

## **Curbing the Resource Curse Mongolian Democracy's Associational Ally**

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### **Abstract**

Mongolia has had an unbroken record of democratic rule for a quarter of a century, but natural resources loom to curse its promising political pathway. Natural resources have cursed more than a handful of fledgling democracies in the post-Cold War era, but not Mongolia. Despite neighboring China and Russia's unquenchable thirst for exploitable resources, democracy remains the only game in town in Mongolia. Abundant scholarship on the resource curse says surprisingly little about factors that condition low-income democracies' drowning in resource affluence. This essay argues that Mongolia sustains democracy thanks to at least one political—institutional factor: a vigorous civil society that perseveringly checks and monitors state power, pushes back against powerful economic interests, articulates and presses social demands of underprivileged groups in society, and, not least, aids the state. The analysis shows the variety of weapons that civil society uses to champion an open polity, keep citizens on notice, and tie the hands of powerful economic interests. Skillfully applying these means, civil society has been key to making Mongolia punch above its weight politically, economically, and in terms of social welfare provision for a quarter of a century.

**Keywords:** Comparative democratization, Mongolia, post-communism, resource curse, state building.

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**M**ongolia has had an unbroken record of democratic rule for a quarter of a century, but natural resources loom to curse its promising political pathway. Natural resources have cursed many a fledgling democracy in the post-Cold War era, but not Mongolia. Despite neighboring China and Russia's unquenchable thirst for exploitable resources, democracy in Mongolia remains

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\*The analysis presented in this essay is based on interviews conducted by the author in Ulaanbaatar during June and July 2015 and June and July 2016.

the only game in town. Scholarship on the resource curse has proliferate during the last three decades,<sup>1</sup> but surprisingly little is said about factors that prevent low-income democracies from drowning in resource affluence. This essay argues that Mongolia sustains democracy, thanks to at least one political–institutional factor: a strong civil society that counters abuse of state power and successfully promotes policy influence among otherwise voiceless groups in society.

Mongolia’s political system shows strong and persistent signs of a consolidated electoral democracy. The electorate uses the ballot box to shift the balance of power in parliament when discontented with incumbents. Among seven free and fair legislative elections, four have resulted in a government turnover. Moreover, two presidents up for reelection have accepted defeat at the ballot box, even though the winning margins of the opposing candidates were thin. Moreover, the electors eagerly participate in the contests, and between elections they generally support democracy as the best form of government.

However, the temptations to corrupt power are discernible. The wealth of Mongolia’s mining activities is overwhelming. It is estimated that by 2021, the biggest operating mine, Oyu Tolgoi, will account for 30 percent of Mongolia’s GDP; the net worth of its total natural resources is estimated at 1.2 trillion USD.<sup>2</sup> The combat against corruption has improved over the last decade, and Mongolia has become a champion of welfare during the mining boom: it spends markedly more on basic welfare services than average countries with moderate income levels. Poverty levels have been reduced, school attendance remains consistently high, and political elites generally have acted responsibly. Yet, the political system is not absent severe challenges that are looming from the country’s ample natural resources.

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<sup>1</sup> Michael Albertus and Victor Menaldo, “Coercive Capacity and the Prospects for Democratization,” *Comparative Politics* 44, no. 2 (2012): 151-169; Richard Auty and Alyson Warhurst, “Sustainable Development in Mineral Exporting Economies,” *Resources Policy* 19, no. 1 (1993): 14-29; Sarah Brooks and Marcus Kurtz, “Oil and Democracy: Endogenous Natural Resources and the Political ‘Resource Curse’,” *International Organization* 70, no. 2 (2016): 279-311; Thad Dunning, *Crude Democracy: Natural Resource Wealth and Political Regimes* (New York: Cambridge University Press, 2008); Stephen Haber and Victor Menaldo, “Do Natural Resources Fuel Authoritarianism?” *A Reappraisal of the Resource Curse* 105, no. 1 (2011): 1-26; Kevin M. Morrison, “Oil, Nontax Revenue, and the Redistributive Foundations of Regime Stability,” *International Organization* 63, no. 1 (2009): 107-138; Kristopher Ramsay, “Revisiting the Resource Curse: Natural Disasters, the Price of Oil, and Democracy,” *International Organization* 65, no. 3 (2011): 507-529; Michael Ross, “Does Oil Hinder Democracy?” *World Politics* 53, no. 3 (2001): 325-361; Michael Ross, *The Oil Curse: How Petroleum Wealth Shapes the Development of Nations* (Princeton, NJ: Princeton University Press, 2012); id., “What Have We Learned about the Resource Curse?” *Annual Review of Political Science* 18, no. 1 (2015): 239-259; Benjamin Smith, “Oil Wealth and Regime Survival in the Developing World, 1960–1999,” *American Journal of Political Science* 48, no. 2 (2004): 232-246; and Joseph Wright, Erica Frantz, and Barbara Geddes, “Oil and Autocratic Regime Survival,” *British Journal of Political Science* 45, no. 2 (2015): 287-306.

<sup>2</sup> BTI, “The Bertelsmann Stiftung’s Transformation Index—Mongolia Country Report” (Gütersloh, Germany: Bertelsmann Stiftung, 2016).

Thanks to a vibrant and vigorous civil society, political power has been checked at critical moments during Mongolia's twenty-five years of democratic rule. Mongolia's democracy has a strong associational ally in its civil society. Even though associations are small and scattered, actors in civil society consistently and effectively push back against political elites' abuse of state power and manage to address the needs of vulnerable groups in society. This enables the state of Mongolia to overachieve in welfare provision, electoral integrity, and the fight against corruption, despite the easy access to rents from natural resources.<sup>3</sup>

This essay scrutinizes political and economic development in Mongolia, which is cast as a least likely case of democratization despite plentiful natural resources. The first section pinpoints Mongolia's political and economic achievements in comparative perspective. The second section explains and analyzes how Mongolian civil society checks abuse of power, attends to the needs of vulnerable social groups, and aids the state. A final section reflects on lessons learned for scholars of democratization.

## **Mongolia—Top of the Class**

Among the forty cases of democratic breakdown in the post-Cold War era, eight countries are considered hydrocarbon or mineral-rich by the International Monetary Fund.<sup>4</sup> Like Congo (Brazzaville), Liberia, Libya, Nigeria, Peru, Russia, Venezuela, and Zambia, Mongolia and Indonesia are included in the IMF's listing, but have not—unlike the other countries—undergone democratic breakdown.<sup>5</sup> However, the number of democracies on the IMF's listing is limited. That supposedly says more about the hindrance to democratic transition than it does about democratic sustainability in these countries. Strikingly, only the democratic regimes of Botswana, Chile, Ghana, Mexico, Norway, South Africa, and the dual-island Caribbean nation, Trinidad and Tobago, are on the IMF's list of fifty-one resource-rich countries.

Mongolia is often compared with Central Asian countries, and it shares mineral and fuel wealth with Kazakhstan, the Kyrgyz Republic, Turkmenistan, and Uzbekistan. However, despite a similar starting point on the eve of the communist era, democracy has not taken root in any of the Stan-countries (Tajikistan, due to civil war), thus, fulfilling the expectation of the resource curse.

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<sup>3</sup> M. Steven Fish and Michael Seeberg, "The Secret Supports of Mongolian Democracy," *Journal of Democracy* 28, no. 1 (2017): 129-143.

<sup>4</sup> International Monetary Fund, "Guide on Resource Revenue Transparency" (Washington, DC: International Monetary Fund, 2007).

<sup>5</sup> As identified by Jason Brownlee, "The Limited Reach of Authoritarian Powers," *Democratization* 24, no. 7 (2017): 1326-1344, based on Freedom House scorings on electoral democracy (years identified as nondemocratic in brackets), and the International Monetary Fund, "Guide on Resource Revenue Transparency," 54-56.

The abundance of natural resources is a bane to democracy because the quid pro quo of taxation of citizens for parliamentary representation is sidlined by a government's non-tax-based income from resource extraction. In a nutshell, incumbents do not have to be responsible to the electorate to fund government activities, and even can use the resource income to buy loyalty from civil servants and the military.<sup>6</sup> This essay seeks to understand what factor(s) shores up democracy in places where we should least expect it.

Mongolia not only is at the top of the class among resource-rich countries, but also among lower-middle-income countries. Indeed, there are healthy signs that democracy is the only game in town, and that political elites who lose elections have faith in their chance to win by the rules in future rounds—something often absent in countries with moderate income levels. Each of the two dominant political camps has had periods of full control of the political system—that is, a majority in parliament and control of the presidency at the same time. From 1996 to 1997 and again from 2012 to 2016, the Democratic Party held virtually a monopoly on power, like the Mongolian People's Party did from 2000 to 2004 and again from 2008 to 2009. Yet, any attempt to stack the deck for longer superpower tenure has backfired at the ballot box. Voters have responded by handing control of the political power to the opposition. Moreover, presidential candidates accept defeat at the ballot box, even though races are tight. The last three races have seen dead heats, resulting in winner margins of less than 2 percent. The incumbent president, Nambaryn Enkhbayar, for example, accepted defeat in his bid for a second term in 2009, with a margin of 51.9 to 48.1 percent of the votes.

Taking Robert Dahl's notion of polyarchy into consideration, political elites in Mongolia indeed respect political as well as civil liberties. On the polyarchy index of the Varieties of Democracy project,<sup>7</sup> Mongolia has had decent scoring since the early 1990s, joined by Indonesia in the early 2000s. Mongolia kept pace with the scorings of South Korea's and Taiwan's political regimes until the late 1990s, when the scoring of the latter two rose to a different level in fulfilling Dahl's ideal type of democracy (see figure 1).

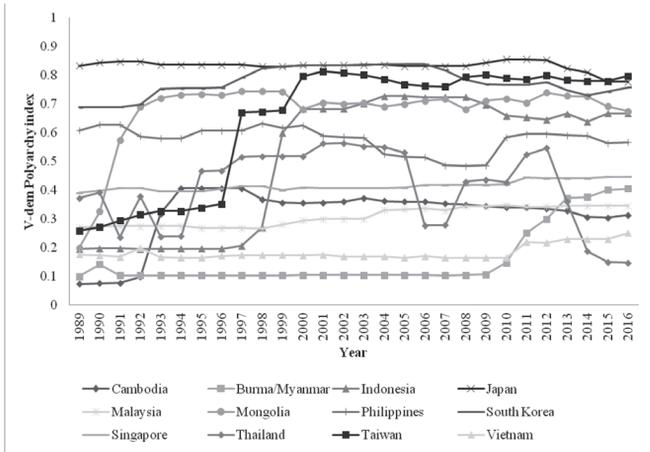
The electorate's approval of democracy has been consistently high in Mongolia, Indonesia, South Korea, and Taiwan throughout four waves of surveys. Recently asked by Asia Barometer whether "democracy may have its problems, but it is still the best form of government," slightly more than 80 percent of Mongolian citizens approve its merits. Indonesia entered the survey in its second wave with a high rate of approval, while scoring improved markedly in Mongolia, South Korea, and Taiwan from the second to the third wave of the surveys (see figure 2).

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<sup>6</sup> Ross, "Does Oil Hinder Democracy?" 332, and id., *The Oil Curse*, 5.

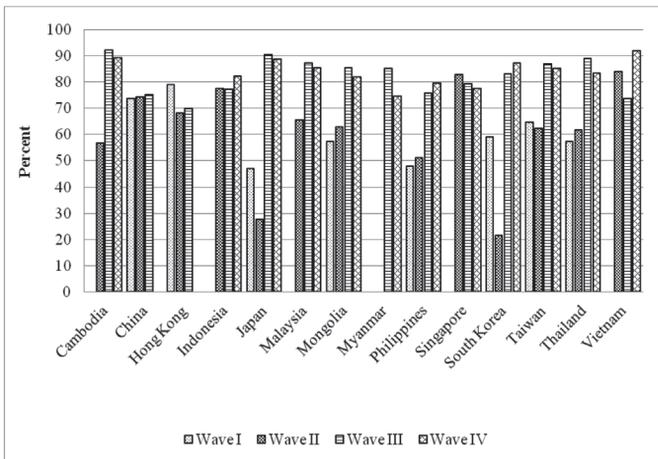
<sup>7</sup> Staffan Lindberg et al., "V-Dem: A New Way to Measure Democracy," *Journal of Democracy* 25, no. 3 (2014): 159-169.

Figure 1. Scores on the Varieties of Democracy Project's Polyarchy Index for Burma/Myanmar, Cambodia, Indonesia, Japan, Malaysia, Mongolia, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam, from 1989 to 2016



Source: Staffan Lindberg et al., "V-Dem: A New Way to Measure Democracy," *Journal of Democracy* 25, no. 3 (2014): 159-169.

Figure 2. Asia Barometer Surveys for South and Southeast Asia, Waves 1 to 4, on the question: "Democracy may have its problems, but is it still the best form of government?"



Source: Asian Barometer, Wave1, Wave2, Wave3, and Wave4 Surveys, <http://www.asianbarometer.org/survey/> (accessed October 10, 2018).

The Mongolian electorate not only considers democracy the only game in town, but also acts on it and reaffirms its commitment. Among registered voters, 73.6 percent participated in the parliamentary elections in 2016—markedly more than in 2012, which saw a historical low point of participation by 65 percent of the registered voters (see table 1). At least two-thirds of the electorate votes in presidential elections (although, in the second round of the 2017 elections, only three of five). Indeed, those three sets of indicators indicate an open polity in Mongolia.

Table 1. Voter Turnout for Elections to Parliament, Mongolia, 1990–2016

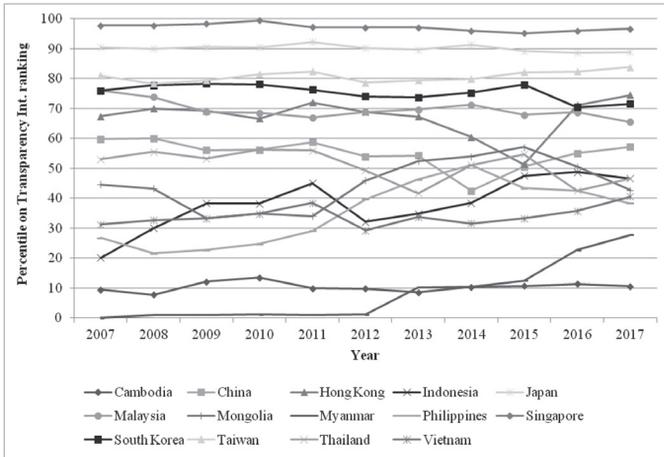
Year	Percentage of registered voters	Percentage of voting population
2016	73.60%	67.90%
2012	65.24%	56.24%
2008	74.31%	60.47%
2004	81.84%	64.91%
2000	82.42%	70.96%
1996	88.39%	73.64%
1992	95.60%	86.11%
1990	98.00%	87.23%

Source: Author’s own coding.

One reason for the open polity is commitment to democratic rule of the game, and another is a desire to uphold the position of trust awarded at the ballot box. Corruption levels in Mongolia are rampant, but overall, indicators show that the efforts to curb corruption are slowly ameliorating the situation. Over the last ten years, Mongolia’s ranking with Transparency International (TI) has been something of a roller coaster ride. Mongolia’s ranking with TI improved markedly from 2009 to 2015, when Mongolia was placed in the 57<sup>th</sup> percentile. Yet, in TI’s 2017 scorings, Mongolia was back at its 2008 level in the 43<sup>rd</sup> percentile. According to Ochirbat Batbayar, Executive Director of Transparency International’s Mongolian chapter, it is mainly “the potential threat of bribery among prosecutors and judges” that accounts for Mongolia’s recent decline.<sup>8</sup> Despite the drop, Mongolia still ranks much better than many other low-income countries. Compared with Indonesia, Mongolia generally has ranked better, but their scorings recently have converged, with Indonesia currently ranking in the 47<sup>th</sup> percentile. Taiwan and South Korea consistently rank markedly better; Taiwan currently ranks in the 84<sup>th</sup> percentile, and South Korea in the 72<sup>nd</sup> (see figure 3).

<sup>8</sup> B. Dulguun, “Mongolia Slips 31 Places in 3 Years on Corruption Perceptions Index,” *The UB Post* (Ulaanbaatar, Mongolia), February 23, 2018.

Figure 3. Corruption Levels for South and Southeast Asia (Percentile on Transparency International Ranking), 2007–2017



Source: Transparency International, *Corruption Perceptions Index*, <http://www.transparency.org/research/cpi/overview> (accessed October 10, 2018).

Turning to the development of the mining sector, the Mongolian economy needed a decade to leave behind the legacy of communist protectionism that characterized the mining sector in 1990, and to prepare the economy for a mining venture. During the first part of the 1990s, state mining cooperatives were opened to foreign investment, but the development of mineral resources was slow, partly because of environmental concerns. Having ousted the former communist party in the 1996 legislative elections, the new government enacted the 1997 Minerals Laws, which were considered among the most liberal policies on resource regulation globally. This approach was boosted after Mongolia became a member of the World Trade Organization later the same year, further encouraging economic development that was driven by an expanding mining industry.

By 2005, the Mongolian government had granted close to six thousand licenses for commercial mining activities, which covered 44.5 percent of Mongolia’s territory. From 1991 to 2006, the annual gold production increased dramatically from seven hundred kilos to twenty-two tons. In 2006, the minerals sector accounted for 17 percent of GDP, which increased slightly to 19 percent in 2013.<sup>9</sup> Whereas the latter part of the 2000s were characterized by economic growth rates between 6 and 10 percent, the economy boomed

<sup>9</sup> Natural Resource Governance Institute, “Country Strategy Note: Mongolia” (May 2015), [http://www.resourcegovernance.org/sites/default/files/nrgi\\_Mongolia-Strategy\\_20151207.pdf](http://www.resourcegovernance.org/sites/default/files/nrgi_Mongolia-Strategy_20151207.pdf) (accessed July 7, 2018).

in the beginning of the 2010s, geared by a heavy influx of foreign investment and rising commodity prices in the world market. Growth rates spiked at 17.5 percent in 2011,<sup>10</sup> but thereafter dropped dramatically to a meager 1.2 percent in 2016.<sup>11</sup> The global decline in the value of copper and coal hit the Mongolian economy hard, and, in 2017, the government had to negotiate a bailout with the IMF worth 5.5 billion USD—the size of half of the country’s GDP. To live up to the conditions set by the IMF, the incumbent Mongolia People’s Party (MPP)-led government is now in the process of raising taxes, shrinking the social safety net, freezing public-sector wages, and increasing the retirement age, amid great public anger.

Whereas economic development in Mongolia has been a roller coaster and there has been rampant corruption, political elites appear highly committed to supporting an open polity. However, the open polity faces immense challenges. Emerging from one of the worst economic downturns seen in world history during the 1990s, Mongolian political elites face the lure of big money from the mining industry that could seduce them away from their commitment to democratic rule and ultimately drown the open polity in non-tax-based income from natural resources. The next sections seek to flesh out how civil society organizations have emerged that are able to tie the hands of powerful economic and political elites and commit them to letting income from coal and gold, in particular, fund future political, economic, and social development in Mongolia.

### **Mongolia’s Vigorous Civic Associations**

Civil society is perceived as “the realm of organizational life that is open, voluntary, self-generating, at least partially self-supporting, autonomous from the state, and bound by a legal order or set of shared rules.”<sup>12</sup> Thanks to an inflow of donor aid from, for example, the Konrad Adenauer Stiftung and Friedrich Ebert Stiftung, the Asia Foundation, and US AID, Mongolia has built a vigorous civil society. A count in 2005 identified six thousand registered civil society organizations, of which between four and five hundred remain active.<sup>13</sup> Some of the strongest organizations formerly were wings of the

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<sup>10</sup> BTI, “The Bertelsmann Stiftung’s Transformation Index—Mongolia Country Report.”

<sup>11</sup> The World Bank, “2016 Poverty Rate in Mongolia Estimated at 29.6 Percent” (October 17, 2017), <http://www.worldbank.org/en/news/press-release/2017/10/17/2016-poverty-rate-in-mongolia-estimated-at-296-percent> (accessed July 7, 2018).

<sup>12</sup> Larry Diamond, *Developing Democracy: Toward Consolidation* (Baltimore, MD: Johns Hopkins University Press, 1999), 221.

<sup>13</sup> Christopher Finch, “Civil Society in Mongolia’s Development and Governance: An Overview of Trends, Constraints, and Opportunities” (Washington, DC: World Bank, 2005), 6, and OSCE/ODIHR EOM Mongolia, “Election Observation Mission Interim Report: Mongolia, Presidential Election” (June 26, 2013), <https://www.osce.org/odihr/elections/102891?download=true> (accessed October 10, 2018).

communist party that enjoyed strong support by the state during communist rule. In the post-Cold War era, the now independent women's, youth, and elderly organizations, as well as the unions, have privileged access to the state—particularly when the former communist party is in power.<sup>14</sup>

Fledgling democracies must deliver in a variety of areas to consolidate democracy.<sup>15</sup> If the state does not deliver on the promise of democracy, citizens could become disillusioned and fall prey to demagogues, sliding into authoritarian rule. For democracy to take root, people must feel that their living conditions have improved, they are equal before the law, they can utilize their democratic citizenship other than at the ballot box, and that the alleviation of corruption is a continuous priority of the political elites.

An unchecked state that does not deliver is a bane to democracy; a vigorous and vibrant civil society is a boon to democracy, because it fulfills important democracy-enhancing functions. An ally of democracy, civil society breathes down the necks of political elites and their civil servants to deliver economic, social, and political progress. A civil society that is on its toes and makes efforts to oversee and engage with the state's activities promotes an open polity. Political elites must feel that they are constantly being observed and pushed to do better in delivering on their popular mandate. By relentlessly pushing the government to deliver on core tasks, civil society forces government operations to be open to the public and, consequently, keeps the electorate informed, less ignorant, and less likely to be manipulated by demagogues. At the same time, by voicing concerns, it makes certain that underprivileged groups lacking social mobility are included in the political bargaining for scarce sources.

Based on Alexis de Tocqueville's work on democracy in America, Fish and Seeberg suggest that civil society rises to the challenge thanks to three imperative acts: (1) checking and monitoring state power and pushing back against powerful economic interests; (2) articulating and pressing social demands, and (3) assisting the state.<sup>16</sup> These three assets are discussed and examined, in turn, including the functions and the groups that perform them, to illustrate how a vibrant civil society can contribute to sustaining democratic rule amid resource abundance. The first mechanism is stressed, as it is perceived as a vital doorstep to the other two.

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<sup>14</sup> Linda Beck, Toby Mendel, and Jeff Thindwa, "The Enabling Environment for Social Accountability in Mongolia" (Washington, DC: World Bank, 2007), 12.

<sup>15</sup> Larry Diamond, "The Democratic Rollback: The Resurgence of the Predatory State," *Foreign Affairs* 87, no. 2 (2008): 36-48.

<sup>16</sup> Fish and Seeberg, "The Secret Supports of Mongolian Democracy."

## Checking and Monitoring State Power and Pushing Back against Powerful Economic Interests

The mixture of powerful economic interests and state power is a dangerous cocktail, often causing democratic downfall. In a setting of moderate-income levels, incomes from natural resources are sorely tempting, and the interests of the political and economic elites often intermingle. Hence, civil society must hold the two groups of actors at bay, simultaneously. In a low-income setting, this takes a Herculean effort to accomplish.

It is imperative in a society with abundant natural resources to check powerful interests in society, while guarding against a supercilious state. Civil society has a number of available means to do this. One obvious way is to work from outside. Organizations can publicly call for action, send open letters to the executive office, initiate and submit petitions to the government, launch social media campaigns, or organize protest marches or rallies in the capital and central places in the countryside. Civil society can heighten such actions by launching hunger strikes. These actions might subsequently draw the attention of the media. If managed cleverly, the media might provide extensive coverage of events that ultimately generates widespread public sympathy and curtails the ability of officials to shield their actions from public scrutiny. Such tactics can ensure that officials feel watched and challenged. They might wish to retain a high degree of secrecy in government operations, but civil society—with the help of the media—can force them to accept uncomfortably high levels of transparency.

A subtler strategy is to work from inside the government with officials. Civil society can conduct studies and use them to garner public and official support for its cause. It can present its findings to key parliamentarians and use these presentations as leverage to lobby for internal investigation, such as arranging a joint tour between civil society and government or state officials to let officialdom see matters as they are. Members of civil society also can use the studies to promote their own draft law before parliament. Likewise, they can try to recruit key parliamentarians to act as advisers to their organization and in that way improve the organization's ties with government agencies. Moreover, they can arrange seminars or informal meetings to garner support from officialdom. If they navigate in this arena skillfully, they can pick sympathetic parliamentarians strategically to build a confidential relationship that can be used to draft legislation jointly. Such “champions of change” might be drawn from civil society's own ranks and *a priori* be likeminded.

Sometimes neither shouting from outside, nor pushing from inside the government, is enough to achieve improvements. That might cause civil society to use the court system as a last resort to make government accountable. The courts might be a well-received helping hand in civil society's tool box, as courts can be used to hear cases to clarify inconsistencies within and among laws and ultimately force a law's proper implementation. Such a “tug of war”

between branches of the state might be necessary to fulfill higher ends. It can be the final punch to score true victories against the state and powerful economic interests, such as mining companies. Such victories, in a nutshell, can make democracy work for citizens, as well.<sup>17</sup>

In Mongolia, local grassroots movements have shown their cutting edge in checking and monitoring state power and pushing back against powerful economic interests. Two of the most well-known and well-established are the Ongi River Movement and the Movement for Just Privatization of Land (MJPL).<sup>18</sup> Activities of the MJPL peaked in the 2000s, whereas those of the Ongi River Movement culminated during the late 2000s and 2010s.

In 2002, the MJPL demonstrated against the law on the privatization of land and was partly successful in pushing through decisive amendments. In June of that year, the law on privatization of land was passed in near secrecy. It provided significant advantages to large landholders, at the expense of herders who would owe their allegiance to the large landholders, thus controlling the herders' access to and use of pasture land. Citizens in the capital were given the opportunity to buy land rights, but not rural farmers and herders. In September, a group of concerned citizens came together and, in response to the law, established the MJPL. They swiftly mobilize a broad membership base in the capital city and in all *soums* (local subdistrict units) of five *aimags* (provincial units), where most of the country's agricultural production is located.

In November 2002, herders rode their tractors from the countryside to central Ulaanbaatar, Mongolia's capital, to demonstrate against the parliament's adoption of the law on privatization of land. Five hundred farmers occupied the Square of Freedom, a central square in Ulaanbaatar, with forty tractors for ten days, demanding that the government further scrutinized the land law. Legislators ultimately amended the law to better consider public oversight of land privatization procedures. A petition was handed over to government representatives, but no officials were willing to meet the herders' demands. Denied any opportunity for dialogue, the herders moved to Sukhbaatar Square in front of the parliament building in Ulaanbaatar.

Soon after, some one thousand policemen blockaded the square, arrested forty-nine people, confiscated tractors, and tore down a *ger* (a traditional dwelling) that functioned as a provisional headquarters for the demonstration.<sup>19</sup> A few days later, approximately three thousand people—mainly drawn from the opposition parties—took to the streets in support of the herders and against the state's use of force against them. The demonstrators demanded an impartial

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<sup>17</sup> Ibid., 133-135 and 137-139.

<sup>18</sup> D. Batmunkh, "Movement for Fair Privatization of Land and Some Aspects of Human Rights and Legislation in Mongolia" (September 24, 2004), [http://www.forum.mn/pdf/events/land\\_movement\\_eng2004-10-12-15.pdf](http://www.forum.mn/pdf/events/land_movement_eng2004-10-12-15.pdf) (accessed July 7, 2018).

<sup>19</sup> Byambajav, "Mobilizing against Dispossession," 24-25.

investigation into the intervention against the herders' demonstration.<sup>20</sup> Moreover, women's rights and human rights NGOs and representatives from the media organized a public forum to support the activities of the MJPL; to call attention to the need for respect for civil rights and liberties; and to condemn the government's violent suppression of the herders' peaceful protests.

In June 2003, 250 members of the MJPL marched to the capital to conduct a sit-in in front of the parliament. During the seven-day demonstration, Ulaanbaatar's local government, the Citizens' Representative, held a meeting during which it was decided that no land could be owned by the capital city's residents. Moreover, because of the MJPL's activities, the government decided to significantly reduce the size of land permitted to be owned by any private person. Thus, the MJPL succeeded in pushing back against the abuse of state power by taking to the streets several times, with broad support from civil society.

Fierce quarrels are won not only in the center of the capital. Local movements also have had scores of victories against economic interests and officialdom in the countryside. In 2004, the Nariin Hamar Valley became the center stage of stiff strife among civil society, state actors, and powerful economic interests. During 2000–2003, the local Citizens' Representative Council in Tsenher (the subdistrict attached to the valley) initially tried to halt mining activity in the area.<sup>21</sup> It used the court system to file a complaint against expanding mining activities, but its case was overturned by the Supreme Court in 2003 due to inadequate administrative documentation. In 2004, notables with strong links to the Tsenher *soum* came together in Ulaanbaatar and formed a so-called "*nutgiin zövlöl*," a local homeland council representing the interests of citizens in Tsenher *soum* in the capital. All Mongolian provinces have such local homeland councils in Ulaanbaatar, some more active than others. Members are usually recruited among the political, economic, cultural, or religious elite in the capital,<sup>22</sup> and the Tsenher *nutgiin zövlöl* is no exception. The chair of the council is a high-ranking official in the Ulaanbaatar city administration. Given the scope and aim of the *nutgiin zövlöl*, it can be considered a civil society organization.

In early May 2005, the council arranged a visit to gold mining sites in Nariin Hamar Valley, together with the Tsenher district governor and district government officials, as well as herders and official local environmental

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<sup>20</sup> Oyungerel Tseveddamba, "Pro-democracy Activists in Mongolia Worry about Potential Roll Back of Reforms," *EurasiaNet* (November 22, 2002), <http://www.refworld.org/docid/46cd80b219.html> (accessed July 7, 2018).

<sup>21</sup> Members are directly elected by the local electorate. The election takes place every four years. Depending on the regional population size, there are fifteen to twenty-five members.

<sup>22</sup> David Sneath, "Political Mobilization and the Construction of Collective Identity in Mongolia," *Central Asian Survey* 29, no. 3 (2010): 258.

inspectors.<sup>23</sup> As a result of the meeting, the participants decided to form the Aruin Suvarga Movement (ASM) to protect the environment in Tsenher from degradation from mining activities. The ASM became an activist arm of the *nutgiin zövlöl*, which monitored and supported its activities. One of the ASM's first activities was to organize training sessions for local herders.

In mid-May, backed by notable people in the *nutgiin zövlöl*, the ASM and the governor of the Tsetserleg subdistrict jointly used local herder groups to mobilize people. To stop a mining company from relocating its damaging activities to the Nariin Hamar Valley, they created a road block for three months on the only road connecting the gold mining site with the outside world. Utilizing socialist-era collective work routines, the ASM set up a *ger* and initiated a log book to keep track of activities at the site and to monitor the engagement of local herding groups.

Eventually, at the end of May, the mining company forced its way through the road block. Herders protested, and the mining company responded with tear gas. In response to the mining company's use of violent means, district administration officials, officials from the provincial environmental inspection agency, and representatives from the Tsenher *nutgiin zövlöl* visited the barricade site to signal their support for the protesters. Subsequently, to enhance pressure on the mining company's activities, the district administration issued a resolution that effectively banned gold mining in the valley. Signals, however, were mixed, as the district governor wrote a supportive official letter which the mining company used to pass through the interim check point. Local officials also pressed herders guarding the road block to allow workers from the company free passage.<sup>24</sup>

In July 2005, the Citizens' Representative Council in Tsenher district eventually cancelled its resolution to ban gold mining in the area. This revocation of support gave the movement's continued contentious actions less bite against the government and the mining company. Furthermore, the district administration pressed the local herders to collaborate with the mining company and to allow workers unhindered access to the mine.

However, the ASM's efforts were not aborted. After new contentious actions by the ASM, the subdistrict administration and the mining company reached a compromise, which committed the mining company to making significant donations to the subdistrict budget from the revenue of the mining activities. Moreover, the district administration's final approval of mining activities in the area was vastly restricted. Instead of reserving thirteen thousand hectares for mining as planned, the license allowed activities in only sixty-eight hectares. Moreover, because of the ASM's unceasing pressure, an area

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<sup>23</sup> Dalaibuyan Byambajav, "Mobilizing against Dispossession: Gold Mining and a Local Resistance Movement in Mongolia," *Journal of the Center for Northern Humanities* 5 (2012): 13-32.

<sup>24</sup> *Ibid.*, 24-25.

of the mining site was designated as a state worship area in 2007, effectively hindering mining in a central part of the valley. Thus, even though the ASM was a loosely connected organization with few members and staff, it was able to bring together the right actors to mobilize otherwise voiceless herders, successfully check state power, and push back against economic interests.

In 2006, local river movements, such as the ASM, joined forces and established the Homeland and Water Protection Coalition of River Movements (HWPCRM), with support from the German Konrad Adenauer Foundation and the Asia Foundation. HWPCRM soon emerged as one of Mongolia's largest and most well-known civil society organizations, dedicated to protecting the environment from degradation by the mining industry. Under the umbrella of the HWPCRM, minor NGOs have come together to encourage political elites to sustain their respect for the environment and their commitment to upholding the rights of herders to use pasture land.

With international financial and technical support, HWPCRM was able to organize seminars with international technical experts, train local activists to become involved in the movement at the level of community-based neighborhoods, commission studies of land and river degradation, present its findings credentials to parliamentarians and the Deputy Minister of Nature and the Environment, send letters to the president expressing its concern, and submit a petition signed by 1,200 people to raise their concerns and call for improvements. Moreover, it developed a "nature and environment legislative scorecard" and "green-star reports" to inform the public about the voting record of members of parliament on environmental issues.<sup>25</sup>

HWPCRM also set up an informal lobby group with parliament members elected from the affected areas and movement members. The movement sustained pressure on the state to act by recruiting sympathetic journalists and scholars into the group, summoning frequent press conferences, obtaining airtime in the media, and by travelling around the country to conduct joint inspection and monitoring tours at gold mining sites with the Ministry of Nature and the Environment, the Mineral Resource and Petroleum Authority (MRPA), representatives from mining companies, and governors of the affected *soums*.<sup>26</sup> Slowly, the movement emerged as a powerful player that was able to respond to state actions. Because of its efforts, the concept of responsible mining was added to the "Government Action Plan," and used in public speeches by elected officials and in platforms of political parties.<sup>27</sup>

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<sup>25</sup> Green Star: Mongolian Nature and Environment Legislative Scorecard, "What Did the 2004–2008 Parliament Do for the Environment?" <https://image.slidesharecdn.com/11-160112084407/95/11272009-report-mongolian-nature-and-environment-legislative-scorecard-the-asia-foundation-7-638.jpg?cb=1452588277> (accessed July 7, 2018).

<sup>26</sup> Dalai Buyan Byambajav, "The River Movements' Struggle in Mongolia," *Social Movement Studies* 14, no. 1 (January 2, 2015): 94–95.

<sup>27</sup> Rebecca Darling, "From Mongolia: A New Paradigm in Responsible Mining is Taking Shape" (April 15, 2009), <https://asiafoundation.org/2009/04/15/from-mongolia-a-new-paradigm-in-responsible-mining-is-taking-shape/> (accessed July 7, 2018).

In 2008, the movement won its biggest victory so far against powerful economic interests. At the Ongi River reservoir, where the movement had focused some of its activities, the government suspended thirty-six of thirty-seven exploration and mining licenses issued alongside the river. This gave activists the impression that they could accomplish real change, which eventually led to their boosting activities at the national level.

Employing tactics similar to those of the ASM at the local level in the Nariin Hamar Valley, in 2009, the continuous pressure from the movement led to the adoption of the “Law Prohibiting Mining Operations at the Headwaters of Rivers (the Protected Zones of Water Bodies and Forested Areas)” (often referred to as “The Law with the Long Name”). This law is an important step toward protecting nature against degradation from destructive mining activities and marks a policy shift in the state’s regulation of mineral activities. Beyond restricting mining activities, the law obligates licensed mining companies to rehabilitate mining sites within two years after the end of activities, under monitoring by the local government and citizens. The law has led to important changes. From 2010 to 2014, the overall number of licenses to mining operations decreased from 4,137 to 2,868, covering 7.6 percent of the entire Mongolian territory, down from 44.5 percent in 2005.<sup>28</sup>

The updated Mongolian mining law intends to ensure that wealth from the mining industry is spent responsibly and that the people benefit from the revenue.<sup>29</sup> Specifically, the law stipulates that 90 percent of the license holder’s employees must be Mongolians. In addition, the license holder must give to the *soum* government, every month, ten times the minimum monthly salary paid to each foreign citizen above the 10 percent threshold; provide job training; provide scholarships for Mongolians to study at selected mining-related programs in the United States and Australia; conduct environmental monitoring; publish environmental protection plans; and establish mine closure plans and funds for rehabilitation. Furthermore, the Law on Mineral Resources, adopted in 2006, established local councils to give citizens influence in mining development. These Local Citizens Representative Committees have the right to review and ultimately reject a company’s application for expanding mining activities in lands under the jurisdiction of the council. Within a thirty-day period of notice, council members must conduct a review and submit it to the state’s Minerals Resources and Petroleum Authority. However, too often, council members are not informed in due time to act on this

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<sup>28</sup> Valencia, “Will Mongolia Resume Issuing Mining Licenses?” *Business-Mongolia.com* (May 7, 2014), <http://www.business-mongolia.com/mongolia/2014/05/07/will-mongolia-resume-issuing-mining-licenses/> (accessed July 7, 2018). See also, Fish and Seeberg, “The Secret Supports of Mongolian Democracy,” 137-139.

<sup>29</sup> Overview of the Amendments of 2013, 2014, and 2015 to the Law of Mongolia on Minerals, <http://www.ashidadvocates.mn/files/publications/Minerals%20law%20%20final%20pdf2.pdf> (accessed July 7, 2018).

review mechanism.<sup>30</sup>

Civil society organizations also have used the court system in combination with acts of contention to reverse encroachments on democratic rule. In 2010, the civil society organization, Oyu Tolgoi Watch (OTW), successfully pushed back against state power using the court system. In late March, the government finalized a deal with two foreign mining companies—Ivanhoe and Rio Tinto—giving them the right to extract resources from two mines in the Gobi Desert. On April 1, MiningWatch Canada and Britain’s Rights and Accountability in Development (RAID) assisted OTW and a coalition of civil society organizations to file a complaint in the United Kingdom and Canada against Ivanhoe and Rio Tinto for alleged breaches of the OECD Guidelines for Multinational Enterprises. Besides OTW, the Center for Citizens’ Alliance, the Center for Human Rights and Development, Steppes without Borders, Drastic Change Movement, and the National Soyombo Movement were named in the complaint.<sup>31</sup>

On April 4, 2010, two hundred people from a coalition representing eighteen of twenty-one *aimags*, led thousands of people into the streets and several people went on a hunger strike in protest of a deal that did not consider redistribution of income from mining activities to public welfare services. The demonstrators called for the dissolution of the parliament. Tension mounted after an unprovoked assault on the ongoing demonstration.<sup>32</sup> On April 5, thousands of protesters marched again to the main square in Ulaanbaatar to demand the dismissal of the parliament, and the protest continued with a hunger strike from April 9 onward. On April 14, police dispersed the hunger strike with force. On April 22, after almost three weeks of continuous popular pressure, the government gave in and amended the law to channel part of the revenue directly into local investment funds in each of the 331 *soums*. The funds support social development projects and required the local government to report on its activities.<sup>33</sup> At the end of the day, the OTW’s complaint against the mining company was rejected, but it prompted media attention to the issue, which raised public awareness and contributed to mobilizing people in the streets, ultimately resulting in important changes to the law.<sup>34</sup>

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<sup>30</sup> Jeffrey Reeves, “Resources, Sovereignty, and Governance: Can Mongolia Avoid the ‘Resource Curse?’” *Asian Journal of Political Science* 19, no. 2 (2011): 170-185.

<sup>31</sup> Keith Harmon Snow, “Goldman Prizewinner Shoots Up Foreign Mining Firms in Mongolia,” *Dissident Voice* (March 11, 2011), [http://dissidentvoice.org/2011/03/goldman-prizewinner-shoots-up-foreign-mining-firms-in-mongolia/#identifier\\_68\\_30401](http://dissidentvoice.org/2011/03/goldman-prizewinner-shoots-up-foreign-mining-firms-in-mongolia/#identifier_68_30401) (accessed July 7, 2018).

<sup>32</sup> Mining Watch Canada, “Mongolian NGOs Appeal to the UN’s Special Representative of the Secretary-General on Business and Human Rights to Resolve Oyu Tolgoi Mine Dispute” (April 23, 2010), <http://miningwatch.ca/news/2010/4/23/mongolian-ngos-appeal-un-s-special-representative-secretary-general-business-and> (accessed July 7, 2018).

<sup>33</sup> Snow, “Goldman Prizewinner Shoots Up Foreign Mining Firms in Mongolia.”

<sup>34</sup> OECD Watch, “OT Watch vs. Ivanhoe Mines Ltd.,” [https://www.oecdwatch.org/cases/Case\\_188](https://www.oecdwatch.org/cases/Case_188) (accessed October 10, 2018).

Thus, the MJPL, ASM, UMMRL, and OTW are instructive examples of how civil society organizations can skillfully use whatever little they have to make significant changes to people's lives in rural areas of Mongolia. The people have benefited from a mobilization effort among the largely nomadic-based rural population that tends to care about protection of the environment. The otherwise voiceless herders would never have succeeded in mobilizing without the civil society organizations' steadfast and assiduous efforts to lead the way.

### ***Articulating and Pressing Social Demands***

Another core function of civil society in a context of moderate affluence levels is to advance the interests of traditionally underprivileged groups against the powerful political and business interests that are often aligned. It is important to raise public awareness in countries with moderate income levels, because underprivileged groups often are overlooked in the political distribution dispute of who gets what, when, and how.

Civil society can advocate for legislation that ameliorates the way existing law deals with the needs of underprivileged groups in society. They can conduct surveys and other studies to obtain information to use to transform the public discourse on matters relating to societal groups with weaker sources of power at hand. If they have political flair, they might be able to mingle with parliamentary working groups that are responsible for drafting legislation in relevant areas. They also can team up with the media to secure airtime and newspaper front pages, conduct public seminars, sign petitions, and relay letters to high-ranking public officials. Pursuing these tasks, they can help otherwise voiceless people to gain influence in the policy process.

The Confederation of Mongolian Trade Unions (CMTU) has been able to transform itself into a social welfare champion. Controlled entirely by political elites during seventy years of communist rule, the CMTU has become a dynamic defender of the interests of society's low-income groups at the negotiation table with government officials, or in the streets, and a frontrunner in assuring that citizens receive an appropriate share of the revenue from the booming mining industry. Moreover, the organization has become an important help to the state in advancing the welfare of social groups with moderate income levels, by promoting initiatives that improve the living and working conditions of people employed in industry, including the mining sector.

Founded in 1927, the CMTU has had strong ties to the communist party. It used to be affiliated with the Soviet-run World Federation of Trade Unions but has been part of the International Trade Union Confederation since 1994. It has not dropped its support of the former communist party, the MPP. During the campaign for the 2004 parliament elections, CMTU managers announced publicly that they supported the MPP leadership, while encouraging provincial CMTU leaders to follow suit. However, the CMTU does not stop short of criticizing the government, notwithstanding its ideological standpoint, or

taking to the streets to protest its policies. The CMTU has thirty-five member organizations that together have 450,000 salaried and self-employed members. It has offices in all provincial cities and almost all *soum* cities—largely thanks to a legacy of communist-era collective farming, when each farm had a branch of the union attached to it. The CMTU organizes demonstrations on a regular basis to protect and improve workers' rights, and advocates increases in the minimum wage for workers, in general. It also seeks to make workers active participants in the economic progress of the mining industry, which generates many jobs.<sup>35</sup>

In 1995, the teachers' wing of the confederation bore its teeth during Mongolia's massive economic downturn. During an eighty-day continuous countrywide strike, it went up against the former communist party in government and forced it to replace the Minister of Education and to give a 40 percent increase in salary to teachers.<sup>36</sup>

On a regular basis, the CMTU takes part with the government and the Employers Association (MONEF) that represents 8,100 businesses in the biannual tripartite negotiations regarding workers' rights, conditions, and minimum salary. The negotiations have led to a decent increase in the minimum wage over the last ten years: spiking at 40 percent in 2006, the minimum wage has increased at least 20 percent after the negotiations held every second year (by 30 percent in 2010 and 37 percent in 2012).<sup>37</sup> Thus, the CMTU has helped to secure significant improvements for workers, including at the height of the mining boom in the early 2010s.

The increases are well-deserved by CMTU members, who willingly take to the streets. The CMTU is likely to call a strike during the tripartite negotiations. In 2012 and 2015, ten thousand workers from industry marched in protest of low salaries,<sup>38</sup> and in 2017, first teachers, then doctors went on strike to demand higher minimum wages.<sup>39</sup> In 2017, the contentious actions by the masses resulted in better salaries for civil servants, better access to health-care insurance, and income tax exemption.<sup>40</sup> In 2018, debates over tax

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<sup>35</sup> "Trade Union Rejects Wage Cuts," *Business-Mongolia.com* (April 27, 2009), <http://www.business-mongolia.com/mongolia/2009/04/27/trade-union-rejects-wage-cuts/> (accessed July 7, 2018).

<sup>36</sup> Alan J. K. Sanders, *Historical Dictionary of Mongolia*, Asian Historical Dictionaries, no. 19 (Lanham, MD: Scarecrow Press, 1996), ixv.

<sup>37</sup> "New Minimum Wage Fixed," *News.mn* (April 25, 2016), <http://www.news.mn/tr/300885> (accessed July 7, 2018).

<sup>38</sup> B. Erdenechimeg, "10,000 Teachers and Doctors Demonstrate, Tomorrow," *Go Go Mongolia* (January 8, 2015), <http://mongolia.gogo.mn/tr/143688> (accessed July 7, 2018).

<sup>39</sup> B. Anand, "Teachers to Go on Strike on Sep 21 and 26," *Go Go Mongolia* (September 18, 2017), <http://mongolia.gogo.mn/tr/160358> (accessed July 7, 2018), and R. Adiyasuren, "Doctors Demonstrate for Better Pay," *Go Go Mongolia* (October 4, 2017), <http://mongolia.gogo.mn/tr/160419> (accessed July 7, 2018).

<sup>40</sup> B. Ooluun, "Three Parties Agree on Raising People's Income," *Montsame* (October 30, 2017),

increases and retirement ages prompted ten thousand people to take to the streets in the capital and in the centers of the twenty-one provinces.<sup>41</sup>

It is not only minimum wage that is on the CMTU's plate, but also working conditions and the general well-being of workers. In 2005, the CMTU stood with the MONEF and the government in adopting the National Plan of Action for Decent Work for the period 2005–2008. Workplaces that fulfill this plan respect freedom of association and do not use child labor or discriminate in any sense.<sup>42</sup>

The CMTU also is deeply involved in the regulation of the mining industry. In 2007, the demonstrations of CMTU members against the people's share of profit from Ivanhoe's mining activities resulted in a revenue tax increase from 2 percent to 34 percent.<sup>43</sup> In 2011, the CMTU took a strong stance against a mining agreement that was made to regulate the use of the domestic workforce, workers' rights, and social protection in the Tavan Tolgoi mining project, without first being negotiated in the tripartite forum among the CMTU, the MONEF, and the government. This led to a new round of negotiations on working conditions.<sup>44</sup>

In general, the mining boom has benefited the Mongolian people, thanks to the efforts of civic organizations such as the CMTU. To improve people's living conditions with rents from mining, the government has established dedicated programs. Every month since 2010, a share of the surplus from the mining industry is channeled through a Human Development Fund to every citizen—adults received MNT twenty-one thousand (approximately fifteen USD) every month and seniors and students, MNT seventy thousand (approximately fifty USD). In 2012, children became the focus of the program, under the renewed heading “Child Money Program.” The cash handout has led to a rise in inflation, but it also has given citizens a feeling of partial ownership of the country's mineral wealth.

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<http://montsame.mn/en/read/12166> (accessed July 7, 2018), and Kh. Aminaa, “Prime Minister Meets Trade Union Representatives,” *Montsame* (December 13, 2017), <http://montsame.mn/en/read/12743> (accessed July 7, 2018).

<sup>41</sup> O. Onon, “Trade Unions Protest against Changes in Tax and Retirement Age,” *Montsame* (January 12, 2018), <http://montsame.mn/en/read/13087> (accessed July 7, 2018), and “More Than 10,000 Protest against Personal Income Tax Increase,” *The UB Post* (January 16, 2018), <http://theubpost.mn/2018/01/16/more-than-10000-protest-against-personal-income-tax-increase/> (accessed July 7, 2018).

<sup>42</sup> PAGE, “Mongolia's Transition to a Green Economy: A Stocktaking Report” (United Nations Environment Programme, 2014), [http://www.un-page.org/files/public/mongolia\\_green\\_economy\\_eg\\_full\\_nov16\\_web.pdf](http://www.un-page.org/files/public/mongolia_green_economy_eg_full_nov16_web.pdf) (accessed July 7, 2018).

<sup>43</sup> Ola Wong, “Gold Rush in Mongolia,” *IndustriALL Global Union* (January 15, 2008), <http://www.industriall-union.org/sites/default/files/migration/imf/RelatedFiles/08011516303579/feature.pdf> (accessed July 7, 2018).

<sup>44</sup> USAID, Human Rights Report, “2016 Human Rights Report: Mongolia,” Department of State, Office of Website Management, Bureau of Public Affairs (2017), <https://mn.usembassy.gov/our-relationship/official-reports/2016-human-rights-report/> (accessed July 7, 2018).

The implementation of the social programs is not without problems. The programs have been sustained throughout electoral cycles, but political elites bid against one another during election campaigns, despite clauses in the electoral law that prohibits candidates making promises with direct monetary value during formalized electoral campaign periods. The Human Development Fund arose from promises made in electoral campaigns for parliament in 2008.<sup>45</sup> Again during campaigns for the 2012 parliamentary elections, candidates promised citizens a share in the country's major mining projects, and the incumbent MPP awarded citizen 1,072 shares each. Three weeks before the 2016 parliamentary elections, the government led by the Democratic Party (DP) offered to buy back the shares. Two days before the election, more than half of the electorate (1.2 million citizens) had applied to sell their shares, earning MNT 300,000 (approximately 155 USD) each. There were even contentions that people living in rural areas of the country were transported in DP-sponsored buses to banks to redeem their shares.

The handouts appear populist, and the Mongolian government, despite leadership turnover, has been highly committed to redirecting revenues from the exploitation of natural resources to social welfare services. The most recent numbers from 2013 show that the government spent 2.78 percent of its GDP on welfare transfers, which makes the country a welfare champion compared with other developing and emerging countries in East and Southeast Asia. Only Mongolia spent above the world average of 1.6 percent of GDP, while Indonesia, Malaysia, the Philippines, Laos, China, and Cambodia spent well below one percent.<sup>46</sup> Including recipients of the Child Money Program, 49 percent of all citizens are direct beneficiaries of at least one of Mongolia's seventy-one social programs. One-third of the total benefits is given to citizens in the poorest quintile (measure by household income), covering four of five people in this group; in Indonesia, only 65 percent of the population in the poorest quintile is covered. Yet, the welfare transfer in Mongolia covers only 12 percent of the basic consumption of a five-person household, thus, it does not provide an adequate safety net.<sup>47</sup>

Although they seem somewhat symbolic, the cash transfers and social programs have had a perceptible effect on the social well-being of Mongolia's

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<sup>45</sup> John Daly, "Mongolia Riots," *Eurasia Daily Monitor* 5, no. 129 (2008), <https://jamestown.org/program/mongolia-riots/> (accessed July 7, 2018).

<sup>46</sup> Junko Onishi and Tungalag Chuluun, "Review of Program Design and Beneficiary Profiles of Social Welfare Programs in Mongolia" (Washington, DC: World Bank Group, 2015), pp. 16 and 48, <http://documents.worldbank.org/curated/en/599141468185351818/Review-of-program-design-and-beneficiary-profiles-of-social-welfare-programs-in-Mongolia> (accessed July 7, 2018).

<sup>47</sup> Ugo Gentilini, Maddalena Honorati, and Ruslan Yemtsov, *The State of Social Safety Nets 2014* (Washington, DC: World Bank Group, 2014), [http://documents.worldbank.org/curated/en/302571468320707386/850097536\\_201405175114103/additional/879840WPOFINAL00Box385208B00PUBLIC0.pdf](http://documents.worldbank.org/curated/en/302571468320707386/850097536_201405175114103/additional/879840WPOFINAL00Box385208B00PUBLIC0.pdf) (accessed July 7, 2018).

people. Poverty levels (measured as persons living on less than 5.5 USD a day) have declined from 38.8 percent of the population in 2010 to 29.6 percent in 2016, with a low-point of 21.6 percent in 2014.<sup>48</sup> Relatedly, 95 percent of the adult population has school experience, and 90 percent of all school-aged children attend primary and secondary school. Moreover, 82 percent of the 200,000 students enrolled in institutions of higher education receive a monthly state stipend that equals half of the minimum wage.<sup>49</sup> Thus, at the aggregate level, Mongolia is a champion of welfare among moderate-income-level countries, yet poverty is far from eradicated.

### *Assisting the State*

The focus in the analysis so far could give the impression that interaction between civil society organizations and the state has a contentious character—but the relationship also can be cooperative. Probably less discernible but potentially more powerful, civil society can join forces with government officials to make important changes to assistance given to underprivileged groups and protection of the environment. It can be difficult to elevate these areas sufficiently on the political agenda to effect significant changes, even when employing the more contentious methods described in the previous sections. Using its expertise to empower otherwise voiceless people or to protect endangered areas of nature, civil society organizations can help the state to create efficient and balanced policy. When state agencies fail to shoulder responsibility for core functions or to deliver basic social services efficiently, civil society organizations can assume these burdens when better options are not available. Civic associations also can assist civil servants in relevant offices of ministries to draft and implement appropriate laws—another effective way to press for their causes in the corridors of power.

More specifically, government officials might lack the expertise and motivation needed to champion legislation. Civil society organizations can generously offer information and advice on policy to help the state overcome information and resource constraints. If they manage to willfully, but kindly, open the doors to the civil servants, they can increase their efforts both to aid and pressure policy makers, thus enhancing the quality of legislation and public service delivery. When civil society organizations engage in such burden-sharing arrangements with the state, they can help relieve pressure on state agencies and bolster the regime's legitimacy among the public. Rather

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<sup>48</sup> Taehyun Lee, Altantsetseg Shiilegmaa, Davaadalai Batsuuri, and Mathew Verghis, *Mongolia—Economic Update* (Washington, DC: World Bank Group, 2015), p. 45, <http://documents.worldbank.org/curated/en/588341468197974334/pdf/101064-WP-PUBLIC-ADD-SERIES-Box393257B-Mongolia-Economic-Update.pdf> (accessed July 7, 2018), and The World Bank, “2016 Poverty Rate in Mongolia Estimated at 29.6 Percent.”

<sup>49</sup> B. Khash-Erdene, “Give Me a Good Education, I’ll Pay for It,” *The UB Post* (August 15, 2013), <http://ubpost.mongolnews.mn/?p=5460> (accessed July 7, 2018).

than being “tools of the state,” civil society organizations can become effective vehicles for representing popular interests in an open polity and having crucial stakes in maintaining the democratic order.<sup>50</sup>

Since it was founded in 1998, the Mongolian Center for Policy Research (CPR) has had a mission to aid the state in regulating mining activities. The CPR, which currently has six full-time experts and more than fifty associate consultants, receives its funding from a variety of international donors on a project-by-project basis. It operates in the nexus among government agencies, the parliament, and business interests concerning the preservation of nature in mining production.<sup>51</sup> The CPR conducts and disseminates studies and organizes workshops, which it uses to build networks among key stakeholders. In turn, the stakeholders use these activities and assets as leverage to propose draft legislation.

The CPR has access to inner circles of the political arena. It has hosted several workshops with high-level attendees. In 1999, for example, it conducted a study on regional development opportunities, which was presented at a workshop attended by a number of members of parliament as well as strategically placed civil servants in the Ministry of Finance, the Ministry of Nature and Environment, and the Ministry of Infrastructure Development. In 2000, the CPR co-sponsored a seminar on national development strategies with the National Council for Sustainable Development, co-chaired by the prime minister, the speaker of the parliament, and the minister of finance. In 2012, CPR presented recommendations to members of parliament; the Agency for Land Relations, Construction, Geodesy and Cartography; the National Emergency Management Agency; the heads of the Land Agency and the Authority for Food and Agriculture; as well as to representatives from each of the twenty-one *aimags*.

In addition to workshops, the CPR has developed several projects to empower local herders to resist strong mining interests. In 2002, the CPR spearheaded transformation of the living conditions of herders in the context of extensive mining activities in their traditional homelands. The project conducted empirical testing on new ways to strengthen customary groups of herders to better coordinate collective action and make formal organizational arrangements that enabled them to better stand up against mining companies. This was a pilot project, which subsequently was expanded to a handful of large-scale donor-funded projects and contributed to the formation of formal herder groups throughout the country.<sup>52</sup> These groups formed the backbone of the contentious actions against mining in the Nariin Hamar Valley

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<sup>50</sup> Fish and Seeberg, “The Secret Supports of Mongolian Democracy,” 135-137.

<sup>51</sup> Center for Policy Research, “About Us,” <https://www.cpr.mn/en/> (accessed July 7, 2018).

<sup>52</sup> D. Dorligsuren et al., “Lessons from a Territorybased Community Development Approach in Mongolia: Ikhtamir Pasture User Groups,” in *Restoring Community Connections to the Land*, ed. M. Fernandez-Gimenez and J. Klein (Cambridge, MA: CABI, 2012), 166.

described above.

In 2004, the CPR delivered recommendations to the Minister of Food and Agriculture for improving pastureland legislation and its enforcement, which were subsequently used to amend the land law to better accommodate the needs of herders. Thereafter, the CPR ran a two-year training program to enhance the capacity of local government bodies and herder groups, and to empower them to use the new land law to resist mining companies.<sup>53</sup> From 2008 to 2009, the CPR assisted the state and mining companies several times in conducting a joint assessment of the social, economic, and environmental impacts of mining activities. They helped to benchmark the preservation of social, economic, and environmental values in the South Gobi Province, home to the massive Oyu Tolgoi mine project. The study designed a battery of indicators and survey instruments that the local government uses to ensure that mining companies do not damage local communities and nature in the area.<sup>54</sup>

In 2017, the Ministry of Food, Agriculture and Light Industry asked the CPR to draft a new law on the protection of pastureland. The CPR's current draft law is based on interviews with 1,128 participants in 134 *soums* of fourteen *aimags*, representing different social groups and all ecological regions of Mongolia.<sup>55</sup> Thus, the CPR has been instrumental in aiding the state in regulating mining activities and in empowering otherwise underprivileged herders to mobilize in an effort to protect their interests.

## Conclusion

A vibrant and vigorous civil society has made Mongolia more successful in terms of political, economic, and social progress than might have been expected. Moderate income levels, the abundance of natural resources, and powerful neighboring countries stack the deck against the achievements made in Mongolia. Rents from natural resources fuel political greed and corruption, but they also have improved the everyday well-being of Mongolians. Mongolia is at the top of the class among low-income societies, thanks to civil society's perseverance and well-crafted efforts to check and monitor state power, push

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<sup>53</sup> Center for Policy Research, *Community Mobilization for Pastureland Management, Sustainable Livelihoods Project* (January 20, 2011), <https://www.cpr.mn/en/2011/01/20/community-mobilization-for-pastureland-management-sustainable-livelihoods-project/> (accessed July 7, 2018).

<sup>54</sup> Center for Policy Research, *Assessment of the Compensation Plan for Affected Herder Households, Methodology for Evaluating Changes in Pasture Supply of Affected Households* (May 8, 2012), <https://www.cpr.mn/en/2012/05/08/khanbogd-soum-livestock-support-program-assessment-of-the-compensation-plan-for-affected-herder-households-methodology-for-evaluating-changes-in-pasture-supply-of-affected-households-oyu-tolgoi-llc-20/> (accessed July 7, 2018).

<sup>55</sup> Center for Policy Research, *Report of the Consultation on the Draft Pastureland Protection Law* (August 21, 2017), <https://www.cpr.mn/en/2017/08/21/report-of-the-consultation-on-the-draft-pastureland-protection-law/> (accessed July 7, 2018).

back against powerful economic interests, and articulate and press for fulfillment of social demands on behalf of underprivileged groups in society. Mongolia's organizations in civil society also are well-noted for their efforts to aid the state. A variety of methods are used to keep the polity open. Civic associations stage demonstrations and hunger strikes, send letters, sign petitions, hold press conferences and workshops, conduct studies, accompany key stakeholders to see sights of degradation, and build network groups with members of parliament to lobby for regulations. They also engage constructively with government officials to aid them to formulate and implement laws. They have Herculean achievements to their credit, and their efforts are an important part of the nuts and bolts that make Mongolian democracy work.

The question is whether Mongolian democracy is a safe haven. A conceivable scenario is that resources will drown the impressive progress that has been made in establishing an open polity. Yet, the strength of civil society has been a blessing to Mongolian democracy. The twenty-five years of pushing and jostling between civil society and officialdom have proven that keeping the polity open is an ongoing struggle. Civil society acts as a vigilant watchdog that has not yet rooted out corruption but has pried open the polity to the public. Members of parliament must be aware of, and sensitive to, problems, and be motivated to take steps to relieve them. They must formulate legislation that is then implemented. Economic interests must be kept at bay during this process, while citizens are kept informed. This is not easily done, but Mongolian civil society provides direction to civic groups in other countries that are in a similar situation. It has helped to prevent the kind of unconstrained grab-bag scenario for political elites that can be fueled by natural resource production, as seen, for example, in Venezuela and the Republic of Congo. It would be interesting to see whether similar associational allies have worked with equal effect in other post-Cold War overachieving countries with resource abundance, such as Chile, Ghana, Indonesia, and Trinidad and Tobago.<sup>56</sup>

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<sup>56</sup> Michael Seeberg, "Mapping Deviant Democracy," *Democratization* 21, no. 4 (2014): 634-654.