

THE NEW MONGOLIA

By Steven A. Leibo



Mongolian horseman in traditional costume. Source: Creative Commons at <http://tiny.cc/8hdq5w>.

For decades, it was common for courses on East Asia to focus almost exclusively on China and Japan, with only an occasional nod to the existence of either Korea or Mongolia. And if Korea was little spoken of, Mongolia hardly seemed to exist at all. Today, of course, coverage of Korea has expanded somewhat, but Mongolia still remains the largely forgotten orphan of Asian Studies, something I hope to change through this essay. In fact, today's Mongolia has emerged as a nation particularly linked to an ever-changing global economic, social, and physical environment. Indeed, it is ironic that a nation thought to have passed its prime in the late thirteenth century has dramatically arrived in the twenty-first century as one of the world's fastest-growing economies and one rapidly being transformed by the realities of a globalized world economy, even as it is being deeply challenged by human-induced climate change.

Moreover, the transformation of Mongolia from a largely rural nomadic society of herdsman to a community dominated by the increasingly ultra-globalized city of Ulan Bator, where almost a third of the population lives, is nothing short of astounding. This development also links Mongolia to the larger urbanizing phenomenon found throughout Asia and particularly in its near neighbor, China, all of which adds to the imperative that Mongolia be covered more thoroughly in Asian survey courses. True, medieval Mongolia's outward expansion from China to Russia certainly wins attention in Asia surveys, but then Mongolia fades away, locked into a thirteenth-century ghetto of historical memory. Indeed, some of the best recent books devoted to Mongolia have treated their subject as if the community disappeared long ago, like some sort of Central Asian Hittites.

To be fair, given how long Mongolia lay hidden within parts of the Chinese and subsequently Russian and Soviet empires, it is not all that surprising that it has not been covered.

There are exceptions to this record of academic neglect. Indeed, some of the best Asian scholars, among them Morris Rossabi, have begun to reintegrate Mongolia into the story of modern Asia. Rossabi's monograph, *Modern Mongolia: From Khans to Commissars to Capitalists* (2005), is an important contribution. But if neglect of Mongolia by teachers of Asia might have been justified a decade ago, it is certainly not the case today. In short, while there might previously have been some logic to passing over developments in Mongolia, that is simply no longer the case. The primary goal of this essay is to facilitate modern Mongolia's integration into the standard Asian Studies curriculum and to do so in the context of Mongolia's local experience with the challenge of climate change, which is being experienced differently in the various regions of Asia and the world.

Given the reality of Mongolia's neglect from the standard surveys of modern Asia, historical context is needed. Although dynamic in the late middle ages, Mongolia entered the twentieth century having long been part of the last Chinese empire: the Qing dynasty. The first decades of the twentieth century saw the collapse of both the Qing and Romanov dynasties, and "Mongolia" became independent but divided. But that ultimate fate was not so obvious as the century began. Indeed, in the early twentieth century, while Outer Mongolia was relatively free of Chinese control, Russian imperial influence grew in the northern part of the traditional

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Birthday celebration in modern Mongolia.
Photo courtesy of author.



From Gold Rush to Climate Change



The Oyu Tolgoi copper and gold mine in the Gobi Desert, Mongolia. Screen capture from the Oyu Tolgoi promotional video *Welcome to Oyu Tolgoi* at <http://tiny.cc/91dq5w>.

Mongolian lands. Meanwhile, to the south, Inner Mongolia was being integrated first within the Qing dynasty and then later the Republic of China.

Recognizing China's interest, the leaders of Outer Mongolia appealed to Tsar Nicholas II, who, in one of his government's last major agreements, negotiated a treaty with China's new Republican government. Henceforth, it was understood that, while Moscow recognized Beijing's official claims to all of Mongolia, only Inner Mongolia would be administered by the Chinese, while Outer Mongolia was to remain autonomous under local leaders. With the collapse of the Russian dynasty in 1917, China unsuccessfully attempted to exert full control over all of Mongolia. When that failed, a new political status quo emerged, with portions of historical Mongolia under Russian control and other parts integrated into China.¹

By the early 1920s, Outer Mongolia was being integrated into the new USSR as effectively as its southern cousin Inner Mongolia was being integrated into China's orbit. Mongolia became the first Asian state to adopt communism's infamous command economy formally. The decades from the 1920s through the early 1990s saw both Mongolia's Inner and Outer regions surviving in relative obscurity, isolated and tightly held within two different communities. Over the next few decades, Soviet Russia and China were each buffeted by events and drama considerably more traumatic than what was happening within what might be called "ethnographic" Mongolia. Under the circumstances, it is not surprising that Mongolia rarely showed up on the "radar" of courses on Northeast Asia. Meanwhile, within Outer Mongolia, Soviet domination was something of a mixed blessing. There was residual Russian antipathy toward the Mongolian national hero Genghis Khan, whose forces had undermined Kievan Rus, a precursor to the Russian state, beginning with the 1223 invasion. This made local displays of Mongolian identity and nationalism at best awkward and at worst dangerous. As was common in the case of religions in communist regimes, the nation's Buddhist heritage was assaulted with a vengeance that saw thousands of people killed and large numbers of monasteries destroyed. Despite Mongolia's traditionally communal attitude toward the land, the attempt to impose a Soviet-style collectivist economy was strongly but ineffectually resisted by local herders. Despite these tyrannical policies, the Soviet role in Mongolia shielded the country from what some perceived as an expansionist China. As I will discuss later, the Soviet collectivist system also offered some unanticipated but distinct advantages that actually complemented the Mongolian lifestyle more than some observers initially anticipated.

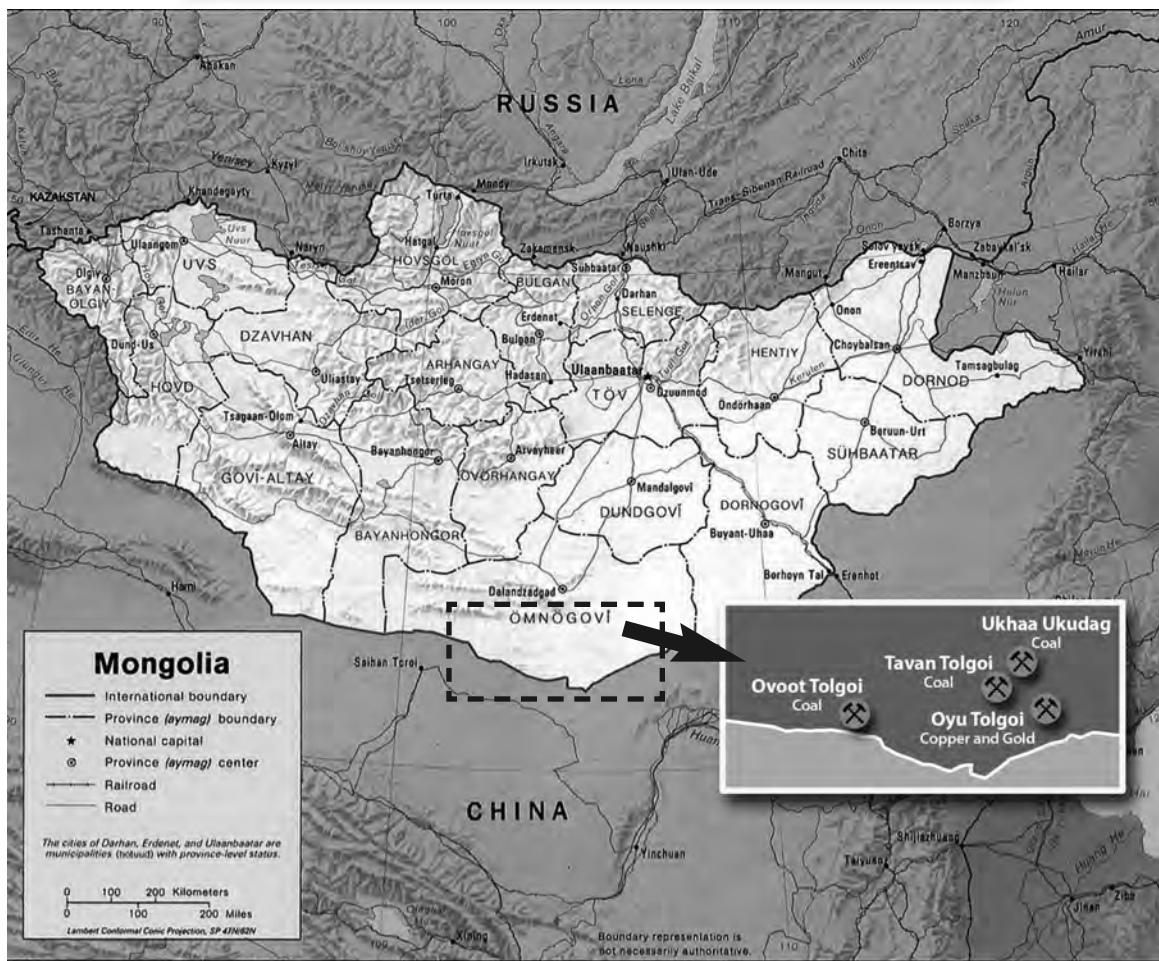
Herders Under Communism

The USSR's alternative to capitalism, a collectivist command economy, had largely the same highly dysfunctional and traumatic effects as was true worldwide with communist dictatorships. In terms of basic wealth production, communism was never able to compete with the human energy capitalism has often unleashed. As mentioned, Mongolians strongly resisted the Soviet collectivist economic model, and the newly imposed economic controls over the life of the herders added additional burdens to their traditional nomadic lifestyle.

Nevertheless, for Mongolian herders operating in the unforgiving climate of Central Asia, there were some significant advantages to having access to the collectivist economy rather than surviving simply on their individual or family resources. During the communist era, a relatively strong social safety net supplied many social services—from health care to education—that made the life of Mongolia's traditional herders economically more viable than it might have been. The USSR helped the Mongolian state offer resources, but the situation started changing dramatically during the Mikhail Gorbachev era.

Mongolia's Transition from Communism

Mongolia was the first Asian nation to embrace communism and in the early 1990s became the first to reject communism's economic straight-jacket. Mongolia, like most of the former Soviet bloc, attempted the transition from communist party domination to a more capitalist and democratic future. But the effort to build new, more productive economic systems in the aftermath of the failure of communism differed radically in varying parts of Eurasia. In East Asia, unlike Eastern European countries, a different pattern had evolved in the post-World War II era regarding a fundamental question of political economy: What should be the relationship between government and the economy? From communism's command economy to the relatively Laissez-faire governments of the US and the UK during the Margaret Thatcher era, differing answers to this basic question have defined much of modern world history. In Eastern Asia, from Japan to China and Việt Nam to Singapore, the general assumption has been that governments, along with private markets, should be major players within their national economies. If communism's command economies were generally rejected by everyone from Japan's LDP to the PRC's "communist" leadership, the hands-off approach of Western leaders, like Thatcher and Ronald Reagan, was rejected as well.



CIA map of Mongolia, with an added inset map showing the approximate location of large-scale mining operations in the Gobi Desert. By Willa Davis.

In Eastern Europe and the former USSR, the more dramatic collapse of the governing communist parties brought forth local voices that tended to promote a variant of Laissez-faire capitalism and assumed that giving free reign to privatization would by definition “raise all boats.” Complementing that message was the arrival of many Western economic advisers, whether from IGOs, NGOs, or governments that advocated the same free market philosophies.

Building a Western-Style Democratic Capitalist Society

Simply glancing at Mongolia or its people might make the outsider assume Mongolia’s fate once it left the Soviet orbit would begin to parallel its East Asian neighbors. While that might eventually turn out to be the case, this has not yet been the case in Mongolia’s post-Soviet era. Mongolia’s development has more closely paralleled events in Eastern Europe than Eastern Asia. The collapse of communism brought the arrival of numerous Western advisers eager to offer financial support. Over time, then, Mongolia’s transition away from communism closely paralleled the Eastern European economic shock therapy approach, albeit within the context of an enormously larger area and more lightly populated rural society than was the norm in either Eastern Europe or Eastern Asia.

Mongolia’s new leaders were deeply committed to the idea of a free market economy and supported by an impressive array of influential outsiders, all quite willing to back Mongolia as long as its leaders adhered to the small government privatization approach they saw as ultimately the most successful economic model. And adhere they did, with an enormous array of privatization efforts and reduction of basic social spending.² Indeed, the assumption was that democracy, another long-term goal of domestic and international reforms, required small government policies. While the nation’s democratic traditions began to grow, the financial

security of much of the population began to drop dramatically. Ironically, Mongolia’s first decade of post-communist freedom offered not only more democratic freedoms—though the election of a leader with no formal communist past dates from only a few years ago—but considerably less economic security as the socialist safety net simply collapsed around the population. Given the enormous influence and financial resources outside groups carried with them, there was often little Mongolian dissenters could do. Not surprisingly for many Mongolian critics, it seemed perhaps that Mongolia had traded domination by the Chinese or Russian empires for that of the international aid agencies like the IMF, World Bank, and Asian Development Bank.

Meanwhile, while Mongolian levels of employment, health care, and education began steep declines, the opening up of the nation’s natural resources—especially minerals conveniently located not that far from the dynamic Chinese economy—saw the country’s overall growth begin to climb dramatically and a new Ulan Bator-based middle class begin to emerge.

Mongolia Enters the Gold Rush Era

In the last century, the enormous animal herds of Mongolia’s famous nomadic herdsmen were the most prominent feature of the nation’s economic life. However, the Soviets were deeply involved in developing the nation’s mining industry. The advent of capitalism has greatly expanded the industry; mining is now Mongolia’s leading industry. Today’s Mongolia is deeply linked to the globalized world economy because of the enormous expansion of the mineral extraction sector over the last decade. The levels of new copper, uranium, tin, tungsten, and gold extraction and the profits from those industries are dramatically transforming the country. And it is not just corporate mining concerns that have gotten involved; there are said to be around 100,000 individual miners known as “ninjas” operating as illegal prospectors as well. Mongolia’s



Shaft #1 at Oyu Tolgoi copper mine in Ömnögovi Province.
Source: Creative Commons at <http://tiny.cc/a3eq5w>.



Yurt living quarters for the workers at the Oyu Tolgoi mining site. Screen capture from the Oyu Tolgoi promotional video *Welcome to Oyu Tolgoi* at <http://tiny.cc/91dq5w>.

future is increasingly linked to its effort to develop a world-class mining industry. It is that expansion that has seen the extraordinary national economic growth figures of recent years. For example, 2011 came in at an astounding 17 percent and even 2012 at a very healthy 12.7 percent.³ Still, it should be noted those figures represent an investment in future mineral extraction rather than that of a mature industry.

But those changes have come at an extraordinary price. Most immediately, while China professes to respect the long-established borders between the nations and is said to have left any claims on Outer Mongolia behind, there were certain advantages to Mongolia's long association with the Soviet Union. It distanced Mongolia from the PRC. Today, in contrast, Mongolia's fast-growing economy is deeply dependent on China, linked in a way that it has not been for generations. Despite some significant economic advantages for Mongolia, those growing links with the PRC put the country in a situation somewhat similar to that of Taiwan, which is now also extensively dependent upon the PRC.

Meanwhile, the deep cultural links that exist between the Mongolian and Tibetan peoples—who have had their own problems with Beijing—certainly reinforce the concerns of some Mongolians about the PRC. But perhaps the greatest challenge to today's Mongolia comes not from the geo-political challenges that once emanated from Moscow or Beijing but something more fundamental.

Mongolia's Environmental Challenges: From Local to Global

Because they face a challenging environment and live alongside nature even more so than most farming cultures, Mongolians have a particularly strong connection with and awe about the natural world around them, and that world has been changing dramatically in recent decades. Mongolia's environmental challenges began long before the twenty-first century. At times, there has been considerable tension between Russians and Mongolians about the level of environmental degradation caused by the formerly large Soviet military facilities, as well as the impact of Soviet-era mining efforts. While there may be a great many differences between capitalism and communism, both systems assumed during the twentieth century that economic growth was infinitely more important than environmental protections, and the record of Soviet-era damages to the environment remains a continuing source of tensions. Still, the level of environmental degradation over the last two decades of Mongolia's reintegration into the world community has been of a different order and was caused by a wider variety of circumstances.

The introduction of large-scale mining, done by both amateurs and professionals, has profoundly impacted the landscape. Mining of minerals, from gold to copper, done not only underground but with even more damaging open-pit mining, has radically transformed the physical environment. More dramatic has been the drying of some 400 streams and rivers, which has been blamed largely on industrial mining enterprises.⁴

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Tavan Tolgoi is one of the world's largest untapped coking and thermal coal deposits, located in the Ömnögovi Province in southern Mongolia.
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The Fate of Mongolia's Nomads

If there is any image of Mongolia aside from that of the thirteenth-century's famous conqueror Genghis Khan that has captured the imagination of outsiders, it is that of Mongolia's nomadic herdsmen.⁵ Increasingly, though, that lifestyle is becoming especially difficult to maintain. The record of an expanding urbanization gives part of the story. For example, in 1958, 78 percent of the population lived in rural areas, but by 1989, the percentage had shrunk to 42 percent.⁶ Currently, only 38 percent of Mongolia's population lives in rural areas.⁷ Clearly, urbanization has been a global phenomenon but one that has had a particularly profound impact on the traditional and famous nomadic lifestyle of Mongolia's famous herdsmen.

The roots of the deterioration of that lifestyle can be found in two primary areas: the end of the collectivist economic safety net and the reality that the environment itself, including the climate, is changing in ways that are deeply undermining the environment that has for so long sustained the herds. It is important to understand core realities of Mongolian herding; only through fattening animals during the summer can the herds survive the incredibly harsh winters. For various reasons, that has become progressively more difficult. The decreasing availability of grasses the herds thrive on is of particular importance. The introduction of significantly larger goat herds is one major reason for the decline of available grasses. All that is understandable given how important cashmere is to Mongolia's increasingly globalized economy but also deeply unfortunate because the very low grazing habits of goats especially undermines the fragile Mongolian vegetation.

Moreover, due to greater evaporation because of global warming, the soil that vegetation grows in is increasingly devoid of moisture, and it has become increasingly difficult for Mongolia's traditional herdsmen to fatten their livestock enough for the animals to survive the harsh winters. In turn, winters have become ever more problematic, as more erratic freezing and melting have a tendency to form an icy glaze over ground, making it even more difficult for the animals to obtain the food they need.⁸

Just as the collectivist safety net was removed, a changing environment, in large part the result of human action, has made the nomadic lifestyle increasingly untenable, forcing more and more Mongolians to abandon their traditional lifestyles and move to Ulan Bator, where the hope is that the

growing mineral extraction economy might be able employ them. There may be some truth to that hope. While national statistics suggested that 38.7 percent of the population lived in poverty in 2010, the number dropped to 33.7 percent by 2011. The year 2012 came in at a still-decreasing 27.4 percent, despite the lower economic growth rate for that year, which was linked to lessening Chinese demand.⁹ Despite significant drops in per capita income in the mid-1990s and in the aftermath of the 2008 global recession, there has been a relatively steady rise in GDP per capita in the two decades since Mongolia became independent.¹⁰

Mongolia Moves into the New Century

Today's Mongolia has certainly gained its freedom and an increasingly democratic society. Religion, particularly

Shamanism, and with outside support, Buddhism, is again starting to flourish, even as the national economy is growing enormously. But the nation has paid a demanding price: the loss of much of what the Mongolians have traditionally held dear. Meanwhile, Mongolia has also experienced what has become common elsewhere in the world: a society of growing inequality, even as it is politically freer and economically stronger.

What is clear though, is that the long-standing characterization of Mongolia as a land of nomadic herdsmen is increasingly becoming as much a part of the past as the heritage of Genghis Khan. ■

NOTES

1. For a good overview of early modern Mongolia, see Bat-Erdene Batbayar, *Twentieth Century Mongolia*, (Cambridge: White Horse Press, 1999.)
2. For the record, the Fraser Institute ranks Mongolia currently at about a seven on a ten-point scale of economic freedom. See <http://tinyurl.com/o4tp4lp>.
3. Central Intelligence Agency, "East And Southeast Asia: Mongolia," *The World Factbook*, last modified November 3, 2013, <http://tiny.cc/14vv7w>.
4. Morris Rossabi, "Meteoric Mongolia: Why It's Ascending So Fast – And How It Might Fall," *Foreign Affairs*, last modified January 29, 2013, <http://tiny.cc/2w9u3w>.
5. For an especially helpful introduction, see Melvyn C. Goldstein and Cynthia M. Beal *The Changing World of Mongolia's Nomads*, (Berkeley: University of California, 1994.)
6. Goldstein and Beal, *The Changing World of Mongolia's Nomads*, 25.
7. "East And Southeast Asia: Mongolia," <http://tiny.cc/14vv7w>.
8. The best overview of Mongolia's climate change challenge is found in "Mongolia: Assessment Report on Climate Change 2009" lead authors Dr. Damdin Dagvodorj, I. Natsagdorj, B. Namkhainyam and Ministry of Environment, Nature and Tourism, Mongolia and "The Dirty Weather Report Session 12 China and Asia" *Climate Reality Project*, <http://climateralityproject.org/videolocation/middle-east-asia/>
9. "Poverty Rate Came Down to 27.4% 2012," *World Bank*, last modified May 21, 2013, <http://tiny.cc/zbav3w>.
10. "Mongolia, Economy: GDP – per capita (PPP)," *Index Mundi*, last modified January 29, 2013, <http://tiny.cc/2w9u3w>.

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