number of students studying in Russia. By 2021, there were 4,000 Mongolian students studying in Russia; every year, Russia offers 550 scholarships for Mongolian students. But that is significantly less than the number of scholarships that China offers. The weak economic re-
relations between the two countries have also slowed the soft power influence. Russian direct investment accounts for around 1 per cent of total foreign direct investment in Mongolia. Trade between the two countries is quite low, with Russian imports accounting for only around 1 per cent of Mongolian total exports, and imports account for around 30 per cent, which usually consists of fuel, of Mongolia’s total imports.¹⁴

Due to the absence of soft power policies in the past ten years, the Russian soft power influence has not easily recovered in Mongolia. Mongolians’ political values have changed to democratic and pro-Western and away from the Russian authoritarian and anti-Western stance. The older generations who studied in the Soviet Union or who had a strong affection for Soviet culture retain strong affection towards Russia. But the young generations differ from their parents’ and grandparents’ generations. They have been more exposed to Western culture and Western values.

In 2021, Mongolia and Russia celebrated 100 years of diplomatic relations. But the Russian soft power influence that formed in the first 70 years of that relationship has gradually waned with its fans due to a lack of cultural exchanges and soft power policies in Mongolia, such as promoting Russian education or the Russian language.

The Ukraine war will have major effects on Russia’s soft power in Mongolia. It will divide the public along several lines. During the Soviet period, many Mongolians studied and lived in Ukraine, and many Ukrainians, including President Zelensky’s parents, were among the specialists and soldiers who worked and served in Mongolia. Many Ukrainians along with other Soviet nationals fought and some lost their lives in the Khalkyn Gol Battle in 1939. Of Mongolia’s six presidents, one was educated in Russia and one in Ukraine. Some Mongolians will divide because of their news sources: Those who learn about the world events through Russian television programming and websites will buy
the Russian justification for the war. Others who rely on English sources will see things in parallel with the Western view. But there are many other Mongolians who only know the Mongolian language, and nowadays they mostly rely on social media and street rumours and follow whatever seems logical to them. Without doubt though, the Ukraine war will impact Mongolian’s views and attitudes towards Russia.

Conclusion

Change in international relations in the 1990s made Mongolia open to all countries’ soft power. From the Mongolian point of view, Mongolia is not yet a country to use its soft powers to gain what it wants. It remains at the receiving end of navigating the soft power influences of other countries to make them mutually beneficial.

Since the 1990s, Western soft power factors have landed well in Mongolia. They have increased people-to-people exchanges, media content (such as TV shows, movies or dramas) and diaspora communities. The official exchanges and growing economic relations have created a smooth entranceway for the soft power influences. Western democratic values and cultural attractions have strong impact on Mongolians today.

The Chinese soft power influence is gradually increasing. Visa-free travel access and increasing the people-to-people exchanges and the number of students studying in China support the soft power policies. Being the top economic partner has helped increase the exchanges between the two countries.

After the collapse of the Soviet Union, Russia kept its hard power factors, such as fuel and electricity supply, and its participation in major strategic projects, such as railway infrastructure. But Russia loosened its interest economically and culturally in Mongolia in the 1990s.
The decreasing number of people-to-people exchanges and students studying in Russia have not helped the situation. Since Putin’s visit in 2000, Russia has tried to increase its scholarships for Mongolian students and other factors to support its soft power. But after a decade of that loosened interest, the Mongolian attraction to Russia has indeed waned. Younger generations have diverted their attention to other powers.

Endnotes

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STRATEGIC PARTNERS OF MONGOLIA

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Mongolia has declared comprehensive strategic partnerships with China and Russia and strategic partnerships with Japan, India, the United States and South Korea. Mongolian foreign policy experts have been advocating with their counterparts in Germany and Turkey to advance the respective bilateral relationship from the current comprehensive partnership to a strategic partnership. There is no standard definition of a strategic partnership and no consensus on what it entails or how it should proceed. Some strategic partnerships, for instance with India, South Korea and the United States, appear to be set in a non-binding declaratory statement. Other strategic partnerships, such as with China and Japan, are declared in what looks like a long-term strategic planning document with a consultative mechanism for a regular update and mid-term implementation plans. The partnership with Russia, however, is a binding treaty.

For this paper, we define the strategic partnership as what is reflected in a declarative statement by two countries to identify their common interests at the global and regional levels and to indicate their mutual interest in committing to a long-term bilateral relationship in agreed areas of cooperation. For small, vulnerable States like Mongolia, a strategic partnership can be regarded as important political recognition of its independent, sovereign statehood by large States and also a method for advancing its interests and priorities in bilateral relations with these States. Therefore, a strategic partnership document is the result of the compromise of two countries’ interests and/or expected behaviour towards each other.

This paper introduces Mongolia’s strategic partners briefly, discusses Mongolia’s categorization of each partnership, compares those strategic partnerships, examines how they reflect the defence cooperation and concludes with thoughts on future candidates (Germany, Turkey.
Mongolia’s strategic partners

Russia – The intention for the strategic partnership was declared during the 2006 visit of Mongolian President Enkhbayar Nambar. At the 70th celebration of the Khalkhyn Gol Battle in 2009, Russian President Dmitry Medvedev and Mongolian President Elbegdorj Tsakhia declared a strategic partnership. However, the actual declaration document vaguely described the areas of that strategic partnership. A decade later, at the 80th anniversary of the same battle in September 2019, Russian President Vladimir Putin and Mongolian President Battulga Khaltmaa jointly declared a permanent comprehensive strategic partnership and signed a draft of a lengthy treaty that would replace the 1993 treaty, while invoking the 1966 treaty (without the mutual defence clause).¹ The Russian side apparently imposed the parliamentary ratification of the permanent treaty prior to the Mongolian prime minister’s overdue visit to Moscow in December 2019. The Russian legislature ratified the treaty in the summer of 2020, and both foreign ministers exchanged the completed treaty in Moscow in September 2020.² The permanent treaty prioritizes bilateral consultations, renews traditional bilateral ties that include the energy sector, mining, infrastructure and defence technical cooperation and even requires Mongolia’s adherence to the 1,520 mm (Russian standard railway gauge) for the railway extension.

China – In 2003, China and Mongolia declared a good-neighbour, mutually trusting partnership. Then, during the Mongolian prime minister’s visit in 2011, both countries agreed to upgrade their bilateral relationship to the level of strategic partnership.³ In addition to respect of basic principles of sovereignty, three important commitments were highlighted: (i) not to join any military and political alliance and not let a third party use respective territory against the other party; (ii) support the Chinese government’s positions on Taiwan, Tibet and Xinjiang-re-
lated matters; and (iii) regularize high-level talks and visits.

In 2013, both governments concluded mid- and long-term plans for developing the strategic partnership. The plan was overwhelmed with activities related to economic and trade cooperation as well as people-to-people exchanges. Soon after, in 2014, Chinese President Xi Jinping declared to President Elbegdorj Tsakhia during his visit to Ulaanbaatar the intent to establish a comprehensive strategic partnership with Mongolia. Despite a name change, the content of the previous declaration did not shift except for the establishment of a Strategic Dialogue Mechanism between the two Foreign Ministries.

**Japan** – The relationship between Mongolia and Japan has rapidly expanded since the Mongolian democratic revolution in 1990 and the withdrawal of the Soviet military. Initial discussions on the goal of establishing a comprehensive partnership between the two countries took place in 1996, which was officially declared in 1998. Both sides agreed to advance the comprehensive partnership to the strategic level within a decade, which was officially declared during the visit of Mongolian President Elbegdorj Tsakhia to Japan in November 2010. The strategic partnership emphasizes enhancing mutually beneficial relations in the following aspects: (i) cooperation in politics and security; (ii) cooperation in economic areas; and (iii) cultural and people-to-people exchanges.

From 2013, the leaders of the two countries agreed to develop a five-year mid-term action plan to give substance to the strategic partnership. The first five-year plan, Mid-Term Action Plan for a Strategic Partnership (2017–2021), was concluded during Japanese Prime Minister Shinzo Abe’s visit to Mongolia. The 2017–2021 Mid-Term Action Plan was signed during the Japanese Foreign Minister’s visit in March 2017. However, more focus has since been given to implement a bilateral free trade agreement.
India – Although Mongolia and India share a long historical, spiritual and cultural bond, the main legal document for the relationship between the two countries, a Treaty of Friendly Relations and Cooperation, was signed in February 1994 during Mongolian President’s visit to India. The bilateral relationship between the two countries was upgraded to the level of strategic partnership in 2015 during the state visit of Indian Prime Minister Narendra Modi to Mongolia on the occasion of the 60th anniversary of the bilateral relationship. The strategic partnership emphasizes political and multilateral cooperation as well as people-to-people relations, the economy and trade, defence and security, and science and technology. In 2019, one of the highlights of the strategic partnership—the Indian investment to construct an oil refinery project—was finalized. India agreed to provide a large line of credit (US$1.2 billion) for the construction of an oil refinery plant that would be capable of producing 1.5 million metric tonnes crude oil per year (equivalent to 75 per cent of domestic consumption). This is the largest investment in India’s extended neighbourhood.

United States – In 1990, the United States became one of the most important relationships to help Mongolia overcome the challenges of the political and economic transitions and to gain international support from its allies in Asia and Europe. The first presidential level of joint statement of comprehensive partnership occurred during Mongolian President Bagabandi Natsag’s visit to the United States in 2004. A year later, the statement was reiterated by then-US President George Bush during his visit to Mongolia. The essence of this partnership, as declared by both governments, is common strategic interests for regional and global peace and stability. Shared values of democracy and human rights were reiterated in later joint statements. Despite Mongolia’s constant request for upgrading the bilateral relationship and establishing free trade agreements, the United States has only agreed to develop a road map (Joint Statement and Roadmap for Expanded Economic Partnership), in 2018. As the United States began to push
its Free and Open Indo-Pacific strategy, however, the Trump administration declared (in July 2019) a strategic partnership with Mongolia covering all areas of cooperation.13

**South Korea** – On 10 September 2021, Mongolian President Khurelsukh Ukhnaa and South Korean President Moon Jae-in declared a strategic partnership, which is the first-ever such arrangement declared virtually due to the COVID-19 pandemic. Albeit a late start in bilateral relations, South Korea has evolved as Mongolia’s key trading partner in East Asia in terms of investment, imports and technology. The cultural and people-to-people ties with South Korea are stronger than with any other East Asian State. Some 40,000–50,000 Mongolians live in South Korea, while the number of South Korean citizens living in Mongolia ranks third after the Chinese and Russians.14 Because of the geographic proximity, the number of South Korean tourists and businesses in Mongolia has steadily grown since establishment of the bilateral relationship. The two countries’ partnership has advanced through several stages, which also tie to the foreign policy initiatives of both presidents. In 1999, the two countries declared to develop a future-oriented complementary partnership, then a good neighbourly and friendly cooperative partnership in support of Mongolia’s third neighbour policy in 2006 and a comprehensive partnership in 2011. The new strategic partnership declaration promotes bilateral ties in five areas (politics and security; the economy, trade and investment; health, the environment, education and science; culture, tourism and people-to-people exchange; and international and regional cooperation). It is similar to the strategic partnership with Japan in that it emphasizes economic cooperation.15

**Mongolia’s categorization of the partnerships**

According to the Ministry of Foreign Affairs of Mongolia, partnerships are classified into four categories: (i) initial partnership, (ii) extended
or expanded partnership, (iii) comprehensive and (iv) strategic. The initial partnership is characterized with regular political interactions, establishment of trade and economic ties and increased exchanges in education, science, culture and humanitarian areas of cooperation. In simple terms, the partnership is one step deeper than normal bilateral recognition. The next category of partnership is extended or expanded partnership. In this stage, the political interaction reaches a slightly higher level and has some potential for deepening economic cooperation in specific sectors. Exchanges in education, science, culture and humanitarian areas are regularized and show potential to grow. Both sides begin to look for ways to expand bilateral cooperation in all areas of cooperation. The major difference of this category from the comprehensive partnership is that both countries have vested interests in particular sectors. For example, Mongolia established an extended partnership with Canada in 2004 and with Australia and Kazakhstan in 2007.

The second-highest category is comprehensive partnership. The key features are high-level political cooperation; conclusion of contracts and agreements for trade and investment; and increased cooperation in areas of education, science, technology, culture, health and other humanitarian fields. Both sides begin to promote defence exchanges (information, training and education). Because both countries are developing bilateral ties in all areas of cooperation (political, economic, defence and cultural), the category is labelled as a comprehensive partnership. As noted, Mongolia established a comprehensive partnership with the United States in 2004, with Turkey in 2005, with Germany in 2008, with India in 2009 and with South Korea in 2011.

The highest level of bilateral relations is the strategic partnership, which declares the intention of developing a long-term, stable relationship. The following are some essential features:
• increased high-level political trust and visits;
• a regular consultative mechanism for international and regional issues;
• mutual investment agreements and free trade agreements;
• military and technical assistance, education and training;
• strong ties in humanitarian and social sectors, especially culture, education and health;
• mutual assistance during a disaster and mitigation of disaster impacts; and
• joint participation in United Nations and international peace support operations.

The strategic partnership categorization is a pragmatic assessment that is based on an evaluation of Mongolia’s bilateral relations from the 1990s. Interestingly, China and Russia upgraded their respective strategic partnership with Mongolia to a comprehensive strategic partnership. Neither Mongolia nor those neighbours have sufficiently explained what the comprehensive strategic partnership means or how it differs from a strategic partnership.

Bold Ravdan, a respected diplomat and scholar in security studies, points out that the strategic partnership can be explained in correlation to the degree of trust, desire of long-term stable relations and avoidance of being interpreted as an alliance that it represents. He divides the strategic partnerships into three categories: (i) strategic partner relationship and cooperation, in which countries collaborate at the alliance level; (ii) strategic partner relationship, in which countries seek some type of limited collaboration and coordination; and (iii) strategic partnership, in which countries exchange information only to avoid misperception and misunderstanding.
Comparison of Mongolia’s strategic partnerships

Mongolia’s strategic partnerships with the major powers are not unique. They are also driven by the foreign policy objectives of those major powers. India, for instance, declared strategic partnerships with Russia (2000), China (2005), Japan (2005) and the United States (2015). China has been successfully promoting strategic partnerships all over the world. In Central, Northeast and Southeast Asia, China established strategic partnerships with South Korea (2008), Vietnam (2008), Lao People’s Democratic Republic (2009) and Central Asia: Kazakhstan (2005), Uzbekistan (2012) and Tajikistan and the Kyrgyz Republic (2013). In 2011, China upgraded its partnership with Kazakhstan and Russia to a comprehensive strategic partnership. In 2019, when Russia elevated its strategic partnership with Mongolia to a permanent and comprehensive strategic partnership, China made a similar move with Kazakhstan.

As shown in table 1, we can make some interesting observations of these partnerships. The timing of Mongolia’s strategic partnerships with Russia, China and Japan occurred in a similar period. India’s strategic partnership was concluded in 2015, just after China upgraded its relationship with Mongolia to a comprehensive strategic partnership in 2014. The United States’ declaration of strategic partnership occurred amid the Trump administration’s trade war with China. Russia’s upgrade could be perceived as a response to China’s upgrade and the American declaration of partnership with Mongolia.

The prioritization of bilateral issues is different. In the declaration with China and Russia, bilateral issues are given higher priority than cooperation at the multilateral organization level. With India, Japan and the United States, multilateral cooperation is prioritized above the bilateral issues. In regard to specific concerns of these major powers, Russia wants to assert its influence over issues with geostrategic importance,
such as defence, energy and railways. China desires Mongolia to uphold its One China policy concerning Taiwan, Xinjiang and Tibet. At the same time, China requires Mongolia’s assurance of non-alliance in military and political terms. Japan’s emphasis appears to be Mongolia’s economic development, especially the implementation of the International Monetary Fund’s policies in the mid-term.

Similarly, South Korea prioritizes economic cooperation with Mongolia and, at the same time, looks at Mongolia as an important country for its dealings with North Korea and a strategy to reach out to Central Asia and Russia (known as the New Northern Policy). In contrast, the United States prioritizes Mongolia’s commitment towards democracy and rule of law as a basis for the partnership.

India’s partnership with Mongolia highlights international cooperation as well as collaboration against terrorism while listing all possible areas of cooperation despite the challenges of geographic distance. Interestingly, the strategic partnership documents with India, Japan and the United States consider Mongolia a part of their new Indo-Pacific Russia, while China, on the other hand, emphasizes collaboration through its regionalization efforts, such as the Shanghai Cooperation Organization and the Eurasian Economic Union.
Table 1. Comparison of the strategic partnerships

<table>
<thead>
<tr>
<th></th>
<th>Russia</th>
<th>China</th>
<th>Japan</th>
<th>India</th>
<th>United States</th>
<th>South Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue area ranking</strong></td>
<td>Political Defence &amp; security</td>
<td>Political Defence &amp; security</td>
<td>Economy</td>
<td>Cultural exchange</td>
<td>Multilateral Cooperation</td>
<td>Defence &amp; security</td>
</tr>
<tr>
<td></td>
<td>Political Defence &amp; security</td>
<td>Economy</td>
<td>Cultural exchange</td>
<td>Multilateral Cooperation</td>
<td>Defence &amp; security</td>
<td>Economy</td>
</tr>
<tr>
<td></td>
<td>Traditional relations (alliance)</td>
<td>No political &amp; military alliance</td>
<td>Indo–Pacific</td>
<td>Indo–Pacific</td>
<td>Indo–Pacific</td>
<td>Korean Peninsula Northeast Asia</td>
</tr>
<tr>
<td><strong>Core</strong></td>
<td>Protect Russian geostrategic interests</td>
<td>Uphold One China policy(Taiwan, Xinjiang, Tibet)</td>
<td>Economic development (IMF policy implementation)</td>
<td>Terrorism Geopolitics</td>
<td>Democracy</td>
<td>Economic cooperation</td>
</tr>
</tbody>
</table>

Mongolia’s defence cooperation with its strategic partners expanded through reciprocal visits of high- and mid-level defence officials in the recent years. Defence talks and consultative and joint working group meetings between the Ministries of Defence have become regular. Cooperation in the fields of bilateral and multilateral military exercises, military education and training as well as military grant and assistance noticeably have increased, although these areas are not equally worded in the strategic partnership documents (table 2).

Under the bilateral defence cooperation, the Mongolian Ministry of
Defence established military and technical cooperation with five countries: Belarus, China, Russia, Turkey and Ukraine. In Mongolia's case, this cooperation is highly regarded and permits opportunities for receiving military weaponry and equipment while promoting all types of defence exchanges. In this context, Mongolia has prioritized such cooperation with Russia mostly because it had received much technical assistance from the Soviet Union before the 1990s. Even after the withdrawal of the Soviet troops, Mongolia remained largely dependent on the military and technical assistance from Russia, and it is likely to continue. Further development of military and technical cooperation with other countries, especially with the third neighbours, may challenge Mongolia due to its geopolitical specifics.

Jointly with its strategic partners, Mongolia organizes bilateral and multilateral exercises for peacekeeping and anti-terrorism that respond to the interests of all parties. They entail: the Russia and Mongolia bilateral and annual Selenge Exercise (since 2008); the Chinese People’s Liberation Army and Mongolian Armed Forces Peacekeeping Exercise (since 2009); Japan and Mongolia capacity-building, road construction and engineering programme (since 2012); and the India and Mongolia Nomadic Elephant Exercise (since 2004). The peacekeeping exercise, Khaan Quest, has been annually co-hosted by Mongolia and the United States since 2003 and serves to reiterate the importance of peacekeeping exercises and demonstrate the partners’ desire to support Mongolia for the purpose of expanding mutual understanding and trust among the militaries that participate.

Overall, Mongolia's defence cooperation is equally developed with the strategic partners to increase defence visits, consultative mechanisms, military and technical assistance, professional military education and training and the exercises. Russia and China, Mongolia’s immediate neighbours, desire a defence cooperation focused on close bilateral relations, while India, Japan, the United States and South Korea prefer
more inclusive cooperation that promotes regional collaboration.

Table 2. Reflection of defence in the strategic partnership documents

<table>
<thead>
<tr>
<th>Russia</th>
<th>China</th>
<th>Japan</th>
<th>India</th>
<th>United States</th>
<th>South Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military &amp; technical cooperation</td>
<td>Military and technical cooperation</td>
<td>Defence talks</td>
<td>Defence talks</td>
<td>Peacekeeping</td>
<td>Defence talks</td>
</tr>
<tr>
<td>Military exercises</td>
<td>Military exercises</td>
<td>Exercises (engineering)</td>
<td>Exercise in India</td>
<td>Exercise in Mongolia</td>
<td>Disaster preparedness, relief operations</td>
</tr>
<tr>
<td>Education</td>
<td>Education</td>
<td>Education</td>
<td>Military grant</td>
<td>Education</td>
<td>Education</td>
</tr>
</tbody>
</table>

Concluding thoughts

The strategic partnership is an interesting phenomenon in contemporary international relations. Based on Mongolia’s strategic partners and related partnership documents (joint statements, declarations, action plans and a treaty), it appears to be quite a fluid, flexible concept. Each partnership agreement is a result of compromise of differing interests and expectations of behaviour towards each other. However, both States in a partnership appear to have shared interests and expectations of long-term, stable bilateral relations.

An interesting future research angle for the strategic partnership would be a comparison of the major powers’ understanding and categorization of their strategic partnerships. An important question here is how these powers, such as China, Russia, the United States, India and Japan, rank different types of partnerships by content, scope and timing. Although the major powers use the same strategic partnership concept for their close relationship, they assign different priorities, values and trust depending on the country’s importance, power, capabilities and historical ties. This is certainly the case with Mongolia.
It is clear that Mongolia will develop strategic partnership with all important countries in the coming years. There are three potential strategic partners in this regard: The first is Germany. It is a key partner in Europe, with ties dating to the 1930s. Germany had an important role with Mongolia during the harsh economic transitions in the 1990s, in helping to strengthen its democratic institutions and develop partnerships with the European Union and with the North Atlantic Treaty Organization (NATO).

Another candidate is Turkey. Based on growing bilateral ties and cultural links, Turkey is regarded as a third neighbour and, for Mongolians, as a gateway to the world, especially to Europe. The strategic partnership with Turkey would provide more opportunities to collaborate through the multilateral forums (United Nations, the Organization for Security and Co-operation in Europe, the Shanghai Cooperation Organisation and NATO) and expand bilateral ties in all areas of cooperation.

The other potential candidate is Vietnam. Both countries have maintained a close tie since 1954 in all areas of cooperation, especially trade and cultural and educational exchanges. Vietnam is one of Mongolia’s strong supporters at the ASEAN Regional Forum and is a gateway to the Southeast Asian market.

All three countries maintain embassies in Ulaanbaatar, collaborate within international and regional organizations and share concerns with Mongolia regarding its great power neighbours. Strategic partnerships, especially a comprehensive strategic partnership, with these countries would ameliorate Mongolia’s permanent concerns about Chinese and Russian pressures.
Endnotes


9 Embassy of India in Mongolia, “Joint statement on strengthening the strate-


Diplomatic Academy, Mongolian Foreign Policy Concepts in 20 years (Ulaanbaatar, 2014), pp. 49–53.

CHAPTER SIX
National Perception of Foreign Policy
YOUNG MONGOLIANS AND THE WORLD IN 2021

(National Opinion Poll Results)

Ulaanbaatar 2021
FOREIGN POLICIES & INTERNATIONAL RELATIONS THROUGH THE EYES OF YOUNG MONGOLIANS.

This survey was conducted by Friedrich-Ebert-Stiftung in partnership with the Mongolian Institute for Innovative Policies. The contents of this publication should not be construed as reflecting the views of Friedrich-Ebert-Stiftung or of the Mongolian Institute for Innovative Policies.

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ISBN 978-9919-9870-4-6

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FOREIGN POLICIES & INTERNATIONAL RELATIONS THROUGH THE EYES OF YOUNG MONGOLIANS.

(NATIONAL OPINION POLL RESULTS)
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Introduction

There have been no prior surveys in Mongolia specifically focused on the youth’s views and the public perception of international relations, Mongolian foreign policies and other countries. For instance, other research organizations and institutes have conducted surveys on the public perception on social and political issues by only in relation to Russia, China, and Mongolia’s “third neighbours”. However, these are limited in their ability to conduct in-depth research on public perception, specifically on youth perceptions on particular issues of international relations and foreign policies as they include a wide range of social, economic and political issues.

Decisions on Mongolian foreign policy issues and policy discussions are typically formulated based on the views of policymakers, while taking into account the views of Mongolian scholars, researchers and experts in relevant fields. However, they often do not consider the public opinion and in particular, Mongolian youth, who are rhetorically addressed as the “future of the nation”, in how they assess international relations and global affairs, and their position of what the government should take on foreign policy. Yet, in the domestic sphere, public opinion and especially the participation of the general public and interest groups have a significant impact on the foreign policy decisions of any democratic country. There are also currently no adequate sample surveys of youth in Mongolia examining where and how they receive information about the outside world, and how they value and rank foreign countries, languages, and cultures.

Therefore, the Mongolian Institute for Innovative Policies, with the generous support of the Friedrich-Ebert-Stiftung of Germany, conducted this survey and published the results in an effort to clarify the perceptions, values, knowledge, level of information, and stances on the issues of international relations, Mongolian foreign policy, and views on other countries of Mongolian youths between 18-35 year old. The survey was conducted in Ulaanbaatar city, Erdenet city, Tuv aimag, and Bulgan aimag between September-October 2021. A total of 1,809 people participated in the survey based on random sampling. In addition, a focus group discussion of 11 people was conducted during the study.
Eight Key Findings

1. Eighty percent of survey respondents are somewhat interested in international news and global affairs. This general interest should form the basis in defining future Mongolian foreign policies and reveals the general perception of international relations among Mongolian youth.

2. Among the survey respondents, sixty-eight percent said Mongolia belongs to Central Asia. It is interesting to note that the youth consider it so based on geographic proximity and historical, cultural similarities regardless of the fact that more Mongolians live and work in the Northeast Asian countries.

3. When researching on general opinions about other countries, more than 80 percent of respondents have positive views towards South Korea, Russia, Japan and the USA, while 44 percent of respondents have negative views towards China. When asked to clarify their perceptions about the future of the two world powers - China and the USA - more than half of respondents said that China would become the biggest economy in the world, and have an important role in solving global issues whereas 38 percent of respondents said that the influence of the USA would grow.

4. In regards to Mongolian foreign policy, attracting and sustaining foreign direct investments and diversifying foreign trade are the most important two matters to keep in mind. The youth believe that Mongolia, which is heavily dependent on its mining sector, has potential to develop fast if it uses its windfalls from natural resources properly.

5. Soft power projections from foreign countries through music, films and arts have notable impacts on Mongolian youth. It is common
for youths to keep up to date on UK, US and Korean movies, music and learn their languages.

6. Forty-two percent of respondents said that activities of religious institutions need to be under strict monitoring. While there is freedom of religion, such views might be related to the social opposition towards religious institutions that have been banned elsewhere internationally but continue to operate in Mongolia.

7. It is found that youth have less knowledge and information about global and regional organizations on security cooperation. Fifty-three percent of respondents said they do not know whether or not Mongolia should join the Shanghai Cooperation of Organization.

8. However, there were not any undecided responses about the participation of Mongolian Armed Force in peacekeeping operations, and 77 percent respondents said that Mongolia needs to expand its peacekeeping operations abroad.
CHAPTER ONE: Are youth interested in foreign policy and international relations?

We find that Mongolian youths are quite interested in international news and foreign affairs. One out of three respondents said that they are “interested” in international news whereas half of them say “somewhat or neutral” to the same question. However, 6 percent and 14 percent of them said “not interested” and “less interested,” respectively. There is not a significant difference in the responses when considering gender, but a slightly higher number of men said “interested” than women (Figure 1).

The majority of youth surveyed, or 40.2 percent, get the information of international events and foreign news through mostly social media such as Facebook and Twitter. Television and news sites are still considered the main sources of information for youth, whereas radio, newspapers, and word of mouth are not considered the main sources (Figure 2).
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The majority of youths surveyed, or 40.2 percent, get the information of international events and foreign news through mostly social media such as Facebook and Twitter. Television and news sites are still considered the main sources of information for youths, whereas radio, newspapers, and word of mouth are not considered the main sources (Figure 2).

Fifty-five percent of youth receive international news mostly in the Mongolian language while 35 percent receive them mostly in the English language. This shows that the usage of English among youth is high. Conversely, the results of the survey show that the usage of other languages is quite low (Figure 3).
CHAPTER TWO: What do youth say about global challenges and other countries?

From the list of global issues, youth who took part in the survey gave priority to the pandemic, poverty and economic development. Undoubtedly, the current pandemic situation has contributed to this ranking. About 60 percent of respondents see climate change as a global issue, while about 40 percent see transnational crimes (drug and human trafficking) as the next global issue. It is found that more male respondents focused on climate change whereas more female respondents focused on crime. However, the respondents have not considered wars and conflicts significantly as Mongolia is situated in a relatively peaceful region with relatively few armed conflicts and among the world’s great powers (Figure 4).

Figure 4: Global issues (%)

<table>
<thead>
<tr>
<th></th>
<th>Poverty, Economic Development</th>
<th>Pandemic</th>
<th>Climate change</th>
<th>Crimes /drug, human trafficking/</th>
<th>War, conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Men</strong></td>
<td>79.9</td>
<td>84.5</td>
<td>65.8</td>
<td>39.2</td>
<td>18.9</td>
</tr>
<tr>
<td><strong>Women</strong></td>
<td>81.8</td>
<td>85.8</td>
<td>59.6</td>
<td>46.6</td>
<td>13.4</td>
</tr>
<tr>
<td><strong>All</strong></td>
<td>81</td>
<td>85.3</td>
<td>62.2</td>
<td>43.5</td>
<td>15.7</td>
</tr>
</tbody>
</table>

Source: MFIP • Created with Datawrapper

According to the survey on perceptions of other countries in the world, the vast majority of youth, more than 80 percent of respondents, chose as South Korea (86), Russia (85), Japan (84), and the United States (82) as being positive. Only 49.3 percent had positive views towards China. In other words, 44.1 percent of youth have negative views towards China, which is higher than that of other countries. Among Asian coun-
tries, Japan and South Korea have the most positive views (Figure 5).

Figure 5: Views about the following countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Generally Positive</th>
<th>Somewhat Positive</th>
<th>Somewhat Negative</th>
<th>Generally Negative</th>
<th>Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>32.9%</td>
<td>52.2%</td>
<td>3.1%</td>
<td>6.1%</td>
<td>5.7%</td>
</tr>
<tr>
<td>China</td>
<td>11.3%</td>
<td>38.0%</td>
<td>13.7%</td>
<td>30.4%</td>
<td>6.6%</td>
</tr>
<tr>
<td>USA</td>
<td>29.2%</td>
<td>52.8%</td>
<td>2.9%</td>
<td>6.5%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Germany</td>
<td>27.6%</td>
<td>45.5%</td>
<td>5.8%</td>
<td>2.4%</td>
<td>18.7%</td>
</tr>
<tr>
<td>Japan</td>
<td>42.6%</td>
<td>40.8%</td>
<td>2.4%</td>
<td>5.0%</td>
<td>9.0%</td>
</tr>
<tr>
<td>South Korea</td>
<td>38.5%</td>
<td>46.9%</td>
<td>1.7%</td>
<td>4.6%</td>
<td>8.3%</td>
</tr>
</tbody>
</table>

Source: MiFIP • Created with Datawrapper

When asked about the future of the two most influential countries in the world from the above countries, 76 percent of youth agreed that China would be the world’s leading economy, but interestingly a significant proportion of those surveyed said China would be a colonizing/imperial nation. On the other hand, a small number said that China would have an important role to play in resolving global challenges. However, only a small percentage believe that China would be a peace-loving nation in the future (Figure 6).

Figure 6: Perceptions of the future role of China

When looking at youth perceptions on the future of the United States in international relations, 38 percent of respondents said the country’s influence would increase in the future while 30 percent said the USA would retain its influence. However, 15 percent said the US influence
Youth consider Vladimir Putin, the President of the Russian Federation and Xi Jinping, the President of the People’s Republic of China to be leaders, who lead their countries well. During the focus group discussion, the former German Chancellor Angela Merkel was also named a good leader, which is also a sign that gender bias is unlikely to be a factor. Mongolian youths also point out that different governance approaches affect their respective international positions and socio-economic situations (Figure 8).

As for international organizations, almost all youths know about the United Nations while most know about the European Union. However,
the majority of them do not know about the Shanghai Cooperation Organization and the Organization for Security and Cooperation in Europe. Regardless of tertiary, vocational, or secondary education, responses to international organizations that youth provided are similar (Figure 9).

Figure 9: Do you know about these international organizations?

<table>
<thead>
<tr>
<th></th>
<th>UN</th>
<th>EU</th>
<th>SCO</th>
<th>OSCE</th>
<th>EEU</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>98%</td>
<td>68%</td>
<td>45%</td>
<td>42%</td>
<td>35%</td>
</tr>
<tr>
<td>University</td>
<td>99%</td>
<td>73%</td>
<td>50%</td>
<td>46%</td>
<td>37%</td>
</tr>
<tr>
<td>Vocational</td>
<td>92%</td>
<td>59%</td>
<td>39%</td>
<td>32%</td>
<td>35%</td>
</tr>
<tr>
<td>Secondary</td>
<td>98%</td>
<td>63%</td>
<td>40%</td>
<td>40%</td>
<td>35%</td>
</tr>
<tr>
<td>Middle</td>
<td>98%</td>
<td>55%</td>
<td>42%</td>
<td>31%</td>
<td>26%</td>
</tr>
<tr>
<td>Elementary</td>
<td>100%</td>
<td>33%</td>
<td>0%</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source: MifIP - Created with Datawrapper
CHAPTER THREE: Mongolian foreign policies and youth opinion

When asked to which region Mongolia belongs, 68 percent of the youth surveyed said that Mongolia belongs to the Central Asian region while 22 percent said that it belongs to the Northeast Asian region. The summary of these answers is about 90 percent (Figure 10). Although many Mongolians live and work in Northeast Asian countries, the youth in the focus group discussions emphasized that Mongolia belongs to the Central Asian region in terms of geographical proximity and historical and cultural similarities.

Youth think that the three most important issues of Mongolia’s foreign policy are, first, to attract foreign direct investment, second, to diversify trade, and third, to protect the interests of Mongolian nationals abroad (Figure 11). As a country rich in mineral resources, the respondents from the focus group emphasize that it won’t be difficult for Mongolia to develop if it can attract and sustain foreign investment and use the gains from its natural resources properly.
When asked as to which region Mongolia belongs, 68 percent of the youths surveyed said that Mongolia belongs to the Central Asian region while 22 percent said that it belongs to the Northeast Asian region. The sum of these answers is about 90 percent (Figure 10). Although many Mongolians live and work in Northeast Asian countries, the youths in the focus group discussions emphasized that Mongolia belongs to the Central Asian region in terms of geographical proximity and historical and cultural similarities.

Youths think that the three most important issues of Mongolia’s foreign policy are, first, to attract foreign direct investment, second, to diversify trade, and third, to protect the interests of Mongolian nationals abroad (Figure 11). As a country rich in mineral resources, the respondents from the focus group emphasize that it won’t be difficult for Mongolia to develop if it can attract and sustain foreign investment and use the gains from its natural resources properly.

In terms of the current biggest foreign threats to Mongolia, 87 percent of respondents named the loss of economic independence, 60 percent named concerns about the pandemic, and 55 percent said influence of foreign culture and religion. Youth are paying more attention to foreign cyber-attacks than the threat of military invasion. This shows that youth are more concerned about economic, cultural and cyber threats (Figure 12, 13).

In terms of the biggest foreign threats to Mongolia in the next 10 years, 87 percent of respondents named the loss of economic independence, 60 percent named concerns about the pandemic, and 55 percent said influence of foreign culture and religion. Youth are paying more attention to foreign cyber-attacks than the threat of military invasion. This shows that youth are more concerned about economic, cultural and cyber threats (Figure 12, 13).
In terms of the biggest foreign threats to Mongolia in current, 87 percent of respondents named the loss of economic independence, 60 percent named concerns about the pandemic, and 55 percent said influence of foreign culture and religion. Youths are paying more attention to foreign cyber-attacks than the threat of military invasion. This shows that youths are more concerned about economic, cultural and cyber threats (Figure 12, 13).

The majority of respondents believe that the best way for Mongolia to present itself on the international stage is to promote its national traditions, history, culture as well as its scenic nature. In addition, about 55 percent of the respondents said that the personal talents of Mongolians should be shown (Figure 14). In particular, the focus group participants expressed confidence that Mongolian youths would be able to demonstrate their skills to the world if provided with the opportunities and conditions.

The majority of respondents believe that the best way for Mongolia to present itself on the international stage is to promote its national traditions, history and culture as well as its scenic nature. In addition, about 55 percent of the respondents said that the personal talents of Mongolians should be shown (Figure 14). In particular, the focus group participants expressed confidence that Mongolian youths would be able to demonstrate their skills to the world if provided with the opportunities and conditions.
18.5 percent of the respondents said that the official visits of Mongolian heads of state and government abroad were ineffective, 60.3 percent said that they were effective in some ways, and only 7.3 percent said that they were very effective. This suggests that the goals and outcomes of the official visits by heads of the state and government need to be publicly understood, especially among youth. 13.9 percent of respondents could not answer this question (Figure 15).

Youth believe that Russia and China have assisted Mongolia the most to fight against the COVID-19 pandemic. This shows that youth have little information about the support provided by Japan, the United States, the European Union or third neighbours in the fight against the COVID-19 pandemic (Figure 16). As for international organizations, youth emphasize that the World Health Organization is more helpful, which may be due to the fact that its activities are more widely covered in the media (Figure 17).
Mongolia’s economy is heavily dependent on foreign investment and assistance. Youth said it would be better to get more loans and assistance from the World Bank, the International Monetary Fund and the Asian Development Bank. However, for loans and assistance from countries, they believe that Mongolia should more rely on Russia and Japan (Figure 18).
When asked about how they felt about their neighboring countries, about 90 percent of youth surveyed said that China and Russia are close allies of Mongolia, and about 60 percent believe that the two countries have great influences on Mongolia’s future. Youth see the USA, Japan, and Germany as neutral partners in international relations, but they believe the USA and Japan have big influences on Mongolia’s future. (Figure 19, 20).

Figure 19: In your opinion, which country is Mongolia’s closest ally?

<table>
<thead>
<tr>
<th>Country</th>
<th>Very Close</th>
<th>Close</th>
<th>Neutral</th>
<th>Less Close</th>
<th>Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>66%</td>
<td>28%</td>
<td>4%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>China</td>
<td>61%</td>
<td>30%</td>
<td>6%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Japan</td>
<td>8%</td>
<td>43%</td>
<td>34%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>USA</td>
<td>4%</td>
<td>25%</td>
<td>40%</td>
<td>21%</td>
<td>10%</td>
</tr>
<tr>
<td>Germany</td>
<td>3%</td>
<td>14%</td>
<td>32%</td>
<td>30%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Source: MIRIP • Created with Datawrapper

Figure 20: In your opinion, how much influence do these countries have on Mongolia’s future?

<table>
<thead>
<tr>
<th>Country</th>
<th>Very Big</th>
<th>Big</th>
<th>Medium</th>
<th>Small</th>
<th>Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russia</td>
<td>56%</td>
<td>29%</td>
<td>10%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>China</td>
<td>53%</td>
<td>29%</td>
<td>10%</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>Japan</td>
<td>19%</td>
<td>36%</td>
<td>30%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>USA</td>
<td>16%</td>
<td>31%</td>
<td>31%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Germany</td>
<td>8%</td>
<td>20%</td>
<td>32%</td>
<td>19%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: MIRIP • Created with Datawrapper

Mongolian youth most frequently indicated China as a “country should be cautious about”, which is juxtaposed by the view of the country also as an “economic opportunity”, followed by the views of it being an “old partner” and a “development model”. (Figure 21). In the case of Russia, it is most frequently viewed as a an “economic opportunity”, followed closely by it being an “old partner”, as well as being a “development model”. (Figure 22). Comparing the answers about the two neighbours, the
We asked youth about their views on a few foreign policy issues. While 28 percent of respondents agreed that it is not necessary to invite the Dalai Lama as Mongolia faces economic losses due to his visits, 32 percent of them opposed it. However, 40 percent said they did not know.
Thirty percent of the total respondents agree with the statement that Russia opposes to building a hydroelectric power plant on the Mongolian river that flows into Lake Baikal. On the other hand, 35 percent disagree with it and one-third of them say they don’t know.

Twenty-eight percent of the youth surveyed support the statement that it is not necessary to monitor activities of foreign religious organizations in Mongolia because the country respects freedom of religion, while 42 percent disagree and think it needs to be under strict control. The rest of the respondents (30%) said they did not know about the statement. It can be concluded that one third of the youth participated in the survey lack understanding and interest in specific foreign policy issues (Figure 24).

Figure 24: Do you agree with the following statements? (%)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Don’t know</th>
<th>Disagree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Mongolia respects freedom of religion, it is not necessary to monitor activities of foreign religious organizations in the country.</td>
<td>30.2</td>
<td>27.8</td>
<td>41.9</td>
</tr>
<tr>
<td>Russia opposes building a hydroelectric power plant on the Mongolian rivers that pour to Lake Baikal.</td>
<td>35.3</td>
<td>35.1</td>
<td>29.6</td>
</tr>
<tr>
<td>As Mongolia faces economic losses due to the Dalai Lama’s visits, it is not necessary to invite him.</td>
<td>32</td>
<td>27.5</td>
<td>40.4</td>
</tr>
</tbody>
</table>

In an effort to assess knowledge of economic relations, in particular free trade agreements, youth were asked about the following question. Seventy-six percent of respondents did not know that Mongolia had ratified a free trade agreement with Japan whereas only 24 percent said they knew of the agreement (Figure 25).
When asked about Mongolia’s membership in the Shanghai Cooperation Organization, which is one of the most controversial issues for policy makers, decision-makers, security and foreign policy researchers, 53 percent of youth surveyed said they did not know. Twenty-seven percent of the respondents said it was right to join, while 20 percent said it was wrong and did not need to join (Figure 26).

Seventy-seven percent of the total respondents agreed that the participation of the Mongolian Armed Forces in peacekeeping operations should be increased. No one answered as “don’t know” in this question (Figure 27). Since the vast majority of respondents are in favor of participating in peacekeeping operations, it is possible to ask more detailed questions in the next survey by differentiating between the UN and other military alliances and state-sponsored military operations.
CHAPTER FOUR: Soft power policy and the new generation

In modern international relations, the pursuit of soft power policies has become more widespread and relevant. Countries’ policies of soft power have been implemented through their languages, religions, cultures, education, national values and foreign policy leadership. There are quite interesting findings when we surveyed the impact of soft power from foreign actors on Mongolian youth.

The Mongolian youth surveyed wanted to study in America, Japan and South Korea the most. In terms of gender, women are more interested in studying in South Korea (Figure 28). The majority of the respondents mention the United States, South Korea and Japan, where many Mongolians live and work, which may be related to the notion that these countries have more opportunities to work while studying. The focus group discussions show that youth placed a high value on having relatives, friends, and family members who can help them in the countries they choose to study abroad. In addition, some of the focus group respondents said that they could easily “settle down” because of their previous experience working and living in the above-mentioned countries, especially South Korea.

Figure 28: If you get a chance to study abroad, which two countries would you choose to study?

Youth are mostly interested in American/English and Korean movies and TV content. While the popularity of American/English media is slightly more popular overall, women, in particular, prefer Korean movies (Figure 29).
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Sixty-two percent of the young people surveyed were interested in learning English, 29 percent were interested in learning Chinese, and 26 percent were interested in learning Korean (Figure 30). The popularity of English among youth in Mongolia correlates with the status of English as a global language and the youth’s high interest in learning and working in the West, while interest in Chinese correlates with China’s importance as Mongolia’s neighbour. The desire to learn Korean, meanwhile, correlates with the high cultural attraction towards South Korea, as demonstrated by the high popularity of its movies and TV, foods, as well as music, where Korean foods, in particular, are the most popular international cuisine for the young people surveyed. There is also a gender dimension of the greater popularity of these Korean cultural products amongst women. These trends as thus signs of the success of South Korean soft power policy through culture and arts. Nevertheless, Anglosphere or American soft power still remains prevalent in the dimension of movies and TV content, as well as in music (Figure 29, 31-32).
Chapter four: Soft power policy and the new generation

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Figure 31: What are your two favorite cuisines?

<table>
<thead>
<tr>
<th></th>
<th>American/English</th>
<th>Chinese</th>
<th>Korean</th>
<th>Russian</th>
<th>Japanese</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>36%</td>
<td>22%</td>
<td>77%</td>
<td>23%</td>
<td>24%</td>
</tr>
<tr>
<td>Women</td>
<td>34%</td>
<td>22%</td>
<td>80%</td>
<td>22%</td>
<td>25%</td>
</tr>
<tr>
<td>Men</td>
<td>40%</td>
<td>22%</td>
<td>73%</td>
<td>25%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Source: MIFIP • Created with Datawrapper

Figure 32: Which two countries’ music do you like to listen to?

<table>
<thead>
<tr>
<th></th>
<th>American/English</th>
<th>Chinese</th>
<th>Korean</th>
<th>Russian</th>
<th>Japanese</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>78%</td>
<td>37%</td>
<td>42%</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>Women</td>
<td>75%</td>
<td>40%</td>
<td>43%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>Men</td>
<td>81%</td>
<td>34%</td>
<td>42%</td>
<td>10%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Source: MIFIP • Created with Datawrapper

Conclusion

• The survey shows that Mongolian youth are quite interested in foreign news and international relations. One-third of young people said they were “very interested” in foreign news, while about half said they were only occasionally interested. Only about 20 percent of the respondents are not interested in foreign news.

• The majority of these young people, or 40.2 percent, receive news of foreign events through social media, with 55 percent of them mostly in Mongolian, and 35 percent mostly in English.

• In the eyes of Mongolian youth, the current top challenges facing the world are the pandemic, poverty and economic development. In the case of Mongolia, economic dependence on foreign countries is the biggest security risk. However, Mongolian youth do not pay attention to war and conflict.
• The focus group discussions indicate that the mindsets of children and youth are hugely influenced by foreign languages, civilizational culture, and religions through the impact of globalization and the huge flows of information, which can be a major risk to the country’s future.

• Ideological and cultural influences through foreign music and films have a significant impact on the minds of young people. For instance, the majority of the respondents enjoy watching Western and Korean movies, listening to English/American, Korean, and Chinese music, enjoying Korean food the most, and they are interested living and studying in these countries.

• When studying youth’s perceptions of foreign countries, they have a positive view towards South Korea, Russia, Japan and the United States, and negative views towards China. When asked about the future roles of the two world powers, 76 percent said China was the world’s leading economy and, in the future, China might become a resolver of global challenges and imperial nation. On the other hand, in terms of the future role of the United States, 38 percent said “US influence will increase in the future,” 30 percent said “influence will remain,” and 15 percent said “US influence will decrease.”

• Vladimir Putin, the President of the Russian Federation and Xi Jinping, the President of the People’s Republic of China were named as the best leaders in the poll, while Angela Merkel, former German Chancellor was named as the best leader in the focus group discussion.

• Mongolia’s foreign policy should focus on attracting and sustaining foreign investment and diversifying foreign trade. As a country with a mining-based economy, the youth believe that if Mongolia can properly utilize its natural resource endowments, the country can develop rapidly.
• In the survey of young people about neighbouring countries, about 90 percent said that Russia and China are Mongolia’s closest allies. The geographical location of our country may have influenced this answer. However, the study shows that other countries, such as Japan, the United States, and Germany, will have a significant impact on Mongolia’s future.

• For Mongolian youth, China is seen as a “country we should be cautious about” and an “economic opportunity”, while Russia is seen as an “economic opportunity” and an “old partner”. Comparing the responses our about two neighbours, China is seen as “a country we should be cautious about” and a “threat” whereas Russia is seen as an “old partner” and an “economic opportunity”. However, it is noted that over-dependence on Russia for fuel prices has created a negative perception of Russia during the focus group discussion.

• When investigating the views of youth on some foreign policy issues, they do not support any of these issues evenly. For example, 30 percent agree with the this idea that Russia is opposing the construction of a hydroelectric powerplant on the Mongolian river that flows into Lake Baikal, and 35 percent disagree. 35.3 percent said they did not know.

• Twenty-eight percent support the view that there is no need to strictly control the activities of foreign religious organizations because Mongolia respects freedom of religion, while 42 percent do not support it and believe that strict control is needed. This may be due to the fact that in recent years, a number of internationally banned religious organizations have been operating actively in Mongolia under the name of freedom of religion or non-religion.

• Twenty-eight percent said that the Dalai Lama’s visit was not necessary as it faces economic losses to Mongolia, while 32 percent op-
posed it. Forty percent said they did not know. Therefore, it can be concluded that one third of the respondents have a lack of understanding on some specific foreign policy issues.

• When asked about joining the Shanghai Cooperation Organization, which is one of the most controversial issues for politicians, security and foreign policy experts and researchers in Mongolia, 53 percent said they did not know. In addition, 27 percent of the respondents said it was right to join, while 20 percent said it was wrong and the membership was not necessary.

• Seventy-seven percent of respondents agreed that the participation of the Mongolian Armed Forces in peacekeeping operations should be increased. No one answered as “don’t know”. However, youth do not seem to have a clear understanding of the differences between UN and coalition military operations.
Appendix: Demographic indicators of the respondents

Sixty-six percent of the respondents were from Ulaanbaatar city, 23 percent from Erdenet city, 6 percent from Tuv aimag, and 5 percent from Bulgan aimag, and 58 percent of the respondents were women and 42 percent were men (Figure 33-34).

The age breakdown of the respondents was similar, with 99 percent aged 16-35 and 1 percent aged between 36-41 (Figure 35). In terms of employment, 39 percent worked in the private sector and 25 percent in the public sector. Fifteen percent are students and 14 percent are unemployed (Figure 36).
Conclusion
Our book was timely. The world is experiencing yet more uncertainty as the great powers intensify their competitions in pursuit of their geopolitical objectives, principally to seek advantage over their competitors. This current uncertainty creates a challenging international environment for small States and reduces their space for pursuing independent foreign policy strategy and manoeuvres. It is thus insightful to see changes in international relations through the Mongolian lens: examining Mongolia's foreign policies and analysing foreign policy options in this uncertain environment. Mongolia is a prototype small State, vulnerable to the great power competitions, and its lens contributes a unique perspective to international conversations.

After Mongolia gained its independence briefly from China in 1911 (lost again in 1915 but recovered in 1921 with Soviet support), it experienced several cycles of geopolitical competition among the great powers. In the 1930s and 1940s, Mongolia was caught up in the geopolitical competition between the Japanese Empire, the Soviet Union and the Republic of China (Taiwan). As a result, Mongolia became a divided nation—Chinese Inner Mongolia and Outer Mongolia (or Mongolia proper). Outer Mongolia fell into the Soviet sphere of influence, guarded from Imperial Japan’s geopolitical expansion. The country gained independence from both China governments—the Republic of China and the People’s Republic of China. An amicable Communist neighbourhood that encapsulated Mongolia, China and the Soviet Union ensued, although it was short-lived, lasting from 1950 until the Sino-Soviet split that started in the early 1960s.

Mongolia was then caught in the geopolitical tensions of two Cold Wars. One was between China and the Soviet Union, with Mongolia becoming the most militarized Soviet buffer State against China. The other was the global Cold War between the West and the Soviet-led Socialist Bloc. In that larger competition, Mongolia was regarded as the far-eastern defence of the bloc and a developmental model for new or emerging socialist States in Asia and Africa.
The Soviet political and military presence in Mongolia and the Kremlin’s close control over its politics rendered the Mongolian dream of non-alignment and independent foreign policies impossible. A new geopolitical opening began in the late 1980s, with both of Mongolia’s neighbours normalizing their relations with each other and distracted by their domestic matters. Their respective foreign policy focus shifted elsewhere, especially when dealing with the West. This was a golden period for Mongolia to develop ties with other major powers and to pursue multilateral diplomacy through international and regional organizations. Mongolia gained new partners, known as third neighbours, and membership or partnership in the international organizations. Some of the third neighbours now have vested economic interests in Mongolia, for example, the Oyu Tolgoi mining project, loans, bonds and other investments.

Another new cycle of geopolitical competition emerged after 2000. Capitalizing on its economic development, China began launching regionalization projects, including in Eurasia and Central Asia, through the Shanghai Cooperation Organization and later the Belt and Road Initiative.

Russia also moved to extend its presence and renew its sphere of influence in the former Soviet republics as well as the former Soviet allies in Asia. Despite its limited economic capacity, Russia longed to have its regionalization projects—the Eurasian Economic Union and the Customs Union—extend into Mongolia and beyond, into the Asia and Pacific region.

In response, the United States and its allies, especially Japan, promoted a containment strategy against China’s growing economic and military capabilities. They encouraged countries to join the Free and Open Indo–Pacific Strategy. In this new phase of geopolitical competition, all the great powers welcomed Mongolia and many other small States to join. The many writers present in this book are in agreement with the
arrival of another cycle of geopolitical competition and the forthcoming difficulty for Mongolia with pursuing its independent foreign policies if this competition intensifies.

Our writers have provided an excellent review of Mongolia’s relationship with the great powers—China, Russia and the United States—and how all three continue to exert pressure on Mongolia. With the strong economic leverage of being its largest trading partner and investor, China has pressured Mongolia to join the Shanghai Cooperation Organization as well as the Belt and Road Initiative to improve its regional and global connectivity. But this economic connectivity cannot be implemented without Mongolia accommodating Russian economic interests and without considering its geopolitical concerns. The Kremlin wants Mongolia to remain in its sphere of influence rather than fall into the Chinese political and economic orbit.

Complicating this picture, Mongolia’s strongest third neighbour, the United States, is engaging in Cold War-like competition against Mongolia’s two great power neighbours. Due to the ending of Mongolia’s engagement with the United States in Afghanistan and with geopolitical concerns overtaking the democracy promotion agenda, the United States’ interests in Mongolia will likely wane. Otherwise, it is quite dangerous and perhaps impossible for Mongolia to welcome the Western geopolitical interest while all three great powers are ratchetting up serious geopolitical competition.

The Ukraine war puts Mongolia in a complicated situation in dealing with Russia. Any further conflicts between the great powers will increase pressure on Mongolia because they, especially China and Russia, continue to hold strong political, economic and military leverage over Mongolia. In view of these situations, our writers propose various strategies for Mongolia to move forward. The first is to strengthen Mongolia’s ties with many other major or middle powers, such as Japan, India, Germa-
ny, Canada, Australia and Europe, bilaterally and multilaterally. Over the past three decades, Mongolia has established a modest foundation of bilateral cooperation with these major powers. Some of them have demonstrated their interest to include Mongolia in their foreign policy strategies. Mongolia should continue to pursue diplomacy to nurture these bilateral relationships and cooperate with these States through the multilateral frameworks of the United Nations, the Organization for Security and Co-operation in Europe, the European Union, the ASEAN Regional Forum and the North Atlantic Treaty Organization (NATO).

Another recommended strategy is to invest further in what has become Mongolia’s successful foreign policy ambitions: the nuclear weapon-free status and non-proliferation, peacekeeping and feminist foreign policy. Being a strong promoter of nuclear weapon-free status and non-proliferation, Mongolia should invest more effort to increase the number of nuclear weapon-free single States through the United Nations and the Non-Aligned Movement.

According to our writers, Mongolia could increase its participation in the United Nations peacekeeping operations and continue to provide a neutral platform for international peacekeeping training, research and exercises. Mongolia should develop a national strategy to strengthen its feminist foreign policy to address gender parity domestically, regionally and internationally. The feminist foreign policy agenda, for example, the Women, Peace and Security initiatives of the United Nations, would provide more opportunities for Mongolia to strengthen its ties with other like-minded States, which are mostly developed democracies.

Another proposed strategy that this book features is to use Mongolia’s potential to bridge two regions: Central Asia, with which Mongolia has historical and cultural ties, and Northeast Asia, with which Mongolia has successfully connected over the past 30 years.
Mongolia’s Kazakh community represents the potential and natural link with the Central Asian States, Turkey and the adjacent regions of China and Russia. Mongolia also could work with South Korea and Turkey—both have been pursuing investment interests in Central Asia. Here, Mongolia could take on a bridging role to promote political and cultural understanding and economic cooperation.

We are pleased to see some of these proposals from our writers reflected in government decisions. For example, the proposal to promote women in peacekeeping found a place within the president’s foreign policy initiatives and that paper was well received during the international conference on Strengthening the Role of Women in Peacekeeping in June 2022 in Ulaanbaatar. The paper on feminist foreign policy became background reading material for the monthly New Geopolitics and Mongolia policy platform for young professionals. We are happy that the paper on nuclear weapon-free zones was well read as Mongolia celebrated the 30th anniversary of its nuclear weapon-free status declaration in September. And the paper on Mongolia’s new foreign policy approach to bridge two regions, Kazakhstan and Kyrgyz Republic, will likely trigger interesting debates in the policy and academic spheres during our forthcoming brainstorming workshop.

This book also has its limitations. We have not investigated some of Mongolia’s interesting bilateral and multilateral relationships. For one, Mongolia’s relationships with the Southeast Asian countries, especially its long-enduring ties with Cambodia, the Lao People’s Democratic Republic and Vietnam and its renewed relations with Indonesia, Malaysia, Myanmar, Singapore and Thailand, could provide interesting insights on how the country’s past socialist relationships and non-aligned stance have helped to deepen its connections with the Association of Southeast Asian Nations and the ASEAN Regional Forum.

Similarly, Mongolia’s relationship with the Czech Republic, Hungary and
Poland deserve in-depth studies to explain how their shared socialist past and similar democratic transition have strengthened bilateral relations and even had a supportive role for Mongolia’s partnership with the European Union and NATO as well as membership in the Organization for Security and Co-operation in Europe. Also deserving of a deeper look is how Mongolia’s defence ties with the United States have contributed to its political and military connections in both regions. Since the early 1990s, for example, the United States’ Indo-Pacific Command has supported Mongolia’s inclusion in multilateral events (conferences, workshops, seminars and exercises) in the Asia-Pacific region and even supported the participation of South and Southeast Asian militaries in multilateral events (such as the Khaan Quest exercise) in Mongolia.

Likewise, Mongolia’s deployment to the United States-led coalition operations in Iraq and Afghanistan brought Mongolia’s political and military ties closer with NATO members, including former socialist States like the Czech Republic, Hungary and Poland. Another theme we wanted to explore that did not work out is Mongolia’s ties with the Muslim world, including the Islamic Republic of Iran, Turkey and the Gulf States. It would be interesting to examine why Kuwait and Qatar have successfully developed close bilateral ties with Mongolia and why Mongolia is included in Turkey’s global strategy.

Despite where we have not yet gone in our policy exploration, this has been a mutual learning and inspiring project for all writers, for FES and hopefully for our readers. It is clear that nurturing democratic institutions and pursuing active multilateral diplomacy are crucial for Mongolia’s survival in this uncertain geopolitical environment. Having open, candid debates and discussions of foreign policy matters will contribute to democracy and multilateralism.

Dr. Mendee Jargalsaikhan