CHAPTER III

POLITICAL TRANSITION
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3.1 Collapse of USSR and its impact on Mongolia

Transforming socialist regimes can be broadly characterized in two ways. The Chinese model in which economic liberalization is adopted without political competition has been replicated to varying degrees by other Asian socialist regimes in the Lao Peoples Democratic Republic and the Socialist Republic of Vietnam. In contrast, the Eastern European model is one of political change proceeding apace with economic reform. An interesting case combining elements of these two models of socialist transformation is that of Mongolia, formerly the Mongolian Peoples Republic. For 70 years a client state of the Soviet Union, Mongolia was sometimes known as the unofficial “sixteenth republic” of the USSR. Following the radical changes in Eastern Europe in 1990, Mongolia’s Communist Party introduced political pluralism but unlike its counterparts in those countries, the Mongolian People’s Revolutionary Party (MPRP) has retained power since 1990 despite allowing electoral competition and political freedom. It has introduced significant economic reforms, which may soon begin to produce positive growth.

Mongolia of the 21st century is not the Mongolia of the 20th century. For Mongolia, the process of renewal and restructuring started at all levels of society from 1990’s. A rapid shift in priorities, both domestically and externally is still under way assuring to its people political freedom, respect to human rights and equality of all forms of property ownership).

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106 In January 1992, Mongolia adopted the new constitution and declared itself a parliamentary Republic. A one house Parliament which consists of 76 members and appoints the cabinet. Chapter one of the constitutions declares that the stationing of foreign military forces on Mongolian territory is prohibited unless otherwise provided for by law. As per Article 1v (1) of the constitution most dominant factor in the foreign framework is the national security constitution adopted by Mongolia in the twentieth century. Key elements in the new constitution
Mongolia is first among the former socialist countries in Asia to introduce multiparty political system. In June 1990 the new president and the parliament were elected, as a result of free and democratic elections and the new government was formed. The new leadership of Mongolia confirmed its commitment to the democracy life and has started a new drive aimed at switching the national economy of the country from centrally planned to the market economy. The number of laws, such as on foreign investment, on economic entities, banking law, etc have been adopted and privatization process is now well underway in the country. The government has carried an “open door economic policy” as a strategy of external economic relationship. After decades of unilateral policy Mongolia began endeavoring to formulate its national security, foreign policy and military doctorate taking into account the international developments, based on principles of international relations. Having served as a geopolitical buffer in the relations between Russia and China, Mongolia is trying to pursue a balanced relation with them, bearing in mind at the same time the need to maintain balance of forces and interests in the region.

The new leadership of Mongolia confirmed its commitment to the democracy and has started a new drive aimed at switching the national economy of the country from centrally planned to the market economy.

Table: Transition Policy

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<th>Year</th>
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<td>1991</td>
<td>Near complete and overnight price liberalization Privatisation by assignment (voucher based) of most medium sized State Owned Enterprises (SOEs)</td>
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<td>1992</td>
<td>Transfer of herds and privatisation of agricultural cooperatives (“Negdels”), Banking re-structuring, including Privatisation of</td>
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Baabar Batbayar, opcit, p. 65.

<table>
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<th>Year</th>
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<tr>
<td>1993</td>
<td>Togrog floated and becomes fully convertible, Some capital account deregulation takes place. Some capital account deregulation takes place External tariff reductions made (to an average of 10%)</td>
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<tr>
<td>1994</td>
<td>National Poverty Action Programme (NPAP) launched comprising targeted poverty alleviation projects. <strong>Abolition of all tariffs (an effective 0% rate)</strong></td>
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<tr>
<td>1996</td>
<td>Mongolia’s accession to the World Trade Organization (WTO) Further deregulation of capital transactions and “tax holidays” offered to foreign investors</td>
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<td>1997</td>
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<td>2000</td>
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<td>2001</td>
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<td>2002</td>
<td>Final PRSP adopted, signalling more interventionist (but still limited) policy stance Privatization of the Economic and Social sectors trailed (the so-called New Zealand Model)</td>
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<td>2003</td>
<td>Land privatization initiated</td>
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<td>2004</td>
<td>Social sector privatization initiated Child Support Scheme for poorest families launched</td>
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Windfall tax imposed on mineral companies to support a National Development Fund Reductions in income and value-added taxes, child support scheme universalized

National Development Strategy launched


The number of laws, such as on foreign investment, on economic entities, banking law, etc have been adopted and privatization process is now well underway in the country. The government has carried an “open door economic policy” as a strategy of external economic relationship.

After decades of unilateral policy, Mongolia began endeavoring to formulate its national security, foreign policy and military doctorate taking into account the international developments, based on principles of international relations. Having served as a geopolitical buffer in the relations between Russia and China, Mongolia is trying to pursue a balanced relation with them, bearing in mind at the same time the need to maintain balance of forces and interests in the region.

Mongolia which was the first communist state in Asia and the second in the world prior to the collapse of the Soviet Union has also the distinction of becoming first such state to have discarded the one party rule in the post cold war era. As the USSR underwent change in the mid to late 1980's, Mongolia experienced parallel adjustments. It was in 1987 that Mongolia

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110 Baabar Batbayar, opcit, p. 68
began to diversify itself as Soviets became less inclined to provide economic support to Mongolia and even withdrew subsidies. But at the same time, ties with the United States and further improvements in its relations with China provided Mongolia fair opportunities for “new options and greater chances to stand on its own.” A policy of political openness was formally adopted in 1987 and moderates replaced certain elder MPRP officials. Mongolia expanded its international connections and established diplomatic ties with over one hundred countries. The emergence of further opposition groups, together with escalating public demonstrations (involving as many as 20,000 people), led to a crisis of confidence within the MPRP itself. In 1988, the MPRP began a program of "renewal" that again corresponded with that in the Soviet Union. The renewal initiative followed closely Mikhail Gorbachev's glasnost and perestroika as it sought only to revive the socialist economy and not dismantle it. In 1989, the Soviets began withdrawing military forces and technicians. Central control over the economy eased during this period. The state concerned itself primarily with developing overall policy and let the various ministries and committees assume responsibility for implementation. State enterprises were given more autonomy while profits, production levels and distribution were dictated from the centralized bureaucracy. In 1989, moreover, a reformist group called the Mongolian Democratic Union led a broad democracy movement in Mongolia and the pace of change hastened. Their program demanded a total restructuring of the political structure, a multiparty system and dramatic economic reforms to move Mongolia into the global free-market. The dominant factor in this struggle was to bring radical changes, which could

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take the country towards prosperity by correcting the mistakes committed by the Communist leaders in the past.\textsuperscript{115}

In 1990, the Mongolian Democratic Union became the first organized opposition group and it launched more protests. The first opposition parties were based narrowly on the urban intelligentsia who had been educated in Eastern Europe and had followed closely the dramatic events there in the fall of 1989. These parties formed around loose groupings of academics at The Mongolian State University. Much of the leadership of the Social Democratic Party, for example, was composed of members of the university’s physics and mathematics department,\textsuperscript{116} while the National Progress party leadership was made up of young economists.\textsuperscript{117} Only the Democratic Party, the largest of the opposition groups, could boost broader membership but that support was still heavily concentrated in Ulaanbaatar. The opposition parties lacked a significant base among the herds people in the countryside.\textsuperscript{118} Though the countrywide democratic movement started bringing aggressive reforms in the country’s political and economic spheres, it essentially contained “a nationalistic motivation rather than a democratic one.”\textsuperscript{119} It soon turned out to be a struggle against communism, which was held responsible for ruining the country. The dominant factor in this struggle was not only to bring radical changes but also to correct the mistakes committed by the communists in the past.\textsuperscript{120} The reformers won the day and Batmonh resigned and was replaced by the Minister of Foreign Economic Relations and Supply, Punsalmaagiyn Ochirbat. In addition, a new Central Committee and a new secretary-general of the MPRP were appointed. Public demonstrations for political pluralism in 1990 led to the resignation of the

\textsuperscript{115} Ibid, p. 480
\textsuperscript{116} These included S. Batbayar, R. Genchigdorj, B. Lamjav, and P. Ulaankhuu.
\textsuperscript{117} Prominent economists included the leader of the party D. Ganbold, and the head of the related national progress movement, S. Batsuh. Other well known economists in the opposition included former central Bank governor Jargalsakhan and his brother, Stock market Director Zoljargal.
\textsuperscript{118} Melvyn Goldstein and Cynthia Baele, The Changing World of Mongolia’s Nomads, University of California, 1994, p. 75
\textsuperscript{120} Ibid., p. 55
Communist MPRP government, whose leaders declared the end of a one-party Communist state. From 1990 to 1992, Mongolia initiated political reforms to eliminate the ‘leading role’ of the MPRP in the state. The leadership of the MPRP faced a broad popular demand for faster reform and, initially, did not know how to respond to the demands for change. In 1990, Mongolia’s constitution was formally amended by deleting reference to the MPRP’s role as the guiding force of the country and opposition parties were legalized through official registration. Besides, a new electoral law was approved and the date of the next general election to be held in July 1990 was announced. In 1990 the first democratically elected bicameral People’s Great Hural took office. The Great Hural was a national assembly elected by districts. Its powers included deciding major affairs of state, choosing the Prime Minister and the cabinet as well as amending the Constitution. The Small Hural, the second house in the new bicameral legislature, was primarily a parliament chosen by proportional representation and it was responsible for ordinary legislative activities. Turnout in the 1990 elections was astounding as it reached nearly 95% of eligible voters. Opposition parties to the MPRP acquired some 40% of the seats in the Small Hural. However, the Great Hural, which was the house of formal governmental power, remained strongly in the hands of MPRP members. To further demonstrate its desire for reform, the MPRP formed a coalition government with the democratic opposition putting it in charge of economic and social policy. Despite past ties to Soviet communism, the MPRP enjoyed significant legitimacy with the Mongolian people because it claimed historical ties to anti-Chinese nationalists. State run media and educational systems reinforced such claims. Although the Great Hural was dominated by the MPRP, the party agreed to form a coalition government with the opposition parties, and four cabinet posts were assigned to them. The Peoples Great Hural first met on 3 September 1990 and elected a

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president from the MPRP, a vice president from the Social Democrat Party (SDP), a Prime Minister also from the MPRP and 50 new members of the Baga Hural. The parliament also appointed a 20 member multiparty constitutional drafting commission, chaired by president Ochirbat with former of Justice Biryaagiyn Chimid serving as secretary. Mongolians were united by an ardent desire to embrace the West and open their backward and forgotten country. The departure of the Soviets left Mongolia feeling vulnerable to renewed Chinese dominance. In addition, its own historical isolation made Mongolia warm and receptive to liberal ideas. "After 70 years of communism, we became more Western minded than any other Asian country," stated Ganbold, a leader of the new democratic movement.

NEW CONSTITUTION

In 1992, after having witness major changes in international affairs Mongolia adopted a new constitution that became a formal framework of policies and actions of post- socialist, democratic Mongolia in the twenty-first century, assuring to its people political freedom, respect to human rights and equality of all forms of property ownership. Following the formation of the new government in October 1990, a Constitution Drafting Commission headed by President Punsalmaagin Ochirbat started working on a fourth Constitution. Later twenty-one members from different political parties were added to the commission depending on their experience. The Constitution Drafting Commission was divided into a four groups reflecting

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the Constitution’s main themes: human rights, state affairs, economic, social and political matters, and legal and constitutional issues. The Constitution’s first draft was published in June 1991. According to H. Hulan, who worked with the Baga Hural, the transitional parliament, during 1991-1992, the original draft constitution was intended to consolidate the parliamentary system with its indirect election of the president. The constitutions authors emphasized the need for a parliamentary regime as they feared that in a presidential regime, with institutional but not necessarily political independence of the two main branches of the government, a president might usurp power. In her observation, the MPRP insisted on a presidential system for two reasons. First, it claimed that a presidential system would eliminate the “social anarchy”, which it blamed on the democratic process, and second, it confirmed to Mongolia’s long tradition of authoritarian rule dating back to the tradition of Chinggis Khan. In the end as she wrote the democrats and the MPRP conservatives settled for a compromise that created an extremely legislature on the one hand, and a directly elected president on the other hand.  

In order to distance itself from its Communist past, the country’s name was also changed from “Mongolian People’s Republic” to “Mongolia” and the Communist gold star was removed from the national flag under the new Constitution. The constitution assures to its people political freedom and respect to human rights. 

The six chapters that make up the Constitution address the matters of independence and territorial integrity, human rights and freedom, the state structure, local administration functions, the Constitutional Court, and amendment of the Constitution. The new Constitution established a democratic political system with a free market, and also changed the

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129 The 13th of January is now celebrated as the Constitutional Day holiday in Mongolia.
Structure of the state institutions in that the final version called for a mixed political system loosely modeled on France’s Fifth Republic.\textsuperscript{130} Chapter Three of the Constitution, dealing with the state structures, states that the supreme legislative power is the State Great Hural 76 members. It enacts laws dealing with domestic, financial, monetary, and foreign policy, and supervises their implementation, approves the budget, sets the dates for legislative and presidential elections, removes or relieves the president, appoints and replaces the prime minister and other officials accountable to the state great Hural, determines the organization and role of the National Security Council, holds national referenda, ratifies and vetoes international agreements, establishes and severs diplomatic relations, and declares a state of emergency or war. The President upon consultation with the prime minister can propose dissolution of the State Great Hural, which requires two-thirds majority of its members for approval.\textsuperscript{131} According to this chapter, the President is elected by the universal suffrage and is the head of State, symbolizes the people’s unity. He may not concurrently serve as a member of the cabinet or the State Great Hural. Each parliamentary party or group of parliamentary parties may nominate a candidate for the presidential contest. A candidate who receives a majority of the popular vote is considered elected and the State Great Hural then passes a law recognizing his or her mandate.\textsuperscript{132}

The President has the power to veto all or parts of any parliamentary legislation. Yet, the veto can be overturned by a two-thirds majority of the State Great Hural.\textsuperscript{133} It further states that the President is also the head of the National Security Council and the commander of the armed forces. The Constitution empowers the president to propose a Prime Minister, call for


\textsuperscript{131} Tsedendamba Batbayar, Foreign Policy and Domestic Reform in Mongolia”, Central Asian Survey, March, 2003, vol.22, no.1, pp.54-59

\textsuperscript{132} Ibid, p. 60.

\textsuperscript{133} Constitution of Mongolia, 1992, Article33 (1), w.isop.ucla.edu/eas/documents/mon-const.htm.
the government’s dissolution, initiate legislation, and issue decrees, which becomes effective with the prime minister’s signature.\textsuperscript{134} The President represents Mongolia in foreign relations and enters into international treaties; declares general or partial conscription; and can declare a state of emergency or war, with the State Great Hural’s approval within seven days.\textsuperscript{135}

The Prime Minister, on the other hand, serves as head of the government and directs a cabinet drawn from the State Great Hural. The government is required to provide efficient leadership of central state administrative bodies and to direct the activities of local administrations; to strengthen the county’s defense capabilities and to ensure national security; to frame and implement the state foreign policy; to conclude and execute international treaties with the consent of and subsequent ratification by the State great Hural as well as to conclude and abrogate international treaties.\textsuperscript{136}

The preamble declared that Mongolians cherished “human rights and freedoms” and aspired to “the supreme objective of building a humane and democratic civil society.”

The constitution empowered the Supreme Court headed by the Chief Justice as the highest judicial body. Justices are confirmed by the State great Hural and president. The court is constitutionally empowered to examine all lower court decisions excluding specialized court rulings upon appeal and provide official interpretations on all laws except the constitution. Specialized civil, criminal, and administrative courts exist at all levels and are not subject to Supreme Court supervision.\textsuperscript{137} Local authorities—district and city governors—ensure that these courts abide by presidential decrees and State Great Hural decisions. A new body called the General Council of the Courts to oversee judicial administration and ensure the constitutionally declared

\textsuperscript{134} U.S Department of State, background note: Mongolia, at http:\/\/www.state.\slash prefix\slash index.cfm?docid=2779
\textsuperscript{136} Ibid
goal of judicial independence.\textsuperscript{138} Mongolia’s government, however, has not adopted the almost unique American concept of judicial review.\textsuperscript{139}

It was for the first time that a multi-ownership economy was introduced by this Constitution, which would go with the mainstream of the world economy and conform to the special conditions of the country.\textsuperscript{140} The international Socialist economic system’s collapse and the disintegration of U.S.S.R left Mongolia in social, economic, political and ideological vacuum. However that vacuum enabled Mongolia to achieve three major much desired results.

I Firstly, an economic transition aimed at market economy,

II Emergence of democracy and a

III Generation revolution aimed at a new third generation of younger people leading the destiny of the country. On foreign policy matters, the constitution explicitly stipulated that Mongolia shall adhere to the universally-recognized norms and principles of international law and to peruse a peaceful foreign policy. In practical terms, it implies that Mongolia has opted for an open foreign policy, free of past ideological constraints.\textsuperscript{141} The security of Mongolia is highlighted by foreign policy and defense policy activities.\textsuperscript{142} The document views national security as based on the vital national interests of Mongolia and it defines these vital national interests of Mongolia as

1 “the existence of the Mongolian people and their civilization

2 the country’s independence sovereignty, territorial integrity, inviolability of state frontiers, relative economic independence, sustainable ecological development and national unity.”\textsuperscript{143}

\textsuperscript{138} Tom Ginsburg and Gombosuren Ganzorig, opcit, pp 147-164.


\textsuperscript{140} \textit{Summary of World Broadcasts}, FE/1280, 17 January 1992.

\textsuperscript{141} P. Stobdan, “Mongolia in a Strategic Vacuum” K. Santhanam (Ed) \textit{Ethnicity and politics in Central Asia}, New Delhi, 1992, p. 225.


\textsuperscript{143} Ibid, p. 229.
Mongolia’s aim is to establish in its immediate surroundings a power equation most attuned to its immediate national interests and so relations with the two countries constitute the cornerstone of Mongolia’s security policy as well as foreign policy objectives.\(^{144}\) Like the National Security concerns Mongolians Foreign policy too revolves around its national interest. It has been clearly mentioned in the foreign policy concepts that “the priority of Mongolia’s foreign policy shall be safeguarding of its security and vital national interests by political and diplomatic means and creating a favorable external environment for its economic, scientific and technological development. The first priority is to have all round good neighborly cooperation with Russia and China, without adopting the line of either country,\(^ {145}\) While developing friendly relations with the USA, Japan, Germany and other developed nations, European, ASEAN, SAARC countries.\(^ {146}\) In general, the emergence of new situation under the impact of political reforms and economic restructuring especially during 1990-92 brought Mongolia at a crossroad where it had to consider its future development and security issues in the frame work of geopolitical realities. In the past decade Mongolia has broadened its presence in the world by strengthening its bilateral and multilateral ties. Mongolia is reinventing itself as an emerging democracy to redefine the future in its ancestral traditions. The future of Mongolia will depend not only on well established relationships with its two neighbors China and Russia on the vertical level but also on its relation with the outside world. Mongolia is committed to peace and stability in the Asia and Pacific region which is vital for Mongolia’s development for it wishes to take the advantage of international cooperation in the field of commerce and economic cooperation.

The new leadership of Mongolia confirmed its commitment to the democracy of social life and has started a new drive aimed at switching the


\(^{146}\) Ibid, p. 181.
national economy of the country from centrally planned to the market economy. The number of laws, such as on foreign investment, on economic entities, banking law, etc have been adopted and privatization process is now well underway in the country.\textsuperscript{147} To begin with, initiatives towards liberalization of Mongolia’s economy with establishment of a new banking and financial system as well as privatization laid the foundation for the development of a market economy. In fact, a rapid transition in Mongolia’s economy was achieved by “shock therapy” mainly through adoption of three key mechanisms, i.e., privatization, currency reform, and price and wage liberalization.\textsuperscript{148} Not only the livestock sector, the backbone of Mongolia’s economy witnessed privatization but also a number of private companies were allowed to operate in key sectors.\textsuperscript{149} The main focus of economic growth was given on the utilization of natural resources including agricultural, mineral, oil and water. As a result there has been surge in industrial sector, which led the growth of manufacturing units as well. On the trade front, although Mongolia’s trade relations with the outside world expanded in recent years, there is still need of consistent trading partners who could help achieve Mongolia’s economic security. With changes in Export-Import policy, Mongolia tried to attract as many overseas partners as it can. However, difficulties in trade partnership have also been realized due to high prices of domestic and foreign goods and services as well as weak financial capability of business entities involved in foreign trade.\textsuperscript{150} Even though, joint ventures with foreign companies have helped the country to witness growth in several key sectors of the economy. Interestingly, in July 2003 the agreement on the cancellation of 98 per cent of Ulaanbaatar’s Rb 11.4 billion debt owed to the erstwhile Soviet Union, has removed a considerable financial burden from Mongolia, which could prove to be

\textsuperscript{147} Baabar Batbayar, \textit{20th Century Mongolia}, opcit, p. 65.
\textsuperscript{149} Oidov Nyamdavaa, \textit{Mongolia-India Relations}, New Delhi, Himalayan Research and Cultural Foundation, 2003, p. 80.
\textsuperscript{150} Ibid, p. 81.
beneficial in confidence building among foreign companies that “considered the financial risk of investing in Mongolia is too high.”

Mongolia is still refining its constitution to make it an efficient instrument of government. One of the constitutional and legal debates that has persisted since 1996 is whether or not an MP can concurrently hold ministerial post. At first, the decision was negative. This state of affairs was one factor that brought down the first government of the democratic Coalition. Under debate also was the role of the president in vetoing or approving Prime Ministerial candidates. This question became the focus of the fierce debate when president Bagabandi (the MPRP) vetoed the democratic coalition nominee for Prime Minister seven times consequently. As a result of these and other battles, the period was characterized by ineffective governance and government. The first amendments to the Constitution, adopted by the Mongolian Great Hural in December 2000, despite opposition over procedure from the Constitutional court, were finally approved. In accordance with the new Constitution, other laws were passed as revisions, amendments and changes of existing law on political parties, a law on parliamentary and presidential elections, and a law on local elections. These newly passed laws reflected far more democratic practices and establishment of democratized institutions. For example, the political parties law allowed the establishment of parties which could run in the elections. Moreover, interest groups have blossomed. For example, the NGO community has grown dramatically with more than 1,800 registered by the Ministry of Justice in 2000. Therefore, Mongolian citizens have several channels for representing their interests, including national NGOs. This demonstrates the empowerment of civil society in Mongolia to support the democratization process.

Emergence of political parties

The choice of rules governing elections stimulated party formation, but rules alone cannot account for the remarkably strong and representative political parties that emerged in Mongolia in the mid-1990s. Resourceful leadership and dogged dedication to party-building by political entrepreneurs were also crucial. Significantly, while multi-party democracy is still in its embryonic stage in Mongolia, there has been no lack of interest in forming political parties. Over the years, particularly since the end of single party rule, numerous parties and groups have been organised and reorganised or renamed in the process of democratisation. However, there remained a few political parties with major influence and stable membership. Unlike Hungary and several other post-communist countries that developed reasonably stable and well-structured party systems in the 1990s, Mongolia did not begin its transition with the benefit of alternative political parties, however small and repressed, already in place. Like their counterparts in the USSR, Mongolia’s rulers under the old regime did not countenance even token opposition. Nor did the emergence of strong parties occur immediately after the start of transition. Until 1993, opposition parties remained diminutive and the MPRP was the country’s only major political force. From 1993 to 1996, however, opposition leaders launched a vigorous effort to expand their parties, especially in the towns and rural areas outside the capital where over two-thirds of the population resides. While they established a presence in each of the country’s 21 aymags (provinces), they also amalgamated their organizations in a manner that reduced the number of parties and facilitated coordination during election campaigns. By the time of the 1996 parliamentary elections, the oppositional portion of the political field was occupied by two major parties: the Mongolian National Democratic Party (MNDP) and the Mongolian

Social Democratic Party (MSDP). In the campaign, the two parties cooperated closely. They divided up electoral districts, supported one another's candidates, and came together to found the Democratic Coalition. The victory of the Democratic Coalition, whose candidates won 50 of 76 seats, represented the fruition of nearly four years of tenacious organizational efforts. In contrast with most of Russia's liberal politicians, Mongolia's leading liberals, such as the MSDP's Gonchigdorj and the MNDP's Bat-Üül, did not regard the grind of cultivating constituencies and building parties as beneath their dignity. The esteem in which Mongolian liberals hold organizational prowess was reflected in their subsequent appointment of the Democratic Coalition's campaign manager, Mendsaykhany Enkhsaykhan, as prime minister. The combination of institutional stimulus and capable leadership produced one of the post-communist region's most mature political party systems.\(^{157}\) The system is noteworthy for its degree and quality of differentiation. The MNDP stands for liberalism. While it supports rigorous measures to control crime and eschews pure libertarianism, it also favours deregulation in economic and social policy. The MSDP is nearly as liberal as its coalition partner but shows a somewhat stronger interest in social and environmental protection. The Mongolian People’s Republican Party (MPRP) embraces social democracy and repudiates but it still claims to be the "most left" of Mongolian parties and accentuates its own commitment to poverty alleviation. As such, it is neither as nostalgic nor unreconstructed as the Communist Party of the Russian Federation nor as unabashedly liberal as the main communist-successor parties in Hungary and Poland.\(^{158}\) The parties are not only clearly differentiated in programmatic terms; they also recognize one another as legitimate representatives of opposing positions. In Russia, communists and nationalists call liberals "bolsheviks"; liberals call communists "fascists"; and every party calls itself "centrist." Such self-

\(^{157}\) Ibid., p. 47
inflicted confusion and mutual non-recognition makes a hash not just of party identities, but of political discourse and competition more broadly. In Mongolia, by contrast, the Mongolian National Democratic Party (MNDP's) leaders call themselves liberals and the MPRP socialists; the MPRP's leaders call themselves leftists and the MNDP rightists. In addition to being well differentiated and established in their identities, Mongolia's parties are broadly inclusive and deeply rooted in society. The MPRP claims 86,000 card-carrying members; the MNDP, 72,000; the MSDP, 50,000; and the MTUP, 15,000. Independent experts in Ulaanbaatar place the figures at 5 to 10 percent less than those claimed by the parties themselves. Even if the figures claimed by the parties are deflated by 10 percent, the numbers still reveal that nearly one-fifth of Mongolia's adult citizens belong to one of the four major parties. This proportion is analogous to that found in West European democracies with strong, mature party systems.

3.2 TRANSITION TO DEMOCRACY

The first step of transition to democracy for a former authoritarian regime or for a newly established country that has adopted democracy should be the creation of a democratic electoral system. This procedural step includes free and fair elections at the national level and the formation of a parliament and government according to the results of the election. The establishment of procedural democracy assures that the people that they can give power to the political party they support, changing the ruling group of the country as they want. Mongolia, a post-communist country, is a newly established and successful democracy. Following the establishment of the

159 Ibid p 10
160 It easily represents the highest figure in the post communist world. As in other polities, strong, inclusive, well-differentiated parties bolster democracy. They offer voters clear choices, and they lend structure, discipline, and some degree of predictability to competition in organs of government. They bind political elites to constituencies and narrow the gap between rulers and the ruled. The absence of strong parties is to blame for the failure of many other post communist polities to create representative democracy. Strong parties in Mongolia help account for that country’s relative success.
Constitution, the first Parliamentary Election Law was adopted in 1992.\textsuperscript{161} Provincial government election law and the presidential election law were approved in 1993 by the State Great Hural.\textsuperscript{162} The Parliamentary Election Law specifies that 76 members shall be elected to the State Great Hural of Mongolia through the use of a multi-member district majoritarian system, but the electoral law was amended in 1996 and initiated a single-member district system. The first of the democratic multi-party upper house proportional representation elections was held in July 1990.\textsuperscript{163} In 1990 reforms were negotiated by the Democratic Party with the end of the monopoly of MPRP successfully and introduced free elections and democratic state institutions into the new Constitution of Mongolia. Before 1990, the provisional parliament consisted of two-chambers, with a 430 member directly elected lower house [The People’s Great Hural] members, and fifty members indirectly elected members in the upper house [The State Little Hural]. The number of seats allocated to each party in the upper house had to be proportional to the number of seats held by the party in the lower house.\textsuperscript{164} In the 1990 election for upper house members, the MPRP was allocated 31 seats, the Democratic Party was given 13 seats and the Social-Democrats and the National Progress Party received 3 seats each out of total 50 seats.\textsuperscript{165} The newly constituted State Little Hural elected Punsalmaagin Ochirbat as President of Mongolia, D. Byambasuren as Prime Minister and Randaa sumberlin Gonchigdorj, the leader of the Mongolian Social Democratic Party as Vice-President and Chairman of the State Little Hural. The State Little Hural and President P. Ochirbat established the Constitution Drafting Commission. In January 1992, a new Constitution was adopted.

\textsuperscript{165} Sanders, opcit,p. 18.
ensuring human rights, and free and fair elections. The old two chamber parliament system changed to a one chamber parliament, and reduced the number of members from 430 to 76, elected for four year terms. The law stipulates that 76 member shall be elected by plurality vote in 26 multi-member electoral districts each with either two or four mandates.

There are 18 political parties registered in Mongolia, however elections have been dominated by the successes of the Mongolian People’s Revolutionary Party (MPRP), while the opposition has formed a variety of coalitions to contest elections. In the 1992 and 2000 elections, the MPRP won over 70 out of the 76 total seats in the Hural, making those periods of government much like other one-party dominant regimes such as the Institutional Revolutionary Party (IRP) in Mexico, the Kuomintang Party (KMT) in Taiwan, and the Liberal Democratic Party (LDP) in Japan. But unlike these countries, its dominance has not lasted long, since it lost to the Democratic Union Coalition in 1996 and shared power as result of the 2004 Parliamentary Elections. The MPRP comprises many of the political elements that dominated the Communist period, while the main opposition coalition was initially formed by Mongolian intellectuals influenced by political changes in the former Soviet Union. At the time of the transition, the MPRP won 357 out of 430 total seats in the former Great Hural and until 1993 remained the only major political force. Opposition groups thus had to start from scratch in building viable party organizations that would challenge the hegemony of the MPRP. Between 1993 and 1996, they established their presence throughout the 21 aimags, and amalgamated their organizations to build a small set of stronger parties, which came together in the Democratic Union Coalition and defeated the MPRP in the 1996 Parliamentary elections. Mongolia now has ‘remarkably strong and representative’ political parties that range across the ideological spectrum and have become deeply rooted in Mongolian society, whose formation was due to ‘resourceful leadership and dogged dedication to party-building by political leadership’.

166 M.Steve Fish, opcit, p. 135
The 1992 and 1993 Elections

On June 28, 1992, in the first parliamentary elections of the transition period, 76 members ran in twenty-six multi-member districts in accordance with the new Constitution and the State Great Hural Election Law that was adopted in April 1992. Mongolia has 18 provinces that form constituencies, three big cities, Darkhan and Erdenet, which form one constituency each, and the capital Ulaanbaatar city, which comprises six constituencies. Successful candidates were chosen on the plurality basis. Before the election, the Political Party law was approved by the parliament so that contesting parties officially registered by April 1992 could run in the election. Two coalitions and eight parties were registered to run in the first multi-party election. The first coalition, the Democratic Alliance, consisted of the Mongolian Democratic Party, the Mongolian Democratic National Progress Party and the Mongolian United Party. The second coalition was comprised of the Mongolian Democratic Believers Party and the Mongolian People’s Party. The remaining eight parties ran independently. In the elections of 1992, 275 out of 293 candidates were from 10 parties/coalitions and the other 18 were independent candidates. Although the outcome of the election was disproportionate, the MPRP won a landslide victory with 70 seats in the State Great Hural, while the remaining seats went to the democratic parties with the MDP-MNPP-UP Alliance winning four and the MSDP and independent one each. The government was formed by the MPRP under Prime Minister Puntsagiyn jasray, who had been a deputy chairman of the council of Ministers and a candidate member of the MPRP politburo at the end of the Communist period.

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167 Schafferer, opcit. p. 2.
168 These eight parties included: the MSDP, the MPRP, The Religious Democratic Party, the United Herdsmen and Farmers Party, the United Private Owners Party, the Mongolian Party of Independence, the Green Party and the Mongolian Capitalists Party.
A few months after the election, the MDP, the MNPP, the UP and the Mongolian Renewal Party merged together in October 1992 to form a new party called the Mongolian National Democratic Party (MNDP). Another political party, the Mongolian United Heritage (conservative) Party (MUHP) came into existence in 1993 by the amalgamation of the United Herdsmen’s and Farmers Party, the United Private Owners Party, the Capitalist Party and the Independence party. In 1994, yet another political formation, the Mongolian Democratic Renewal Party came into being.\textsuperscript{170}

In Mongolia in 1992 the ruling Mongolian People’s Revolutionary Party won 92% of the seats with only 57% of the votes. This was considered by many to be not merely unfair but dangerous to the democracy, and the electoral system was consequently changed for the elections of 1996.\textsuperscript{171} Massive Soviet economic assistance during the post Second war period enabled the MPRP to improve living standards throughout the country, and deliver public health programs and education to even the most remote nomadic families. Better living conditions contributed to the legitimacy of the MPRP, which became a symbol of prosperity and stability, especially in rural areas. The party also claimed links with the national hero Sukhebaatar, who led the 1921 revolution and is conventionally perceived as the liberator of the country from Chinese rule. Furthermore, Mongolia Soviet friendship and their military alliance were regarded as a sole guarantee against the Chinese reclaiming Mongolia as ‘lost territory’. The MPRP dictatorship was further reinforced through the state controlled media and education systems, which repressed alternative views. All these factors were crucial in endowing the party with necessary legitimacy as long as the Soviet system remained dominant.\textsuperscript{172} The election law increased the number

\textsuperscript{172} According to Tom Ginsburg that two factors helped the MPRP to continue exercise leadership through 1996. First, despite the ideological banner the MPRP was essentially a nationalist party and easily switched to open door foreign policy. Domestically, the MPRP transferred power to a younger group of technocrats who belonged to a small group of modern Mongolian elite with a common background including formative experiences in the Soviet bloc. Tom
of constituencies from 24 to 76, making them all single-seat constituencies, while preserving the majority vote system. The MPRP received approximately 60 percent of the vote from the twenty country constituencies. Most candidates were MPRP leaders and well-known party members. Local Communist leaders in the countryside were more widely recognized and popular, and people in rural areas were all MPRP members. A new government with a new policy towards economic reform was formed under P. Jasrai of the MPRP known as the architect of the cautious economic reforms of the mid-1980’s. Although a liberal economist by MPRP standards, Jasrai was considered to be an acceptable candidate by conservatives as a representative of the “old” (predemocracy) MPRP. His government maintained the basic policy orientation toward economic reforms.

On June 6, 1993 Mongolia had its first free multi-party presidential election. Only parties holding seats in the State Great Hural were allowed to nominate presidential candidates, who then participated in the two-round presidential election. Although, voters did not have a substantial knowledge of presidential power or the Presidential Election Law, voter’s turnout was high at 92.7 percent. The former President, P. Ochirbat, was rejected as the MPRP candidate and he joined the Mongolian National Democratic Party. So the Democratic Alliance accepted him as their candidate for the Presidential election. P. Ochirbat was re-elected for a second term as president with 58 percent of the votes. His competitor, L. Tudev received 38 percent of the vote. For P. Ochirbat the loss of his MPRP party membership provided him with a good opportunity which allowed him the chance to be re-elected in cooperation with democratic forces. P. Ochirbat’s charismatic personality equipped him well to serve as president and he

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174 Yadamsuren, opcit. p. 104
174 Ginsburg, opcit p. 4
175 L. Tudev was the editor of the MPRP party newspaper “Unen.” or “Truth.” which was the Mongolian newspaper equivalent of the Russian Pravda.
managed to strengthen his reputation during his presidency. There were several reasons why he was able to receive voters. Support and improve his reputation, including the fact that people thought it would be a bad idea to change the president frequently during the transition to democracy. Rather than basing their vote on personal characteristics, L. Tudev’s supporters believed that he would consider the country’s best interests while in power. The first presidential election proved that democracy in Mongolia had been strengthened and gave citizens the opportunity for meaningful choice. The majority of the population from the big cities, as well as Central, Gobi and Eastern provinces, supported the Democratic Party member P. Ochirbat, while the Western provinces voted for the communist MPRP member L. Tudev. P. Ochirbat won 14 of 18 provinces. The first presidential election played a significant role in establishing a balance between the presidency and the parliament. The outcome of this election saw the communist party come into executive power and the democrats gain control of the parliament. Thus this presidential election led to a balance between the two major political forces and that strengthened the democratic transition.

After this presidential election, people realized the importance of accurate information from the press in a democratic society and at the next elections. In April 1994, twenty persons began a hunger strike at the Sukhbaatar square in Ulaanbaatar demonstrating against the corruption of the current government and for the freedom of the press on a national scale. Eventually the government accepted their demands and promised to revise electoral law, grant freedom of the press, and take measures for preventing

177 Ibid.p.116
178 Ginsburg, opcit, p. 469.
corruption. In addition to such demonstrations for public interest, there were other demonstrations by various interest groups in the civil society. Such activation of the interest groups and NGO’s promoted the vitality of the Mongolian civil society and helped influencing the parliamentary election in 1996.

The 1996 Election

Article 26 of the Election Law, revised in January 1996, and divided Mongolia into 76 single member districts with one candidate chosen from each constituency. On 30 June 1996, the Democratic Alliance (DA) consisting of the Mongolian National Democratic Party (MNDP) and the Mongolian Social Democratic Party (MSDP) ended the seventy-five year parliamentary majority of the Mongolian People's Revolutionary Party (MPRP). The alliance captured 65.8 percent of the 76 seats at stake in the Great State Hural, Mongolia's parliament. The MPRP lost 45 of the 70 seats the party had obtained in the previous election. By and large, almost all the seats in Parliament were won either by the Democrats or the MPRP except for one seat which was won by O. Dashbalbar of the Mongolian United Heritage Party (MUHP). Though the outcome of the polls revealed a considerable set back for the Communist leaders, the most unpredictable aspect of the result was the defeat of all independent candidates in elections and thus the Mongolian parliament remained unrepresented by independents. The unexpected results of 1996 elections indeed marked the first major change of political power in Mongolia in its almost 75 years of history. With all this sudden change there was an obvious sense of excitement among the young people in the government who wished to move the country and its people ahead with a number of ambitious plans at hand.

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180 Yadamsuren, p. 201
The coalition used the 1994 “Contract with America”\textsuperscript{182} as a model for the “Contract with the Mongolian Voters”. The Contract was the most widely disseminated document in Mongolian history, with numerous promises for sweeping political, economic, and social reform.\textsuperscript{183} The election was a watershed event in Mongolia’s short history of democracy. The new government under Premier M. Enkhsaikhan carried out a number of highly unpopular measures that, for instance, led to a drastic rise in energy prices. Moreover, service fees and the prices for other daily necessities rose by about 40 percent. Consequently, the DA lost popular support within a short time. The situation worsened when the new government had to admit that it lacked qualified personnel to replace the MPRP-loyal bureaucrats it had sacked at all levels of administration. Although its election platforms promised sounded unrealistic, for the first time in Mongolian history democrats won a parliamentary election and the DUC gained 50 of the 76 seats. The MPRP lost its hold on power for the first time in seventy-five years and received just 25 seats in the State Great Hural. The voter turnout was 92 percent. The new Hural, with an average age of 38, reflected the youth of the country. Seven of the new MPs were women, up from three in previous Hural but down from the 20% mandated in the one-party period. Seventeen of the new MPs were in private business or were leaders of NGOs, reflecting the rise of civil society as an important political force.\textsuperscript{184} Most elected parliamentarians were well known DUC party members who had actively taken part in the pro-democracy movement. The 25 elected MPs from the MPRP were former MPs in the 1992-1996 parliaments. However, this election victory brought various challenges and difficulties for the democrats because experienced MPRP bureaucrats and well qualified professionals were replaced with the younger and less-experienced DUC party members.

\textsuperscript{182} In comparison with the Republican platform in the United States, the 1992 Mongolian elections were presented as a right-wing platform.


Former MP and economist, Mendsaikhan Enksaikhan, head of the DUC, was elected as the new Prime Minister. Besides, the democratic Coalitions four years in power had been characterized by political infighting within the coalition itself, a corruption scandal, and an attitude among coalition members that often seemed to put personal political ambition over coalition or national interests. The new government introduced judicial reforms and radical economic reforms, freed the media, and strengthened the legal system. While the coalition tried to do everything it could to run the government, the MPRP, which never had to worry about democratic procedures in the past, learned quickly as to how to use principles of parliamentary procedures and constitutional law to obstruct the coalitions reform agenda. Fortunately, the transition from the incumbent to the Democratic Union proved to be peaceful and smooth, an important step toward democratic consolidation, because the communist party was voted out of power and the opposition democrats were voted in. Thus democracy was further consolidated and strengthened in Mongolia.

Mongolia’s democratic transition period continued into the second presidential election in 1997. Three candidates were nominated from the parties holding seats in parliament. N. Bagabandi, the former speaker of the State Great Hural, was nominated by the MPRP; P. Ochirbat, was nominated by the Democratic Alliance; and Jambin Gombojav was nominated by the Mongolian United Conservative Party. On May 19, 1997 N. Bagabandi, the candidate for the MPRP, won the second presidential election. He was supported by 60.8 percent of the electorate on a platform that proposed to slow down the rapid political and economic reforms undertaken by the previous government. Incumbent President P. Ochirbat of the Democratic Union split the remaining vote by 29.6 percent with J. Gombojav who

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186 Ibid. p. 65
187 MPRP President N. Bagabandi used his power of veto to reject several candidates nominated for prime Minister by the Democratic Coalition. Meanwhile, the Coalition was blamed for this unstable situation and for dismissing four prime ministers and cabinets within four years.
received 7.7 percent of the vote. Once again, there was a high turnout of 85 percent of the 1.1 million eligible voters. N. Bagaband had strong financial and media support from the MPRP. Competitor J. Gombojav had extensive experience working in the rural areas, so he received votes from herders. On the other hand, incumbent president P. Ochirbat relied on his personal charisma and a platform that focused on economic reforms such as tax free imports; this proved very attractive to voters. Yet, P. Ochirbat was not sure whether he would receive the same support that he had gathered during his first presidential victory. The Democrats, however, could not find any other reputable candidate who could meet the age requirement of 45 years under the presidential election law. This election result also proved that the voters Preference could shift dramatically from one political party to another. Voters considered the candidate’s official position, party affiliation and past political performance. This is a strong indication that Mongolian voters are prepared to see regime change and indicates that the ongoing new elections are genuinely democratic and that the transition to democracy continued successfully.

The Parliamentary Election of 2000 and the 2001 Presidential Election

After the Democratic Coalitions four years in power in July 2000, parliamentary elections, 82.43% of the electorate cast their ballots, in which the pendulum of power swing back again to the MPRP. They won 72 of 76 seats (95%) in the parliament, creating another one party government, similar in numbers to that in 1992. One member of the MNDP, former Prime Minister J. Narantsastralt, was one of only four non-MPRP MPs elected. Another was S. Oyun, head of The Citizens. Will Party, The Green Party Coalition re-elected from her constituency in Dornod province. The

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188 Khayanhyarva, opcit, pp. 120-122. His platform slogan was. For Independence-Justice-Benefit of common people.
189 ibid., p. 119
189 N. Bagabandi the winner’s slogan was “Safe for the citizens, society for the people’.
190 Ibid., p 121
191 Severinghaus, opcit, p .62.
third was B. Erdenebat, chairman of Mongolian New Socialist Democratic Party, who won election in Ulaanbaatar. A single independent, L. Gundalai, won with 41.57 percent of the vote in Khuvsgul province. Overall the result was so unbelievable that many in the political circles thought that the election law needed to be reformed so that the number of seats held by different parties in the parliament could more closely reflect the popular vote besides leading to more meaningful debate of the government’s legislative agenda. There are several explanations for the defeat of the democrats. First, in a four year period four governments had been formed. This displayed a degree of instability and a failure to provide leadership. Second, the various governments had made a series of mistakes on economic reform. Third, the Coalition had split before the election and each party ran an independent slate of candidates. Therefore, the democrats had not fulfilled the people’s expectation. Although almost fifty percent of the people argued that living conditions under the communist regime were better than during the democratic transition period, voters feelings also seemed mixed about Mongolia’s communist past; the majority said that a return to communism was not a desirable choice. During the election, the most important concerns of the Mongolian people were unemployment and poverty. Furthermore, one party had controlled the government for almost 70 years and it had been difficult to beat. It had local-level organization, the support of some national newspapers and the people’s habits in voting for it. Half of the MPs nominated from the MPRP were former MPs while the other half were new to the parliament. This shows that people trusted the MPRP by voting for incumbent MPRP members of the parliament. New opposition parties and candidates clearly had no experience in policy-making whereas the MPRP members did. In Mongolia, the MPRP is trusted as Mongolians express a strong culture of support for well-educated, experienced individuals during

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192 Severinghaus, opcit, p. 62.
193 IDEA, International Institute for Democracy and Electoral Assistance, pp, 55-75
election. Party platforms are important in analyzing competing parties’ goals during elections. Political platforms offer a good indication of the possible future government program. Although concerns were raised over uncertainties as to which direction the new MPRP government will go in the next four years, the year 2001 saw the MPRP consolidating its political power and demonstrating its resolve to keep market economy reforms on track.\textsuperscript{194} Party’s slogans and platforms were put forward throughout the 2000 election. People began to look at the slogans to help make their decisions, despite the fact that some people became cynical that parties could not keep their promises during the election campaign. For example, the MPRP slogan was \textit{Let’s recover the state from the crisis and rescue the people from poverty}.\textsuperscript{195} The MPRP focused on the instability of the previous coalition government. Also the party’s platform emphasized its commitment to build the Millennium Road, a two-lane asphalt highway across Mongolia. The Millennium Road project was to be completed by 2011. With its completion, the country will be connected with Central and Northeast Asia. Promises of the Millennium Road project attracted many votes.

The Citizens Will Party, The Green Party Coalition slogan was, ‘It will depend only on your civic courage’.\textsuperscript{196} The new coalition platform was focused on the rule of law, and transparency and accountability in governance. The MNDP slogan was ‘Your choice is the future of Mongolia’.\textsuperscript{197} The slogan of the Motherland-Mongolian New Socialist Democratic Party (MNSDP or EREL Corporation) was ‘Believe in Yourself and Do It Yourselves’. However its reputation was centred on Chairman B. Erdenebat, who also owned the sole business that funded his party. When the MPRP came to power the new Prime Minister and chairman, N. Enkhbayar, officially stated that the new government would not introduce

\textsuperscript{195} IRI, opcit, p. 20.
\textsuperscript{196} Ibid. opcit, p. 21
\textsuperscript{197} Ibid, opcit, p. 22.
major changes in the transition process. The MPRP General Secretary, L. Enebish, became the new Speaker of Parliament. It was very hard, however, for the opposition to oppose the MPRP in government or in Parliament because the MPRP had control over both parliament and the presidency. This example demonstrates that Mongolia kept coming back to authoritarianism from democracy by the alternation of power every four years. This example demonstrates that power shifted from the more authoritarian to the democratic forces in alternate elections without a major disruption in the transition to democracy.

The International Republican Institute observers and other international delegations observed the entire electoral process in the 2000 parliamentary election. They evaluated the whole election process starting from the pre-election period, election-day, the counting of ballots and until the transfer of power. Their report claims that the ongoing support of international NGOs such as the International Republican Institute, Konrad Adenauer Foundation, Open Society/Soros Foundation, USAID, the Asia Foundation and others has been critical in helping build the opposition’s election strategy and efficiency, in teaching citizens how to hold fair elections, and in encouraging all political parties to publicize their platforms.\(^{198}\) In general, the observers did not notice any systematic electoral irregularities, but there were some minor issues such as the lack of uniformity in voter registration, problem in the distribution of voter identity cards, the counting of absentee ballots and the improper use of mobile boxes.

Following the surprising results of the 2000 election, there was another important political event, the presidential elections on May 20, 2001. The strong presence of the MPRP in Mongolia’s political arena was also felt when the incumbent president N. bagabandi’s re-election demonstrated the continued weakness within the opposition democrats despite the fact that the

\(^{198}\) IDEA, opcit, p. 66-67.
latter had united themselves into a single party.\textsuperscript{199} The presidential election victory enhanced the MPRP’s political dominance.\textsuperscript{200} It illustrated the democrat’s difficulties in rebuilding public confidence after their four tumultuous years in power. They made unpopular and painful decisions to liberalize Mongolia’s economy during that time, but four successive Democratic Coalition governments marked their rule, a corruption case, political stalemate exacerbated by the MPRP, and failure to improve the standard of living.\textsuperscript{201} Despite the Democratic Party’s appeals for a balance of power between the presidency and the parliament, the MPRP incumbent President N. Bagabandi won in an election that was widely viewed as free and fair. The MPRP, which adopted a social democratic doctrine in 1997, had worked to show the public and the world that the party had left its communist roots behind. They deepened the democrat-initiated economic reforms and generally maintained the environment of political and economic openness that Mongolia has enjoyed for the past decade.\textsuperscript{202} Both the 2000 and 2001 elections returned political power to the MPRP at the presidential and parliamentary levels. The 2001 democratic election demonstrated that peaceful transitions occurred in Mongolia, and further proved that elections became an important part of Mongolia’s transition to democracy. The fact that the parliamentary elections resulted in political power changing hands from the MPRP to the Democrats in 1996, and then back to the MPRP in 2000, demonstrates that democracy is consolidating its roots in Mongolia.

**The 2004 Elections**

As the June 27, 2004 Parliamentary elections approached, the ruling MPRP appeared to be winning another term of the government. There seemed to be no obvious challenger. During the election campaign, the MPRP offered a guaranteed annual growth rate of at least 7 percent, and

\textsuperscript{199} Finch, opcit, p. 40.
\textsuperscript{200} Ibid, opcit, p. 41
\textsuperscript{201} Ibid, opcit, p. 42
\textsuperscript{202} Ibid, p. 43
pledged to increase the productivity of the agricultural industry, to double the exports from the mining industry, and to create 145,000 new jobs but at the same time, it had to deal with questions about the persistence of poverty. This time the democratic opposition decided to form a strong coalition because of lessons learned from the 2000 election experience. Prior to this election the two major incumbent opposition parties in parliament, the Mongolian New Socialist Democratic Party and the Citizens Will Party, contested the election together joined with the Democratic Party as the Motherland Democratic Coalition (MDC). MDC candidates spoke of a guaranteed economic growth rate between 6 and 10 percent, and promised a 5-year tax exemption for shepherds, a radical reform of the tax system, and to encourage foreign companies to invest in Mongolia's agriculture. Seven political parties and 15 independent candidates ran in the 2004 general election. The initial election results astonished the public and international observers. The MDC and MPRP captured 36 seats each, the Republican Party one, and independents three. The MPRP lost half of its seats from the previous election, whereas the coalition parties increased its share from three to 36 seats.

There were a total of 1,279,516 eligible voters in the remaining 74 constituencies. Voter turnout averaged 82.2 percent, more or less unchanged from 2000. There were 15,234 invalid votes. The MPRP won 49 percent of the vote, down around 8 percentage points on the last election; the parties of the MDC gained 7 percentage points, winning 44 percent of the vote. Despite losing the disputed seats, and therefore dropping slightly below seat parity with the MPRP, the MDC was the real winner of this election. It

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205 The ruling party, however, immediately filed a complaint to the election commission about voting irregularities at two polling stations in electoral district 59 (Ulan Bator) and at one polling station in electoral district 24 (Uvurkhangai). The administrative court ruled the election in both constituencies invalid, thus reducing MDC’s seat tally to 34. Legal wrangling was still continuing in December 2004, with neither seat yet filled.
206 GLOBE International www.globeinternational.org
benefited hugely from the unity it had lacked in previous elections, and which had long been the hallmark of the MPRP and its campaign. The MDC coalition also gained by its welfare plans, which proved popular. Public opinion turned further against the MPRP in reaction to the party’s fairly blatant abuse of its advantageous media position during the campaign.\textsuperscript{206} As the situation led to a hung parliament, it was suggested that it would be illegal for a government to be formed that relied on the support of the three independent members of parliament and therefore the only way out was a coalition government.\textsuperscript{207} Otherwise there was no option but to hold another election, which was not conducive considering the economic health of the country. This finally led to the formation of a grand coalition government of the MPRP and the MDC under Prime Minister Tsakhiagiyn Elbegdorj of the Democratic Party. With MPRP took over ten positions in Elbegdorj’s 18-member cabinet, it was decided that the next prime minister was to be nominated among the candidates of the MPRP in 2007.\textsuperscript{208} To explain the election results, we need to analyze the party campaigns and the party platforms.

Many factors affected the MPRP’s loss of its majority and the surprising victory of the Coalition. The main factors were: The MPRP’s election platform for the parliamentary election in 2004 had as its slogan ‘for you and with you/ your party and my party’. The party promised that the MPRP would continue to pursue policies focusing on social security; the State’s increased attention to welfare policy and expanded public services for people of all ages. Great emphasis was placed on unemployment and poverty, and greater attention was devoted to public health and education. According to the platform, the MPRP would continue to implement the ongoing major developmental programs, such as the Millennium Road project.

The MPRP also promised to improve the efficiency of state services and to lessen bureaucracy. The Motherland Democratic Coalition presented a platform with 21 main aims to support the well-being of citizens, particularly families and children; to encourage businesses; and to put an end to authoritarian tendencies within the bureaucracy. The party slogan was “Let’s remove current pressures and support households.” They suggested in their platform that they would implement a *Money of Trust* policy that would allocate and pay ten thousand tugrugs every month to all children below the age of 18. The Coalition addressed the fact that Mongolia has one million children. There was an assumption by people that this ‘Money of Trust. Policy’ would attract many voters. The party intended to support households by providing social welfare, education, health care, and poverty reduction for the entire population with the hopes of encouraging people to benefit from a bright future. On the other hand, the Mongolian Republic Party platform promised to reform current banking and financial institutions which were charging very high interest rates; to create opportunities and conditions to build private housing; to increase the salary of civil servants to US$ 300 per month, and to improve sustainability and accountability of the government. The new social welfare policies addressed by political parties during this election campaign showed that the parties had different views and approaches. But the fragile coalition government did not remain intact for long and finally on January 11, 2006 collapsed altogether when all the 10 MPRP cabinet members resigned in protest to what they described as “the coalition’s ineffective governance and loss of public support.” The MPRP accused the Democrats of cheating in the election. They abused the power of incumbency to monopolize state-controlled radio and television. The MPRP
was able to abuse their political power because Election Law Article 10 states that, Parties represented at the State Great Hural shall be financially supported from the state budget according to the number of seats they hold. The amount of financing and the procedure thereby shall be determined by the State Great Hural. 

The new social welfare policies addressed by political parties during this election campaign showed that the parties had different views and approaches. To minimize the likelihood of election fraud and help ensure fair election practices, the State Great Hural reformed electoral laws after the 2004 election. The reason behind the collapse of the democratically elected government was cited as the troubled governments struggle with growing unemployment, allegations of corruption, and factional differences. The ever-growing disillusionment with the coalition’s rule was reflected in Presidential elections in May 2005, when the former Prime Minister Nammbaryn Enkhabayar of the MPRP won the presidency with 53.4% of the vote as against 19.7% mustered by his Democracy party rival. Mendsaikhan. The collapse was followed by days of protests in the Mongolian capital which witnessed some protesting government corruption and economic deprivation, while some accusing the MPRP of attempting to seize power for itself. Finally on January 25, 2006, Miyeegombo Enkhbold, the former Ulaanbaatar Mayor and the MPRP Chairman was chosen by the Parliament as the new Prime Minister to succeed Elbegdorj. The Democratic Party was reported to have declined the MPRP’s proposal of entering what the latter called as the government of “national unity” and instead decided to function as an opposition or build an alternative “shadow government”. However, nothing short of a so-called “shadow government” is visible and it now appears that the MPRP is in full swing. As

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214 The State Great Hural Election Law, December 2005, General Election Commission, Ulaanbaatar, Mongolia, p. 3.
215 Ibid. p. 4
216 Ibid. p. 5
218 The UB Post, Ulaanbaatar, 19 January 2006.
regards the issues of country’s welfare, the political crisis following dissolution of the coalition government has had no effect particularly on implementing country’s security and foreign policy objectives.

2008 ELECTIONS

Legislative election in Mongolia was held on June 29, 2008. A total of 356 candidates were running for 76 seats in the State Great Hural. According to official results published on July 14th, at least 39 seats went to the ruling Mongolian People’s Revolutionary Party (MPRP), and at least 25 seats went to main opposition party, the Democrats (DP). Ten seats remained subject to possible recounts. After intermediate results published on June 30th showed a clear MPRP victory, DP chairman Elbegdorj declared on July 1st that the elections were rigged and that his party would not accept these results. Protests against the election results turned violent on the evening of July 1st, and protesters sacked the MPRP headquarters in downtown Ulaanbaatar. Five protesters were killed, and around midnight a four-day state of emergency was declared. Turnout was 74.3%, considerably lower than the 82% of the 2004 election. 311 candidates from 11 parties and one coalition, plus 45 independent candidates, were running for election, only 28 of them incumbent MPs. As in previous elections, there were instances of candidates making monetary payments to voters. After immediate results showed a clear MPRP victory, DP Chairman Tsakhiagiin Elbegdorj declared that his party would not accept the election results, and alleged that the elections had been rigged. On a press conference held on July 7th, DP politicians D.Dorligjav, Z.Enkhbold and L. Gundalai said that there had been massive irregularities with voter registration. Some of their claims were later repudiated by the central registry office. Other allegations were irregularities in the counting process, and voter bribery. International observers, however, described the election as free and fair.

219 www.ipu.org/pdf/publications/elections08-e.pdf
On September 11th, S. Bayar was elected as new prime minister of a coalition government between MPRP and DP.

The Mongolian people were particularly interested in the 2008 election because it effectively decided who controls the development of Mongolia’s wealth of natural resources. Mongolia’s countryside is rich in mineral resources, especially copper. The extraction of these resources is expected to generate significant wealth. Whoever controls these national resources is projected to amass considerable power and riches. The Democratic Party believes that corporations should be given the right to develop the mineral deposits, while the MPRP intends to maintain government control of the resources.

**PRESIDENTIAL ELECTION OF 2009**

The incumbent Mongolian President Nambaryn Enkhbayar lost to former premier Tsakhiagiin Elbegdorj of the opposition Democratic Party. Tsakhiagiin Elbegdorj was sworn in as Mongolia's President after winning the May 24 election with 51.21 percent of the vote. Born in 1963, Tsakhiagiin Elbegdorj was one of the leaders of the peaceful revolution that ended the Communist dictatorship in 1990. Since then, he has served as prime minister twice, in 1998, and in 2006-2008.

Mr Enkhbayar sought to display his competence as head of government during the last few years, albeit without the effect he had hoped for. His campaign seemed listless, the MPRP’s campaign machine was slow to start, and there were hardly any of its representatives who promoted the president visibly and efficiently. Mr Mendsaikhany Enkhbayar embodied

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221 Ibid.BBC NEWS
222 http://www.topnews.in/regions/mongolia
223 Born in 1963, Tsakhiagiin Elbegdorj was one of the leaders of the peaceful revolution that ended the Communist dictatorship in 1990. Since then, he has served as prime minister twice, in 1998, and from 2006-2008
statesmanship with his experience as party chairman and prime minister, but the way in which he did it was not convincing. He did earn some respect with his attempt to revive Buddhism, but it was just that attempt which made him appear cynical because the MRPP was the party which had tried to extirpate Buddhist culture in 1937/38 by order of the Soviets and prosecuted any religious practice until the eighties. Another factor which Mr Enkhbayar had underestimated was the people’s wish for change. The steadily widening social gap is worrying many Mongolians. Moreover, people are fed up with corruption, an evil that is largely associated with the ‘old guard’, of which the president of the country is seen as the most prominent member. For Mr Elbegdorj and his DP, the chances of winning the elections looked anything but good at first. The challenger himself was criticized with having partially caused the explosive atmosphere in the capital with his massive charges of electoral fraud against the MRPP. Moreover, his image was further tainted when he lost his position at the head of his party and refused to form a coalition government with the ruling party. When the opposition joined forces and Mr Elbegdorj was supported by the chairpersons of the minor parties, large segments of the population were added to his following: Mrs Ouyn, the head of the CWRP and onetime foreign minister, is sister to the country’s leading democracy activist, while Mr Enkhbat, the chair-man of the Greens, is seen as epitomizing civil society. Even Mr Obama’s ‘change’ slogan had its effect when Mr Elbegdorj, a gifted orator, used it to put himself into the limelight – in a country where the importance of television is growing. The still-young Democratic Party has certainly been strengthened enormously by the outcome of the election of May 24.

Moreover, it is a personal triumph for Mr Elbegdorj himself, all the more so as he was twice dismissed before the end of his term when he was prime minister before. The new president of Mongolia will not have much time to make good on his promises and present his first successes. The population

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225 www.mongolia-web.com › Government - 23 hours ago
226 Ibid
has been growing impatient since the last parliamentary elections as both major parties had made many promises then, the most important among them being that Mongolians should have a generous share in the revenue from the sale of primary goods. At that time, there was some talk of massive foreign investments in mining. However, these will hardly materialise, not only because of crisis but also because of the passivity of parliament, which keeps deferring the execution of the relevant contracts. At the same time, the new president himself will be largely relegated to the role of observer in all these matters. His accession to the presidency will give the Democratic leader a voice in foreign affairs, defense and judicial matters wherein the President has specific constitutional roles. It will also balance Mongolia’s relations with Russia in relation to its southern neighbour China and third neighbours, which include the United States, Japan and Europe.

Appendix II: POLITICAL DATA

Name of the State: Mongolia

Form of the Government: Republic Semi-presidential Westminster system

Structure of the Legislature: Unicameral legislature, State Great Hural (UlsinIkh Hural)

Size of the territory: 1.6 million square kilometers

Size of the Population: 2, 504,000 (2003)

PRESIDENTIONAL ELECTION RESULTS 1993- 2001

Table 1:

Presidential Election, 6 June 1993

Turnout: 92.7%

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
<th>% of Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punsalmaagin Ochirbat</td>
<td>592,836</td>
<td>57.8</td>
</tr>
</tbody>
</table>
Table 2

Presidential Election, 19 May 1997

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
<th>% of Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natsagiin Bagabandi</td>
<td>597,573</td>
<td>60.8</td>
</tr>
<tr>
<td>Punsalmaagin Ochirbat</td>
<td>292,896</td>
<td>29.8</td>
</tr>
<tr>
<td>Jambin Gombojav</td>
<td>65,201</td>
<td>6.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invalid</td>
<td>26,970</td>
<td>2.7</td>
</tr>
<tr>
<td>Total valid</td>
<td>955,670</td>
<td>97.3</td>
</tr>
<tr>
<td>Number of voters listed</td>
<td>1,155,228.227</td>
<td></td>
</tr>
</tbody>
</table>

Table 3

Presidential Election, 20 May 2001

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
<th>% of Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natsagiin Bagabandi</td>
<td>581,381</td>
<td>58.1</td>
</tr>
<tr>
<td>RadnasumberlinGonchigdorj</td>
<td>365,363</td>
<td>36.5</td>
</tr>
<tr>
<td>Luvsannyamin Dashnyam</td>
<td>35,425</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Invalid 17,411 1.7
Total valid 982,714 98.3
Number of voters listed 1,205,885

Table 4

Presidential Election, 20 May 2005

Turnout: 74.9%

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
<th>% of Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nambariin Enkhbayar</td>
<td>495,730</td>
<td>54</td>
</tr>
<tr>
<td>Mendsaiikhany Enkhsaikhan</td>
<td>184,743</td>
<td>20.20</td>
</tr>
<tr>
<td>Bazarsad jargalsaikhan</td>
<td>129,147</td>
<td>14.1</td>
</tr>
<tr>
<td>Badaech Endenebat</td>
<td>105,171</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Number of voters listed 1,205,885

Presidential Election, 20 May 2009

Turnout: 73.52%

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Votes</th>
<th>% of Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tsakhiagiin Elbegdorj</td>
<td>562,459</td>
<td>51.24%</td>
</tr>
<tr>
<td>Nambaryn Enkhbayar</td>
<td>520,805</td>
<td>47.44%</td>
</tr>
</tbody>
</table>

Number of voters listed 1,083,264


Table 1

Parliamentary Election, 28 June 1992

Turnout: 95%

<table>
<thead>
<tr>
<th>Party Coalition</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPRP</td>
<td>70</td>
</tr>
<tr>
<td>Democratic, National Progress</td>
<td></td>
</tr>
</tbody>
</table>

228 news.xinhuanet.com/English/2009-05/26
And United Parties Alliances 4
MSDP 1
Independents 1
Total 76

Table 2
Parliamentary Election, 30 June 1996
Turnout: 92%

<table>
<thead>
<tr>
<th>Party Coalition</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>DUC</td>
<td>50</td>
</tr>
<tr>
<td>MPRP</td>
<td>25</td>
</tr>
<tr>
<td>Mongolian Traditional United Party</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
</tr>
</tbody>
</table>

Table 3
Parliamentary Election, 2 July 2000
Turnout: 82%

<table>
<thead>
<tr>
<th>Party Coalition</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPRP</td>
<td>72</td>
</tr>
<tr>
<td>MNDP-MRDP</td>
<td>1</td>
</tr>
<tr>
<td>Mongolian New Socialist Democratic Party</td>
<td>1</td>
</tr>
<tr>
<td>Citizens Will/Green Party Coalition</td>
<td>1</td>
</tr>
<tr>
<td>Independents</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>76.229</td>
</tr>
</tbody>
</table>

Table 4
Parliamentary Election, 27 June 2004
Turnout: 82%

<table>
<thead>
<tr>
<th>Party Coalition</th>
<th>% of Vote Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPRP</td>
<td>47.3 36</td>
</tr>
<tr>
<td>Motherland Democratic Coalition</td>
<td>44.7 34</td>
</tr>
<tr>
<td>Mongolian Republican Party</td>
<td>1.47 1</td>
</tr>
<tr>
<td>Independents</td>
<td>3.9 3</td>
</tr>
<tr>
<td>Invalid</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>76.230</td>
</tr>
</tbody>
</table>

Appendix IV: Voter turnout, Parliamentary and Presidential Election

<table>
<thead>
<tr>
<th>Year of election</th>
<th>Voter turnout</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992 Parliamentary</td>
<td>95.60%</td>
</tr>
<tr>
<td>1993 Presidential</td>
<td>92.7%</td>
</tr>
<tr>
<td>1996 Parliamentary</td>
<td>92.15%</td>
</tr>
<tr>
<td>1997 Presidential</td>
<td>85.06%</td>
</tr>
<tr>
<td>2000 Parliamentary</td>
<td>82.43%</td>
</tr>
<tr>
<td>2001 Presidential</td>
<td>82.94%</td>
</tr>
<tr>
<td>2004 Parliamentary</td>
<td>82.3%</td>
</tr>
<tr>
<td>2008 Parliamentary</td>
<td>71.31% 231</td>
</tr>
<tr>
<td>2009 Presidential</td>
<td>73.52%</td>
</tr>
</tbody>
</table>