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Mongolia: The Rise and Travails of a Deviant Democracy

VERENA FRITZ

In the 1990s, Mongolia surprisingly became a new democracy – surprising because of its low income levels and geographic distance from established democracies. This article explores the country's transition process and the reasons for its successful democratization 'against the odds'. It argues that Mongolia benefited from a benign combination of supporting factors, as well as the absence of obstacles that have plagued potential transitions elsewhere. External influences – such as, 'contagion' from Central and Eastern Europe and dependency on foreign donors who favoured democracy and were active in democracy promotion – form an important aspect of the favourable constellation during transition. The second part of the article considers the period of democratic consolidation. Electoral democracy had become the 'only game in town' by the late 1990s in Mongolia. Elections have been held regularly, leading to several turnovers in power. Nonetheless, electoral democracy – combined with substantial if still imperfect civil and political liberties – has fallen short in generating effective accountability. Like many new democracies in poor countries elsewhere, Mongolia is prone to socio-economic shocks, and has experienced an increase in corruption and rent-seeking. In such a context, electoral democracy on its own does not appear to generate a stable, self-reinforcing equilibrium. In conclusion, democracy in Mongolia endures, but it is troubled.

Key words: transition; democratization; Mongolia; crony capitalism

Introduction

Mongolia is a deviant democracy in the sense that it contradicts several assumptions about essential favourable conditions: its level of economic development is low,[1] democratization has gone hand in hand with deep economic crisis,[2] it is geographically far from any consolidated democracy,[3] it has no pre-history of democratization, and modernization in terms of alphabetization of language and industrialization occurred late.[4] Furthermore, those countries which arguably form its closest comparators, the post-Soviet Central Asian republics, have either some of the harshest authoritarian regimes (Uzbekistan and Turkmenistan), or are rather unstable (Tajikistan, Kyrgyzstan). Yet, since 1991, Mongolia has consistently been rated as a politically free country in Freedom House surveys; in addition, currently it is the only post-communist country located east of the line from the Baltics to Romania that can be regarded as democratic.[5] Governments have been freely elected and have been changed through elections.

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However, the democratic system in Mongolia does suffer from strains. Corruption is becoming an increasing problem and the rapid change from relative equality to rather high levels of inequality strains the social fabric. Moreover, Mongolia is experiencing a mining boom which entails important risks to democratic governance (see below). Opinion surveys reveal growing support for authoritarian alternatives. The Mongolian experience over the past 15–20 years suggests that electoral democracy on its own – even if it has become for a time 'the only game in town' – may be insufficient to generate a momentum of progressive democratic improvements, as it remains prone to 'hollowing out' or possibly even reversal.

The Odds: Structural Factors against Democratization

In 1990, Mongolia was one of the poorest communist countries, having an annual per capita income of approximately $500. Industrialization had been primarily 'imported' from other communist countries, which during the communist period, and especially since World War II, had 'donated' factories producing carpets, cashmere sweaters, sausages, and copper ore. Consequently, it had only shallow domestic roots. At the outset of transition, about a third of the population lived as subsistence nomads, and this share initially increased as many factories closed and the public sector was scaled down.[6]

In the 1920s and 1930s, when Mongolia initially became communist, education was very limited: an estimated 15 per cent of children between eight and 17 were enrolled in educational institutions (2.7 per cent in secular schools, and 13 per cent in monastic schools).[7] Regarding the communist regime type preceding transition, as defined by Kitschelt, Mongolia falls into the category of '(patrimonial) communist colonial periphery', although communism was more national in character than in the Central Asian republics, as a result of Mongolia's formal independence.[8]

By 1990, Mongolia had a literacy rate of over 95 per cent, and an elite and middle class educated in the Soviet Union and elsewhere in the Council for Mutual Economic Assistance (COMECON) bloc. Moreover, basic public services extended to all parts of its vast and very thinly populated territory; many children of nomads attended boarding schools and their grandparents received state pensions. Thus, there was some tangible degree of modernization despite low overall per capita gross domestic product (GDP). However, these data of social development at the outset of transition were not fundamentally different from those of the Soviet Central Asian republics, Belarus or Russia.

Economic crisis during transition was severe, and GDP contracted by around 40 per cent between 1990 and 1995. This went hand in hand with considerable social dislocation, and the emergence of widespread, and in parts deep, poverty. By 1995, 50 per cent of the population lived on less than US$2 a day, and 14 per cent of the population had less than US$1 a day – in a country with a very harsh climate. The emergence of street children as a new phenomenon was a visible sign of social dislocation.

Kopstein and Reilly have emphasised the importance of geographic distance from developed democracies, and Levitsky and Way have recently reiterated the

importance of geography as a source of linkages (economic, geopolitical, social, communication, transnational civil society), which they argue are crucial for promoting democracy.[9] In 1990, Mongolia bordered the disintegrating Soviet Union (and subsequently the Russian Federation) to the north and China, which had just crushed its own internal democratic stirrings (Tiananmen) to the south. Berlin, the nearest Western Europe capital, is more than 6,000 km from Ulaanbaatar, Mongolia's capital. In this sense, Mongolia certainly is a deviant democracy. Nonetheless, there were some important linkages, in particular to the democratizing countries in Central Eastern Europe (Poland, Czech Republic, and Hungary), where a number of Mongolia's initial pro-democracy advocates had studied.

Overall, important structural factors such as late modernization, a low level of per capita income, geographic distance from developed democracies, all in principle favoured continuation of authoritarian government, possibly of the Belarusian type, i.e., an authoritarian regime seeking legitimacy by preserving the gains made during the later part of the communist period. The severe economic crisis which coincided with the initial period of democratization, moreover, might have made democracy as a system of government rather unpopular. Instead, however, Mongolia embarked on substantial democratization, and support for democracy as a regime type has been rather high since the 1990s.

Against the Odds: Democratization

Despite a range of adverse factors, a real transition momentum emerged. Democratization was due to a combination of three key factors. First, Mongolia's dependency on aid and external support had a broad range of consequences. Given Mongolia's position as a close satellite of the Soviet Union, transition was triggered by the demise of the Soviet system. In the late 1980s, Mongolia received some of the highest levels of external assistance in per capita terms worldwide (probably more than $300 per capita annually).[10] As the Soviet Union began to withdraw its support, Mongolian policymakers began searching for new sources of support. As a consequence, Mongolia remained one of the largest recipients of foreign aid by international comparison in the 1990s. Furthermore, Mongolian political elites sought a new external power to ensure continued statehood vis-à-vis its two powerful neighbours ('third neighbour policy'). Diplomatic relations with the US, which had been negotiated for some time, were established in early 1987.

A second reason was the constellation of Mongolia's political elites and politically active circles in a wider sense. In 1989, Mongolia had a population of 2.4 million, of which around half was of voting age. Consequently, the country had a small and personally interconnected elite. Many of the founders of the new democratic clubs and proto-parties in the late 1980s were children of *nomenklatura* families. Most of them held administrative or academic posts, and many had studied in Central Eastern Europe and the Soviet Union. Returning in the mid- to late 1980s, they brought ideas of political reform back to Mongolia. In this sense, the formation of a pro-democratic opposition in Mongolia was a product of 'contagion', as described by Levitsky and Way, or 'diffusion', as described in Doorenspleet and Kopecký[11] – despite Mongolia's remote

location. Moreover, calls for liberalization and democratization from these emerging opposition groups were moderate and there was comparatively little to fear for communist elites.

Mongolia's communist party, the Mongolian People's Revolutionary Party (MPRP), which had ruled the country since the 1920s, was internally divided into a number of more pro-reform and more conservative groups. Since 1952, the MPRP and Mongolia had been led by Yu. Tsedenbal.[12] He was deposed in 1984, when the Brezhnev era ended in the Soviet Union, and replaced by J. Batmunkh, who had been heading the Council of Ministers since 1974. Although very much a member of the communist regime, Batmunkh was a more pragmatic and less entrenched leader. Despite the fact that moderate forces predominated both within the old regime and among the opposition, Mongolia's transition did not involve formal 'pacting' (emphasised by Schmitter and O'Donnell as a favourable 'mode of transition').[13]

A third cluster of reasons was the absence of distinct obstacles to democratization. In contrast to the Central Asian republics, Mongolia was an established state. National symbols were readily available once Soviet pressure against 'Mongolian nationalism' eased; notably the great Mongolian empire and Chinggis Khan. Being an independent state from the outset in turn offered greater opportunities to forge new relations with the outside world than were enjoyed by the more remote former Soviet Republics, who spent the early 1990s wresting independence from the Soviet Union and defining themselves as modern states for the first time. In addition, the country had no secessionist movements, rebel bands or drug cartels, which have plagued democratization attempts elsewhere in many poor countries.

Furthermore, Mongolia is ethnically relatively homogenous and old tribal affiliations have largely lost significance,[14] although regionally based networks continue to play an important role. Mongolia has no oil or gas, natural resources which may be powerful obstacles to democratization in the Middle East as well as Central Asia. Mongolia does have substantial mineral wealth, but this became attractive only with the resource boom starting in the new millennium (see below).

The dominant religion is Buddhism (Tibetan branch) mixed with vestiges of Shamanism. While we should be careful to consider these religions as 'pro-democratic', they may have some indirect effects. Mongolia's culture is rather permissive, including openness to the outside world, while women have relatively high status. Compared to more conservative societies, this means that political – and in its wake social – liberalization was not perceived as a significant 'threat' to society's way of life. In addition, the revival of Buddhism includes reverence for the Dalai Lama as the supreme religious leader. This is a source of conflict with China, which is furthermore seen as having colonized Inner Mongolia.[15] Given the substantial antagonism towards China, becoming an authoritarian client state of China *à la* North Korea or Myanmar was not an option.

Over time considerable problems with regard to democratic consolidation and improving the quality of democracy have become more visible. This has first and foremost impacted upon other areas of governance, although the quality and integrity of elections has also been affected. Corruption has spread, and the political realm is

increasingly captured by business interests (involving serious conflicts of interest). This is at the expense of broad representation and serving of public interests.[16] Corruption surrounding political processes (e.g. election funding) appears to have become substantial.

Democratic Transition

The Liberalization Process

Regime liberalization and transition began rather unexpectedly in Mongolia. They were initially triggered by changes in the external environment, rather than by domestic demand – which emerged, however, once liberalization began. In contrast to other communist countries, Mongolia had no established dissidents, or otherwise organised opposition to the incumbent regime. A Western observer in mid-1989 commented that while there were some calls for more democracy among young intellectuals, '(i)t was difficult to assess how deep these feelings were, but observers doubted that they represented any immediate threat to the regime's stability'.[17]

The Mongolian communist regime was closely aligned to the Soviet government, and although formally independent, Mongolia was a 'satellite' of the Soviet Union. One aspect of this was a strong Russian military and civilian presence in Mongolia; as well as a political leadership dependent on Moscow, as indicated by the change from Tsedenbal to Batmunkh as head of state in the post-Brezhnev period. The ascent of Gorbachev to power in the Soviet Union, in March 1985, and the domestic and foreign policy reforms he advocated, were crucial for triggering liberalization in Mongolia.

In 1986, Gorbachev gave a speech in Vladivostok, signalling a rapprochement with China. As part of this process, Soviet troops in Mongolia were to be reduced, and a complete withdrawal of troops was decided in March 1989. Mongolia lost much of its geo-strategic importance for the Soviet Union and with it most of its foreign aid (much of which was provided as credits rather than 'free' grant aid). At the same time, Gorbachev opposed violent reactions against anti-communist protests in satellite countries.

In 1986, Mongolia began to experiment with imitations of Soviet reforms, although talk of *perestroika* (*orchlon bajguulat* or *orchlon shinechlel* – 'renewal') and *glasnost* (*il tod* – 'transparency') was still rather cautious. The real opening act of political liberalization came in December 1988, when, at a plenum of the Central Committee, Batmunkh publicly criticized the Tsedenbal period and condemned Choibalsan's 'cult of personality'. These statements triggered long repressed public debates about history and national culture, including the memory of the 1930s, when five per cent or more of the population had been killed during Mongolia's 'transition' to communism. As in other communist countries, such debates contributed to de-legitimizing the existing regime.

Batmunkh's speech also encouraged the formation of a pro-democratic opposition. In early 1989, some oppositional debating clubs emerged, including a group called 'New Generation', led by S. Zorig and E. Bat-Uul, and a 'Club of Young

Economists', led by M. Enkhsaikhan and D. Ganbold. The members and leaders of these clubs were young, mostly in their late 20s to mid-30s, and had benefited from the existing regime. Many had studied abroad in (East) Berlin, Budapest, Prague, Warsaw or Moscow. They had returned to Mongolia, and were working for the most part either at the National University or in various ministries.

The key struggle for political liberalization took place between December 1989 and March 1990. In late 1989, under the impression of events in Eastern Europe, the momentum changed from general debate to the formation of a more outright political opposition. On 10 December 1989, the Mongolian Democratic Union (MDU) was formed by various people, including Ts. Elbegdorj, S. Amarsanaa, Da. Ganbold, E. Bat-Uul, and S. Tsogtsaikhan. A key leader, elected as General Coordinator of the MDU was the 27-year old S. Zorig, a young lecturer at the National University.

The MDU started organizing demonstrations around a party congress and session of Mongolia's parliament, the Great Khural, on 11–14 December. These non-authorized demonstrations were initially small, before increasing in scale, with up to several thousand demonstrators by January 1990. The first public meeting of the MDU submitted the following demands to the party congress:

> We, the meeting participants fully support the reforms initiated by the MPRP and declare to contribute to this cause within our competence. Alongside this we are deeply concerned about the process of reforms, the present social, political and economic situation of the country and the slow reaction to the urgent problems. Therefore we demand the following:
>
> A. That amendments be made to the Constitution of the Mongolian Peoples Republic to:
> 1. End the one-party rule of the state
> 2. Respect the universal declaration of human rights
> 3. Re-organize the Great Peoples Hural into a permanently functioning parliament
> B. That restructuring and reforms be implemented to:
> 1. Renew the electoral system and hold elections in the first half of 1990
> C. That the socialist development of the Mongolian Peoples Republic be evaluated to:
> 1. Set up a public commission to commit for trial the people who nourished the arbitrariness of Kh. Choibalsan and Yu. Tsedenbal
> 2. Rehabilitate hundreds of patriots, laymen, clergymen who had been repressed and pay compensation to their families.[18]

Members of the MDU also began to seek political support outside the capital city; first of all in the largest centre outside Ulaanbaatar, Erdenet, host to Mongolia's single most important economic asset, the Erdenet copper mine.[19] However, this period also saw the founding of several other proto-parties, including a social democratic movement and a movement for national progress (linked to the earlier Club of Young Economists), signalling an early split in the opposition movement.

Relatively little is known about the processes and debates within the MPRP during this period. Clearly, there was a division between hard-liners, who considered the use of force, and moderates, who favoured compromising with the emerging opposition. Some observers claim that leading Party members already then considered the potential (personal) economic benefits from changing to a market economy; thus strengthening the voice of the moderates motivated by support for economic rather than political changes.[20]

In February 1990, the MDU declared its intention to transform itself into a political party, which was still not officially possible, and began to call for the resignation of the Council of Ministers and the Central Committee, for the dissolution of the Great Khural, and for multiparty elections to a new parliament. At the same time, foreign journalists had been permitted to enter the country, a signal that the pro-democracy advocates also enjoyed support inside the incumbent regime. In early March 1990, the Politburo gathered for a meeting, which was accompanied by increasingly large demonstrations. These were joined by up to 100,000 demonstrators in Ulaanbaatar, a huge wave of protests by Mongolian standards, with smaller demonstrations around the country. In addition, several leaders of the MDU/MDP (Mongolian Democratic Party) went on a hunger strike.

On 9 March 1990, General Secretary Batmunkh announced that the entire Politburo was stepping down, signalling a major breakthrough. Over the next days, Batmunkh gave up his position as General Secretary and also stepped down as chairman of the Great Khural. He was replaced by G. Ochirbat as General Secretary, and the unrelated P. Ochirbat as chairman of parliament. Furthermore, as advocated by Batmunkh, the Khural adopted a change to the constitution ending the MPRP's monopoly. He argued that 'the party will achieve a leading role through its work rather than through a constitutional position'.[21] At the same time, a new law on foreign direct investments was adopted, aiming to attract funds from non-COMECON sources.

Between March and May 1990, there was another period of tug-of-war between the interim government and the opposition, which now increasingly demanded free elections.[22] In early May, the MPRP relented and agreed fully to legalize the registration of new parties, and to hold elections to a two-chamber parliament at the end of July. This gave the new parties two and a half months to organize. The first elections were to be for a parliament, which would in turn elect a head of state. While these domestic political changes were unfolding, Foreign Minister Gombosuren travelled to Europe in June 1990, seeking to attract new aid.[23]

Overall, the liberalization period went surprisingly smoothly, with a fortuitous coincidence of external and internal factors. The initial triggers for liberalization were external, i.e. the demise of the Soviet Union and the reduction of Soviet aid, as well as military and technical assistance. On the domestic scene, the emerging democratic opposition was moderate and youthful, and through studies in Central Eastern Europe and in Moscow, many of its leaders and cadres were influenced by ongoing events there. Communist elites were likely to have been surprised and may possibly have felt threatened by the emerging scale of protests, yet nonetheless decided against clamping down – because of reform elements within their own ranks

as well as family and personal ties with the protesters. This moderate stance was reinforced by external constraints, i.e. signals from the Soviet Union against a violent crackdown. Instead, the MPRP decided on a different strategy: to out-compete the new democratic parties in free elections.

The Foundations: First Free Elections and Constitution-Making

The transition phase of Mongolia's democratization was 'dense' in terms of events and changes: it included the first and second parliamentary elections (July 1990 and June 1992) and the drafting and adoption of a new constitution (between autumn 1990 and January 1992). At the same time, this period was marked by severe economic decline (see Table 1), and an initial hasty dismantling of the communist economic system, alongside the establishment of relations with new external donors.

The 1990 elections were organized at short notice and were largely free but not fair. A total of three opposition parties formed to compete in these elections: the Mongolian Democratic Union, the Mongolian Social Democratic Party (MSDP), and the National Progress Party (NPP), the latter dominated by Chubais-style economic reformers. The new political parties were allowed to compete, but in a situation in which the MPRP controlled vastly more resources. The new law on political parties, adopted in May 1990, stated that 'a party shall work on the principle of self-financing' (§8), thus putting the new parties at a distinct disadvantage. The MPRP also still had privileged access to the public information space via the state-owned Mongolian Radio and Television. Regarding electoral rules for these initial elections, the MPRP and opposition parties agreed on a mixed majoritarian-proportional election system to the two houses of parliament.

The political opposition was already divided, and its human and financial resources were very limited. Only the MDP had a somewhat broader membership base. As a result, the opposition parties fell far short of fielding candidates in most of the 430 single-member districts.[24] Despite these limitations, through the list vote, members of opposition parties combined captured more than 40 percent of seats in the Small Khural, the lower house (see Table 2), designated to manage day-to-day affairs of government; compared to 17 per cent of seats in the Great Khural or upper house. Voter participation was a record 97.9 per cent.

Given these election results, the MPRP leadership decided to co-opt several key members of the opposition. D. Byambasuren (MPRP), a 48-year old economist and the new prime minister, appointed D. Ganbold from the NPP as vice prime minister and economic adviser, and D. Dorligjav of the MDU as a second vice prime minister.

TABLE 1
MACRO-ECONOMIC DEVELOPMENT DURING TRANSITION

	1990	1991	1992	1993	1994	1995	1996	1997
Changes in GDP in %	−2.5	−9.2	−9.5	−3.0	2.3	6.3	2.4	4

Source: National Statistical Office, Mongolia (www.nso.mn).

TABLE 2
1990 PARLIAMENTARY ELECTION RESULTS (DEMOCRATIC 'FOUNDING ELECTIONS')

	Distribution of votes						Distribution of seats				
	MPRP	MDU	NPP	MSDP	Others		MPRP	MDU	NPP	MSDP	Others
Majoritarian (%)	83	3.7	1.4	0.9	11	Great Khural (430)	357	16	6	4	47
List vote (%)	58.4	24.5	5.7	5.7	5.7	Small Khural (53)	31	13	3	3	3

Sources: Werner Prohl, *Reform des Politischen Systems in der Mongolei* [Reform of the political system of Mongolia], unpublished report to the Konrad-Adenauer-Stiftung, Ulaanbaatar 1994; William Heaton, 'Mongolia in 1990', *Asian Survey*, Vol. 31, No. 1 (1991), pp. 50–6; David Porter, 'Mongolia: Communists offer Compromise After First Free Polls', *Far Eastern Economic Review*, Vol. 149, No. 32 (August 1990), p. 11.

The remaining thirteen ministerial positions went to members of the MPRP, however.[25] S. Gonchigdorj from the MSDP was elected as the country's vice president and speaker of the Small Khural. In its opening session, the Great Khural elected P. Ochirbat, who had held the post of head of state on an interim basis, to the newly created post of president. In his acceptance speech, Ochirbat promised a conciliatory approach to the democratic opposition and argued that Mongolia needed to accede to the requests of capitalist international financial institutions (the International Monetary Fund, the World Bank, and the Asian Development Bank) as soon as possible, in order to cope with the shock of Soviet decline.

In the autumn of 1990, President Ochirbat appointed a constitutional commission of 20 members, including members from all opposition parties and prominent lawyers, working in four main groups.[26] In comparative perspective, the constitutional change process in Mongolia was remarkably smooth. The two main points of contention were the relative balance of power between the president, the prime minister, and parliament, and land rights. The draft constitution was published and debated between the summer and winter of 1991.

Regarding the structure of the political system, it was decided to adopt a semi-presidential system with a directly elected president and a prime minister elected by parliamentary majority.[27] Regarding the parliament, agreement was reached to create a unicameral system (the State Great Khural) with 76 seats. On the land issue, M. Enkhsaikhan, a member of the constitutional commission, and other young economists from the NPP, strongly favoured private ownership, while the older generation of MPRP members with roots in the countryside opposed it. For the time being, private ownership of land remained strictly circumscribed. After some discussion, an adequate definition of minority rights, especially regarding the Kazakh minority, was found.

The result was a fairly slim constitution of some 70 articles, subdivided into five chapters, around 15 pages in total. The constitution was adopted in January 1992, and came into force on 12 February 1992, 'at the hour of Horse on the prime and benevolent ninth day of Yellow Horse of the first spring month of Black Tiger of the year of Water Monkey of the seventeenth 60-year cycle' (§70). Once the new constitution was adopted, it was decided to schedule new elections to constitute a parliament in conformity with its rules.

In the meantime, the economic picture had darkened considerably compared to 1990. The COMECON trading system had disintegrated and the USSR had just broken up. Russian industrial specialists began withdrawing from Mongolia, leaving a good part of domestic production in shambles, while the withdrawal of Soviet troops was a major economic blow, particularly to the southern regions of Mongolia. Daily necessities such as matches became difficult to find, and the void left by Soviet collapse was only slowly filled by growing trade with China.

In 1991, the government began to conduct a process of 'controlled transition', gradually liberalizing prices and foreign trade, and making basic necessities available through rationing cards. A particularly ambitious element of the reform was rapid privatization of parts of the economy, pushed by the NPP members of the government. At this stage, privatization included three elements: animals to those who had been

members of *negdels*, the Mongolian version of collective farms, small enterprises like restaurants and barber shops, and (limited) large companies via coupons.[28] The rationale of these privatizations was primarily ideological, i.e. rapidly creating a class of property owners to entrench the new capitalist system.[29] Little attention was paid to ensuring a smooth transition of the economic and service infrastructure around domestic trade arrangements, veterinarian services, emergency provisions, etc. The sudden change in prices for energy led to a severe energy crisis in the winter of 1991–1992.[30] Capitalism's vices and risks were also quick to appear on the scene: central banking traders, with links to the opposition parties (in particular the NPP), squandered the country's entire gold reserves through speculation on foreign currency markets.[31]

Aid from the COMECON system largely dried up in 1991. Mongolia rapidly joined various international financial institutions (IFIs), and the first Consultative Group meeting of Western donors took place in September 1991 in Tokyo. However, for the initial months, new aid remained sparse, probably because IFIs and aid donors were grappling with a whole region, and a new scale of economic reforms to advise on. Reacting to the economic strain, Prime Minister Byambasuren offered to resign just after the new constitution was adopted, but this was refused by parliament.

The Second Free Elections: A Democratic Return to One-Party Dominance

For the second parliamentary elections, held in summer 1992, a new electoral law was adopted in early April. Learning from the 1990 elections, when it had done better under majoritarian than under the proportional part of the vote, the MPRP favoured a majoritarian electoral system. Under the new rules, voting was to be conducted in 26 voting districts with a variable number of seats to be decided in each; six election districts for the capital and 20 covering the rest of the country. This turned out to have a crucial impact.

The 1992 campaign was dominated by the issue of economic crisis. However, since all major political parties had had some involvement in government for the past two years, it was unclear whom voters would blame. The NPP and the MDU decided to form a pre-electoral alliance, the Democratic Alliance (DA), but the third largest opposition party, the MSDP, chose not to join. The MPRP had adopted a new party programme at its 21st party congress in March 1992, exchanging Marxism-Leninism for a basic commitment to democracy and a market economy. The party claimed the rapid initial privatization, which at this point was broadly popular, as its own policy.

In terms of vote shares, the 1992 election result was remarkably similar to the 1990 list vote results. Voter participation was again high at 95.6 per cent. More than 50 per cent of voters opted for the MPRP, and the rest was distributed among candidates from opposition parties and independents; with the MSDP gaining and the alliance of MDU and NPP losing some ground. However, due to the new electoral system, the majority of the MPRP was magnified in terms of parliamentary seats. With close to 57 per cent of the popular vote, it won 70 out of 76 (over 90 per cent) of seats in parliament, leaving almost no space for a substantive parliamentary opposition (see Table 3).

TABLE 3
1992 PARLIAMENTARY ELECTION RESULTS

	MPRP	DA	MSDP	others
Votes (%):	56.9	17.5	10.1	15.6
Seats (total: 76)	70	4	1	1
Share of seats in (%):	92.1	5.3	1.3	1.3

Sources: Werner Prohl, *Reform des Politischen Systems in der Mongolei* [Reform of the Political System of Mongolia], unpublished report to the Konrad-Adenauer-Stiftung, Ulaanbaatar 1994; Alan Sanders, 'Mongolia's New Constitution – Blueprint for Democracy', *Asian Survey*, Vol. 32, No. 6 (1992), pp. 506–20; T. Batbayar, 'Mongolia in 1992', *Asian Survey,* Vol. 33, No. 1 (1993), pp. 61–6. Election results are also accessible from Mongolia's General Election Commission at: www.gec.gov.mn/, but the presentation is limited to 'winning votes' and therefore does not allow a calculation of the share of votes received by parties.

As a consequence of this election outcome, government transparency diminished during 1992–1996. P. Dshasrai (born in 1933), the former head of the state planning commission, was selected as new prime minister, representing the older generation of MPRP politicians. The MPRP again invited the opposition parties to join the government, but they declined. This meant that the opposition parties found themselves shut off from access to key state institution, including the crucial, state-run electronic media.

The effect on economic policies was less marked, as the MPRP, under considerable constraint from donors, willy nilly pursued a range of further reforms, especially the further liberalization of prices and foreign trade.[32] Nonetheless, the economic situation remained difficult (see Table 1), and poverty spread during these years, reaching 36 per cent of the population by the late 1990s.

A year later, in 1993, the first popular election of a president took place. The MPRP decided not to nominate the incumbent P. Ochirbat, but instead put L. Tudev forward, the long-term editor of the party newspaper *Unen* ('Truth', the Mongolian equivalent of *Pravda* in the USSR). The opposition parties faced the dilemma that none of their most prominent members met the constitutionally defined minimum age of 45 years. Eventually, they came to an agreement to nominate the incumbent Ochirbat as their candidate.

In the campaign, both candidates made promises to solve current economic and social problems, creating a somewhat misleading image about the real powers of the president.[33] The main arguments in favour of Ochirbat were his image as the 'father' of the new constitution, his support for the reform process, and his positive image among Mongolia's new foreign partners and donors. Tudev, in contrast, proposed that more hard work was needed to overcome the transition crisis, and presented himself as a social conservative who would fight rising crime and vice. In the elections, Ochirbat won with 57.8 per cent of the vote, against 38.7 per cent for Tudev. Support for Ochirbat was particularly strong in urban centres.

The result of these elections was a *de facto* balance of power between a parliament controlled by Mongolia's dominant party, and a president who stood in moderate opposition to this party. Ochirbat sought to play a balancing role between the political camps. He vetoed several laws adopted by the MPRP majority. Since his

veto could be easily overridden by a party holding a two-thirds majority, he also resorted to calling on the newly established constitutional court, which upheld some of his decisions, in the process establishing itself as a democratically relevant institution.

A distinctive feature of Mongolia's transition was the absence of any attempt by a single leader to grab power. Many countries emerging from the Soviet Union – from Belarus in the West to Kazakhstan and Uzbekistan in Central Asia – subsequently experienced hyper-presidentialism or even personal dictatorships. Problems with hyper-presidentialism are also widespread in new and semi-democracies in other developing countries.[34] Mongolia, in contrast, conformed more to the Central and Eastern European (CEE) pattern of regime transition with some central politicians, but without an excessive concentration of power. Also, similar to a number of CEE countries, the former Communist Party remained a major political actor, while communist parties became more marginalized in most of the Commonwealth of Independent States (CIS) countries.

The explanation for this appears to be grounded in legacies and structural factors as well as coincidence. Like many other communist countries, Mongolia had had one domineering leader, in this case for over three decades, between 1952 and 1984. In light of this memory, powerful members of the MPRP may collectively have been reluctant to again enshrine a single leader. The factor of having been an independent state appears to have come into play here as well: the MPRP was a distinctly Mongolian party and, hence, did not disappear when the Communist Party of the Soviet Union (CPSU) was dissolved in the USSR, while there was a sharper break in the 15 former Soviet republics. Hence, there was less of a power vacuum which a single leader could have filled. In addition, Mongolia faced no threat to national unity, reducing the perceived 'need' for a strong central leader.

At the same time, some of the credit for this course of events must also go to two key political leaders during the liberalization and transition periods, Batmunkh and P. Ochirbat. Batmunkh, then 64 and holding key power positions since 1974, was credited in Mongolia as a wise leader who sought to prevent turmoil. Ochirbat was a younger politician, aged 48 in 1990, and would have fitted the role of seeking a dominant position more easily. He began his career as an engineer, becoming minister of energy and geology, and held the post of minister of foreign trade in 1990, prior to being elected Khural Chairman and head of state. However, he did not appear to be as personally ambitious for power as, for example, Leonid Kuchma in Ukraine (who had a similar background). Post-transition prime ministers, while guiding the policy-making process of the day, depended on parliamentary majorities for their position, and never enjoyed the personal popularity of a directly elected president. Later in the transition process presidents have become keener to expand their personal powers, but they have done so in a situation in which the constitutional system was already more entrenched.

Debating and Changing Electoral Rules

As in many new democracies, electoral rules in Mongolia were not stable. The 1990 elections took place using interim rules that stipulated a mixed majoritarian-proportional

system. In 1992, a Law on Elections to the Great Khural was adopted, establishing a majoritarian system with 26 multi-member electoral districts.

The experience of the 1992 elections, with the MPRP winning 92 per cent of parliamentary seats based on 57 per cent of the popular vote, alerted the opposition parties to the risks associated with a majoritarian system, including permanent marginalization or even a rollback of political and civil liberties. In 1994, the relationship between the marginalized opposition and the MPRP reverted to substantial tension. In the spring, opposition politicians resorted to hunger strikes, demanding a more liberal media law, a legal codification of the right to hold demonstrations, and changes to the electoral law, in particular a move to a proportional system. President Ochirbat brokered an agreement between the two sides, but initially the issue of the electoral law remained unresolved. Only in late 1995 was the electoral law taken up again, but not as the opposition parties had hoped for. The only major change made was a switch from 26 multi-member to 76 single-member districts.

The 1996 elections resulted in a surprise victory of the opposition parties, which had taken the crucial strategic decision to run as one block, hence avoiding a split in the opposition vote through fielding multiple candidates. Once in power, and having benefited from the majoritarian system, however, these parties then chose not to change the rules. Thus, electoral rules remained stable also for the 2000 and 2004 parliamentary elections.

Apart from the electoral system as such, the design of election districts was significant. Given historical legacies and organizational capacity, the MPRP consistently fared better in rural areas, while most of the post-1990 parties had their main electoral base in cities, and especially in Ulaanbaatar. By giving rural areas somewhat greater weight in national elections, the MPRP enjoyed an additional advantage. In 2000, the party again won a 'super-majority' of 72 out of 76 parliamentary seats. During its renewed reign in power, the MPRP left the system unchanged. For the 2004 elections it sought to try to ensure that the electoral pendulum would not swing again by conducting a strong campaign (see below).

However, the campaign failed to prevent a considerable shift in the vote. The 2004 elections were the first to produce a coalition government, with almost equal shares of seats going to both political camps. The resulting MPRP–MDU coalition reopened the debate about electoral rules. In late 2005, various changes were adopted, involving a return to the multi-member district principle and the introduction of stricter rules about campaign financing, fast becoming a significant problem. Moreover, more radical changes – including a complete reverse to a proportional, party-list based system – remained on the agenda of proposed changes to the electoral system as of the end of 2007.

Democratic Consolidation

During the late 1990s and the 2000s, an electoral democracy was consolidated in Mongolia. Elections in 1996, 2000, and 2004 resulted in significant changes and turnover in governments. Popular support for democracy continued to be high, as was voter participation.[35] However, during the same period, the contours of crony

capitalism became increasingly discernible. Furthermore, democratic accountability remained weak, despite sustained political and civil liberties, as successive presidents made efforts to alter the system of checks and balances in their own favour.

In terms of the narrow set of formal rules of politics, democratic elections were the 'only game in town' in Mongolia by the late 1990s.[36] However, in Mongolia, in common with many other developing and transition countries, social and economic developments tended to be more volatile than in long established, wealthy democracies, while the developments and shocks occurring in these systems also affected the stability of political institutions. Furthermore, in many new democracies there was often a marked weakness both of those institutions and in state–society relations that promoted policy making and implementation in the public interest, seeking to constrain selfish behaviour by political and economic elites.[37] In addition, in Mongolia's particular case, the alignment of external factors, which contributed to starting the transition process, gradually become less influential for the stability and quality of democracy. To date, these factors have not yet coalesced in a way that would seriously threaten minimally defined electoral democracy; elections in Mongolia are still a fairly routine affair, particularly compared to many other developing countries. However, when a democratic system fails to deliver benefits in terms of good governance and shared prosperity, rather than concentrating wealth and creating corruption, it may (over time) also chip away at its minimalist foundation.

Crony Capitalism and Public (Dis)Trust: Mongolia from 1996 to 2007

The parliamentary elections of 1996 could be taken as the 'moment' of electoral consolidation in Mongolia. These were the third free and multiparty parliamentary elections, which resulted in a peaceful turnover in power. The elections took place in a mood of disappointment with the MPRP. While the economy began to grow again in 1995 and 1996, previously unknown poverty and inequality also increased considerably. Also, as time passed, people realized what was lost when socialist collectives were rapidly dissolved. While herders now held their animals as private property, many services – veterinary, marketing, emergency assistance – lapsed in the countryside. The universal school and health care system, hitherto rather unique among any nomad population, noticeably degenerated.

An important factor which contributed to the election victory of the opposition parties was the assistance from foreign party foundations, especially the German Konrad Adenauer Foundation (KAS) and the US International Republican Institute (IRI). This assistance had both a material dimension, enabling these parties to campaign also in more remote regions, and an organizational dimension, namely the brokering of a broad pre-election coalition (the Democratic Union – DU), and the formulation of an effective election programme (modelled on the US Republican 'Contract with the American Voter', which Newt Gingrich developed for the 1994 campaign in the US).[38]

Despite these efforts, the scale of victory of the opposition parties, 46.7 per cent of the vote for the DU and 40.7 per cent for the MPRP, still came as a big surprise. The distribution of votes translated into 50 seats for the DU, 25 for the MPRP, and one for an independent candidate. There was again an urban-rural divide in the vote, but for

the first time, the opposition parties made significant inroads in the countryside. The MPRP accepted the electoral defeat. During its time in opposition it undertook a process of internal renewal, including the adoption of a new party programme in 1997, and a further rejuvenation of key party staff.

Meanwhile, the DU formed a government headed by M. Enkhsaikhan, an economist from the Mongolian National Democratic Party (MNDP). Initially, the DU government was marked by several radical economic reform decisions: it drastically increased prices for electricity and heating, two major banks were closed down, and, in April 1997, all import tariffs were lowered to zero. More large companies were slated for privatization, and the government adopted a new law on foreign direct investments and a liberal mining law in the hope of attracting increased external investments. While many of these reforms were necessary to try to stabilize the economy, they were introduced with a speed that paid little attention to the vulnerabilities of poorer groups, and more generally for the need of an economy and a society to adjust.

While the calculation was that the reforms would pay off in time for the next parliamentary elections, the political costs became apparent sooner than expected: in the local elections in the fall of 1996, the DU lost heavily to the MPRP. In 1997, Ochirbat, re-nominated by the DU, was decisively defeated by the MPRP's presidential candidate N. Bagabandi. In 1998, the DU government began to disintegrate due to internal tensions between the 'neo-liberal' wing of the MNDP and the more 'social democratic' wing from the MSDP.

A struggle over the rules of the game regarding simultaneous membership in parliament and government, which had first been banned by the Constitutional Court but was then permitted by a new law adopted in January 1998, triggered the government's downfall. The government of Prime Minister Enkhsaikhan was forced to step down in April 1998, and was replaced by a government under Ts. Elbegdorj, a former journalist. However, this government lasted for only three months before it was brought down by an emerging banking scandal. Members of the political elite had enriched themselves by receiving loans from state-run banks which were never repaid.

For the remainder of the period until the next parliamentary elections, the situation remained unstable. There was a succession of rather ineffective and short-lived DU governments. Furthermore, N. Bagabandi of the MPRP used his position as president to destabilize the situation by vetoing various candidates for prime minister. The pay-off from economic reforms failed to materialize. In addition to the rash economic policies, the economy was negatively affected temporarily by the 1997 Asian crisis, which lowered demand and prices for Mongolia's main export products, copper and cashmere. Furthermore, the stepped up privatization pursued by DU governments was accompanied by many accusations that members of the political elite benefited unduly.

The reversal of political fortunes in 2000 was severe: the MPRP won 51 per cent of the popular vote, while the DU disintegrated, with multiple parties now competing against each other. As a consequence, the MPRP gained 72 out of 76 seats in parliament, and the opposition was again marginalized. The MPRP went on to win also the local elections in the autumn of 2000, and also held the presidency. Back

in almost complete control,[39] the MPRP nonetheless largely continued with the socio-economic policies of its predecessors. Now its members in turn allegedly benefited from privatization, while a reduction in poverty continued to be elusive, despite being a declared policy goal.

The 2004 parliamentary elections saw an old-new external player taking a stronger role: Russia heavily supported the MPRP's election campaign.[40] However, this rather backfired, and the elections resulted in a hung parliament: initially 36 seats were held by the MPRP, 38 seats by candidates from other parties, and two seats remaining originally undecided due to disputed results. The main original opposition parties, MNDP and MSDP, had finally merged into one party and formed an electoral block together with some more recently formed smaller parties. After lengthy negotiations, a coalition was formed in the fall of 2004. However, this coalition disintegrated in January 2006, when the MPRP re-took sole control of government.

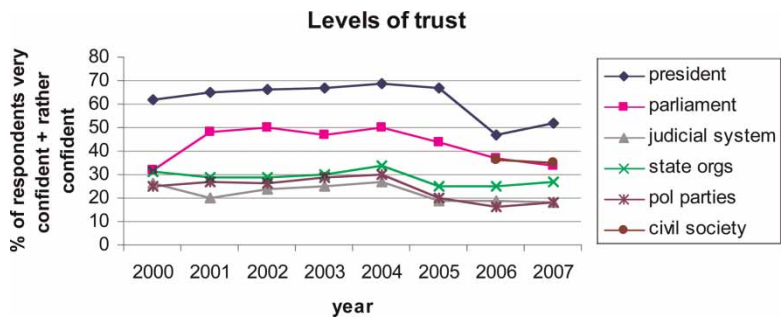
Some months earlier, in May 2005, the head of the MPRP and prime minister from 2000 to 2004, Enkhbayar, was elected as the successor of Bagabandi as president. Supporters of Enkhbayar launched a public debate on increasing the role of the president, making liberal use of Chinggis Khan 'strong leader' imagery in the public domain.[41] Asian Barometer opinion polls, taken in 2003 and 2006, reflected a growth of latent support for authoritarian alternatives, while in 2003, 27.5 per cent answered that authoritarian government can sometimes be preferable, by 2006, 40.7 per cent of respondents thought so.[42]

From the mid-1990s, corruption and elite self-enrichment became increasingly serious issues in Mongolia.[43] Often, business and political elites were very closely intertwined, and several members of government allegedly own businesses within their ministry's field of regulatory authority. The president was accused of having benefited from a possibly shadowy scheme to settle a large outstanding debt to Russia.[44] In January 2006, the MPRP selected M. Enkhbold, the former mayor of Ulaanbaatar, as new prime minister, even though he was accused of having mismanaged the development of the capital city. In mid-2006, Mongolia adopted a new and strengthened anti-corruption law, but conflicts of interests still remained unregulated.

From around 2000, Mongolia began to experience a boom in natural resources: gold mining became a major business, and the prices for gold and copper started to rise, eventually reaching very high levels. Many among the elite had few scruples about flaunting their new wealth, for example, building flashy new houses and driving Hummers and large jeeps. At the same time, the situation for many rural Mongolians worsened: several extreme winters killed large numbers of livestock. Thousands of people gave up nomadic herding and moved to the capital city in search of better services and jobs (which for many were not available), while others turned to artisanal mining (mining by individuals with minimal tools).

A second area of major rent-seeking was land. Urban land started to be privatized from 2002, initially in the form of long-term possession leases. However, the establishment of land *cadastres* (registries) and of a titling system were lengthy and fraught with difficulty. Furthermore, land management was perceived as strongly affected by corruption according to public opinion surveys. Rural land still remained exempt from privatization, in accordance with the constitution. Nonetheless, rural

FIGURE 1
TRUST IN STATE INSTITUTIONS



Source: Surveys by Sant Maral Foundation, *Politbarometer Surveys*, Ulaanbaatar.

land management presented huge problems: rural communities were not able to manage risks of over-grazing,[45] and desiccation was reducing the amount of available pasture land. Moreover, mining exploration licenses now covered nearly half Mongolia's territory, creating an unclear situation with regard to use-rights of surface lands. Disputes over land make up a substantial share of court cases in Mongolia. Moreover, as courts enjoyed low trust (see Figure 1), many actual disputes were never brought to court.

Patterns of trust and distrust of citizens in public and political institutions are interesting. As in many other new democracies, key institutions such as political parties and the judiciary remained rather distrusted by citizens (see Figure 1). However, levels of trust in the president and parliament were substantial. In particular, the considerable level of trust in parliament was rather unusual, comparing favourably with other countries in the region, where presidents were often the only branch of government enjoying relatively high trust.[46] Curiously, the period of greater trust in parliament appeared to coincide with one-party domination in 2000–2004, while since the 2004 elections, trust has markedly declined. Mongolia developed a relatively robust and free civil society during transition.[47] Trust in civil society, however, was similar to that enjoyed by parliament, signalling that it was not necessarily seen as an exclusively positive force.

External Interests and Efforts

These internal dynamics played out in the context of important developments in Mongolia's external environment. Throughout the democratization process, external factors and influences played a considerable role. At the start, transition was triggered by the decline and eventual demise of the Soviet Union. Subsequently, Mongolia sought to establish a relationship with capitalist donors; the main ones were the USA, Japan, and Germany. External democracy promotion efforts were significant in Mongolia, and various US and German foundations were particularly prominent. A further important external actor was China, with which Mongolia re-established a close, but also tense relationship.

Mongolia's geopolitical position contributed to attracting substantial external interest. Its location between two great powers, Russia and China, is unique. Geopolitical considerations were particularly important for two of the three largest donors to Mongolia, the USA and Japan, while Germany's engagement was more one by chance, as the united Germany inherited a substantial engagement of the former German Democratic Republic with Mongolia. Conversely, Mongolia was interested in a good relationship not only with the USA, but also with Japan and Europe, in order to balance risks of being dominated by its neighbours. Over time, Mongolia became a firm supporter of US initiatives, sending soldiers to Iraq, and receiving several high-level US visitors, including President George W. Bush in November 2005.

As Fish pointed out, being subject to 'geopolitical competition' of big powers may have negative effects on nascent democratic political systems of developing countries.[48] However, despite the importance of external factors, during Mongolia's initial transition to democracy there was relatively little negative impact. Perhaps most crucially, the US had no interest in propping up an authoritarian regime in Mongolia. Rather, it preferred a democratic development which also appeared to lead to an economic transition from communism to capitalism. The US provided ample democracy assistance through the International Republican Institute and the Asia Foundation, and Mongolia was among the group of countries to receive substantial assistance through the Millennium Challenge Account.

External democracy promotion efforts were most intense around the 1996 elections. They continued somewhat less prominently afterwards. However, while this assistance played a considerable role in creating the conditions for opposition victory in 1996, this assistance was less successful in promoting effective transparency and accountability. For example, efforts to make parliamentary debates and votes more transparent in order to increase accountability failed.[49]

More recently, external influences may be becoming less benign. Mongolia's mining boom created new external interests. The governments of China, Russia, and Japan all declared their interest in developing Mongolia's mineral resources and/or in concluding contracts for mining sector outputs. After disengagement during the 1990s, Russia sought to re-strengthen its ties as part of an overall more active and assertive Russian foreign policy in the 2000s. In late 2003, Russia forgave most of Mongolia's Soviet era debts of US$11bn, in return for a payment of US$250m. Mongolia's economy was increasingly linked to that of China (via trade relations, investments, migration), and this process was likely to intensify further, as many prospective mineral resources were located near the Mongolian–Chinese border.

The mining boom, and the change in Mongolia's external environment that it triggered, carried some risks. It fuelled rent-seeking behaviour, which may also have involved bribery by external actors seeking favourable deals. Furthermore, Mongolia's current political system involved multiple veto-points. For example, parliament blocked the passage of investment agreements for mining developments in the summer of 2007. It remains possible that some external players have a preference for an authoritarian system in the country, and consequently may come to support efforts by presidents to expand their powers.

Mongolia's external environment is still far from highly unfavourable to the continuation of a democratic system, but risks have increased compared to the initial transition period. In contrast to CEE, with which Mongolia shared some important characteristics of its democratization process (as discussed above), it did not enjoy the external 'pull' of EU accession in terms of democratic deepening and the strengthening of transparency and accountability.

Conclusion

Democratization in Mongolia contradicted a number of assumptions about 'pre-conditions' found in the literature. The country had some positive preconditions in 1990, such as full literacy, but these were shared by other post-communist countries, which subsequently reverted to authoritarianism (e.g. Uzbekistan or Kazakhstan). What emerges as important explanatory factors was the combination of (a) relatively well established statehood and stateness, (b) a high degree of economic as well as strategic external dependency (the need for a 'Third Neighbour'), (c) democratic 'contagion' from CEE through existing linkages (despite geographic distance), (d) a favourable constellation of domestic actors, and (e) an absence of concern about social liberalization in the wake of political liberalization (which appeared to have played a role in more conservative societies such as Uzbekistan or Tajikistan). This combination of factors – low potential obstacles combined with several favourable conditions – contributed to a remarkably smooth transition to democracy.

Almost two decades after the start of transition, Mongolia established an electoral democracy. In 1996, the country experienced a peaceful change in government through elections, and elections continued to be held regularly, resulting in further turnovers in power. However, even though basic consolidation of an electoral system was achieved, signs of trouble were clearly visible. Electoral rules remained in flux. The 2004 elections were the first ones to be considered as 'marred by violations and irregularities' according to US observers.[50] Popular support for an 'authoritarian alternative' increased and presidential efforts to change the balance of power emerged.

The Mongolian case points to the importance of observing democratization not in isolation, but in its wider political economy context: socio-economic processes and pressures, the temptations of natural resource rents, and so on. Relatively poor, developing countries frequently experience rapid and unsettling socio-economic changes, and many have fewer financial and institutional resources to cope than wealthier countries. At the same time, electoral democracy as such may fail to improve other important aspects of governance at least in the short to medium term. Mongolia has experienced a rise in corruption and rent-seeking.[51] Despite considerable civil and political liberties, effective accountability remains weak, and democratic accountability may be hollowing out as a consequence of an emerging resource boom. External democracy promoters generally focus on the presence of an electoral democracy, but have been slower and less able to support a widening and deepening of other accountability mechanisms.

Therefore, even if electoral democracy became consolidated, as in Mongolia by the late 1990s, the chance that this system could come unstuck remains considerable.[52] An electoral democracy as such may be insufficient to 'solidify' itself over time in poorer countries, such as Mongolia – unless it is complemented by wider developments and reforms that improve governance more broadly. In Mongolia, the choice of governments through elections, combined with civil and political liberties and with an absence of conflict (posing a risk in a number of other new democracies), nonetheless thus far failed to constrain elite rent-seeking and to promote good policy formulation and implementation. Ultimately, this failure left democracy fragile in the face of powerful internal and external challenges and shocks, in particular those associated with the current resource boom.

NOTES

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4. Herbert Kitschelt, 'Post-Communist Economic Reform. Causal Mechanisms and Concomitant Properties', Paper presented at the APSA Annual Meeting, San Francisco, 29 August 2001.
5. See, http://www.freedomhouse.org/ratings/index.htm.
6. Peter Boone, 'Grassroots Macroeconomic Reform in Mongolia', *Journal of Comparative Economics*, Vol. 18, No. 3 (1994), pp. 329–56.
7. Robert L. Worden and Andrea Matles Savada (eds), *Mongolia: A Country Study* (Washington: PO for the Library of Congress, 1989).
8. Kitschelt (note 4).
9. Kopstein and Reilly (note 3); Steven Levitsky and Lucan Way, 'International Linkage and Democratisation', *Journal of Democracy*, Vol. 16, No. 3 (2005), pp. 20–34; see also the introduction of this special issue for more information on the 'diffusion approach'.
10. This assistance took different forms (provision of physical infrastructure, personnel seconded by Russia, favourable terms of trade, assistance to Mongolia's five year plans, etc.) and hence its precise levels are difficult to specify.
11. Renske Doorenspleet and Petr Kopecký, 'Against the Odds: Deviant Cases of Democratization', *Democratization*, Vol. 15, No. 4 (2008), pp. 697–713.
12. Tsedenbal took over from Mongolia's 'Stalinist' leader Choibalsan in 1952.
13. In a sense, pacting was not necessary, as there was no need to reserve special powers for the military or protect authoritarian elites from prosecution, because the bloody transition to a communist-authoritarian regime took place in the 1920s and 1930s; this was so long ago that few if any participants were still alive. On the concept of 'pacted transitions', see: Guillermo O'Donnell and Philippe Schmitter, *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies* (Baltimore, MD: The Johns Hopkins University Press, 1986).
14. Kazakhs are the largest minority with around five per cent of the total population.
15. Inner Mongolia, to the South of Mongolia, is an autonomous province of China. Han Chinese today far outnumber ethnic Mongolians in the region (ca. 4m Mongolians and 18.5m Han Chinese).
16. USAID, *Mongolia Corruption Assessment* (Washington DC: USAID, 2005).
17. Robert Worden, *Mongolia: A Country Study* (Washington DC: Federal Research Division of the Library of Congress, 1991), pp. 202–3.
18. G. Bayantur, *Democratic Transition and Electoral Process in Mongolia*, MA thesis, University of Saskatchewan, 2005, p. 20, quoting from Democratic Party Archives.

19. Morris Rossabi, *Modern Mongolia: From Khans to Commissars to Capitalists* (Berkeley, CA: University of California Press, 2005).
20. Interview in Ulaanbaator with Udo Barkmann, German Mongolist, National University of Mongolia, June 2006.
21. Alan Sanders, 'Mongolia', *Far Eastern Economic Review*, Vol. 147, No. 12 (March 1990), p. 11.
22. Rossabi (note 19), pp. 18–24.
23. A. Sanders, 'Foreign Relations and Foreign Policy', in Ole Bruun and Ole Odgaard (eds), *Mongolia in Transition* (London: Routledge, 1996), p. 242.
24. The MDP fielded 68, the NPP 15, and the MSDP 18 candidates.
25. N. Altantsetseg, 'Political Reform in Mongolia', *IIAS Newsletter*, Issue 21 (February 2000), http://www.iias.nl/iiasn/21/regions/21CA3.html (accessed 7 March 2008).
26. T. Ginsburg and G. Ganzorig, 'Constitutional Reform and Human Rights', in Bruun and Odgaard, *Mongolia in Transition* (note 23), pp. 147–64. This constitutional commission received some foreign advice from various sources.
27. The key prerogative of the president is the possibility to veto laws adopted by parliament, which can only be overridden by a two-thirds majority of MPs. Furthermore, the president has important appointment powers over the judicial sector (but shared with parliament for the Constitutional Court), and he/she is the commander-in-chief of the armed forces (§33.2). There is a limit of two terms for office holders.
28. Each citizen received three 'small coupons' (pink), worth 1,000 MNT each, and one 'large coupon' (blue), worth 7,000 MNT. An estimated total of 4,500 enterprises were privatized through this method between 1991 and 1994, of which some 550 were large enterprises. Small coupons could be sold and traded, while large coupons could not (but the shares to be received could be traded). For the small privatizations, auctions were to be organized by local authorities. The large companies were also to be privatized by auctions, and most individuals would bid for shares through brokerage firms/mutual funds. By 1992, most of the small enterprises had been privatized. Voucher privatization also extended to the privatization of livestock in the countryside. See Cevdet Denizer and Alan Gelb, 'Monoglia: Privatization and System Transformation in an Isolated Economy', World Bank, Policy Research Working Paper No. 1063, Washington DC, 1992; Frederick Nixson and Bernard Walters, 'Privatization, Income Distribution, and Poverty: The Mongolian Experience', *World Development*, Vol. 34, No. 9 (2006), pp. 1557–79.
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30. William Heaton, 'Mongolia in 1991', *Asian Survey*, Vol. 32, No. 1 (1992), p. 54.
31. Tom Ginsburg, 'Political Reform in Mongolia', *Asian Survey*, Vol. 35, No. 5 (1995), pp. 459–71.
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36. Juan Linz and Alfred Stepan, *Problems of Democratic Transition and Consolidation* (Baltimore, MD and London: The Johns Hopkins University Press), p. 5.
37. Andreas Schedler, 'What is Democratic Consolidation?', *Journal of Democracy*, Vol. 9, No. 2 (1998), pp. 91–107.
38. According to the *Far Eastern Economic Review* (FEER), 27 March 1997, a *Contract with the Mongolian Voter* was printed 350,000 times and was distributed around the country. Interviews with L. Sumati, head of the St Maral Foundation (sponsored by the KAS), 15 June 1997, Ulaanbaatar; and with S. Bayaar, local head of the IRI office in Ulaanbaatar, 17 June 1997.
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40. It is not clear whether or to what extent any financial support was received, but Russian political PR experts (so called polit-technologists) advised the MPRP on its campaign. See L. Badamkhand, 'Mongolia: A Shock to the System', *Transitions Online*, No. 06/29, 2004, available at www.tol.cz (by subscription only).
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