

DEMOCRACY IS A WAY FOR MONGOLIA TO LIVE

Tsakhiajin Elbegdorj

I WOULD like to congratulate my friend Vuk Jeremić—a former classmate at Harvard University’s Kennedy School of Government—for his wonderful initiative to launch *Horizons*. I support the idea of having a magazine devoted to international relations and sustainable development that is truly global in perspective, where genuine exchanges of ideas and points of view concerning the future of the world can take place, together with considerations of countries and regions that tend to be underrepresented in global public discourse.

It is with this in mind that I offer my greetings to the readers of *Horizons* from Ulaanbaatar, the capital city of Mongolia. I am delighted to share, albeit somewhat briefly and selectively, the story of Mongolia’s democracy and the progress we have made in building a strong and free society.

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OUR PEOPLE’S LEGACY

Mongolia is a beautiful country of three million people residing on a vast land of 1.5 million square kilometers. It is a country of rich and ancient history, unique culture and astounding natural beauty. It is a land of free and brave, peace-loving and hard-working people, famous for the genuine hospitality we offer to all who journey to our steppe. We inherited from our forefathers great lessons on how to uphold the rule of law, order, and discipline across a vast landmass—teaching us to cherish the blessings of statehood, while honoring the history of our nation and building for a better future for the generations to come.

The roots of our statehood go back more than 2,220 years, to the origins of the Hun Empire. Centuries later—some 850 years ago—Chinggis Khaan was born, and founded the Great Mongol Empire—the largest land empire in the

history of the world. The Medieval English poet Geoffrey Chaucer put it best, in verses taken from “The Squire’s Tale,” when he wrote:

*This noble king was called Genghis Khan,
Who in his time was of so great renown
That there was nowhere in no region
So excellent a lord in all things.*

Under the leadership of this “so excellent a lord in all things” and those of his inheritors, the Great Mongol Empire was governed by a written law called the “Ih Zasag,” which is translated as “the Great Order.” Then, as now, Mongols promoted free trade and conducted an open foreign policy, with the Empire actively engaging with nations near and far in Asia, Europe and the Middle East. It was an era when the Mongols strove to establish trust, confidence and cooperation in their relations with other states and peoples.

Through periods of prosperity and decadence, ruling and being ruled, Mongolia entered the world of the twentieth century. Modern Mongolia restored its freedom and independence in December 1911. We once again began to reach out to our neighbors and their neighbors in turn—and in 1961, Mongolia joined the United Nations.

DEMOCRATIC REVOLUTION

Twenty-four years ago, Mongolia stood at the crossroads; at the crucial moment, we chose to stand on the right side of history.

I am proud of the role I played in the cold winter of 1989 and the spring of the White Horse Year of 1990 to help sweep aside decades of a form of rule that did not enjoy the consent of the people. Mongolians from all walks of life and across our country came together, and individual rights and liberties prevailed. Our revolution did not break a single window, and not a single drop of blood was shed.

We dismissed the stereotyped presumption that simultaneously conducting dual or twin reforms (political and economic) in a poor country was not a prudent way forward—that it was not the Asian way. We broke that stigma by our new choice and our success, proving that freedom can be enjoyed equally by all men and women—anywhere in the world.

For more than two decades now, Mongolia has been a stable and vibrant democracy. We have demonstrated our firm commitment to the rule of law, and to transparency and accountability in government. We have recognized that democracy is not a destination, but an irrevocable way forward—the best way for Mongolians to live and thrive. We know of course that no democracy is ever perfect, and we have experienced many of the toughest challenges that other young democracies and market economies have gone through.

We have maintained a steady track record of free and fair elections, with the peaceful transfer of power from one party to another taking place every time. At the same time, we know that democracy is not just about people casting ballots on election day.

Mongolia is moving toward more direct and participatory democracy. We have created a system of governance in which everyone understands that there is no civil society when citizens are deprived of rights—in which everyone knows that there can be no human rights when they are not enjoyed by all who belong to the body politic.

We also know that without a real devolution of power to citizens, without empowering people with the rightful means to solve their day-to-day issues, and without citizen participation and grass-roots decision-making, no social progress can be sustainable.

Thus, citizen participation and direct democracy are gaining momentum in Mongolia. Power is being shifted back to local governments and local communities—back to citizens directly. In short, we are building a strong and autochthonous democracy.

Mongolia continues to harness its governance institutions and deepen socio-economic reforms. Within these premises, Mongolia has

developed and launched a comprehensive public policy reform under the Smart Government initiative. We have taken care to design it in such a way so as to ensure that it is research-based, sustainable, participatory, efficient, and consistent with the public interest and the benefits policies of the Mongolian state.

Democracy must be taken as a system of accountability. Under the Smart Government reforms, the state is working to improve the public sector's accountability system, and has launched a whole-scale legal reform to provide for greater citizen control and citizen participation. Bringing about a strong accountability system is a way to further enrich the nation's already fertile democratic soil.

My office initiated the Budget Transparency Law—which we colloquially call the Glass Account Law. This law, which has recently been approved by our parliament, aims at instituting citizen control over the disposal of budgetary funds, while providing an accountability mechanism for officials who fail to comply with transparency requirements. The decisions of the government and public officials affecting public interests must be as transparent as glass—open and clear—and we hope this requirement will become one of the basic features of all future Smart public policy initiatives.

Mongolia also boldly continues to modernize its legal and judicial systems. In 2012, Transparency International named Mongolia as the country with the fastest decrease in corruption, recording an advance of 26 places from 2011—and another advance of 11 places in 2013. Corruption is a mortal enemy of democracy. It is a dark hole eating away at public wealth, public confidence and public trust; it scares away investors, robs citizens of development opportunities, and attacks the spiritual essence of a nation.

Mongolia does not tolerate corruption at any level—from the highest official to the ordinary citizen. We must shine a bright light on this dark threat to our future, and attack it head on. As a signatory to the UN Anti-Corruption Convention, Mongolia has committed to further and wider international partnerships to eradicate this common ill of humankind.

Honoring and expanding human rights, human life and human dignity is a sacred mission of our democracy. That is why Mongolia has abolished capital punishment. Governments are created by the people, and we believe that no government has the right to take a life. Capital punishment is not only an ineffective and costly endeavor, but it is by definition a barbaric practice.

All of these values-based steps forward were difficult to enact. The decision to launch and implement them required decisive and bold leadership. If we retreat from taking such decisions, there is no sense in starting a democratic revolution at all.

MONGOLIA'S ECONOMY

The past two decades were characterized by high levels of economic development and growth. In the early years of our democratic transition, we undertook a complex and comprehensive range of macro-economic reforms. These included the privatization of many state-owned enterprises; price, wage, trade liberalization; and policies enabling the Mongolian national currency, the Tugrug, to float freely. We also conducted banking sector reforms, establishing a two-tiered banking sector with the Central Bank and commercial banks as separate entities with clear functional mandates.

In addition, we actively promoted FDI and adopted a full range of economic legislation on private property rights, corporations, bankruptcy, free competition, and many such laws, in accordance with the highest international standards and best practices. All in all, we adopted over 500 legal statutes regulating economic and civil relations, thus establishing the legislative and regulatory basis of a democratic, market-oriented state, in which the rule of law reigns supreme.

As a result of these far-reaching reforms, we created a thriving private sector virtually from scratch, which today comprises 90 percent of Mongolia's economy.

Our GDP per capita in the last 20 years increased nearly ten-fold. In 2004, when I was Prime Minister, Mongolia for the first time in its history recorded double-digit growth; since that time, we have remained one of the world's fastest growing economies. In 2011, we recorded a 17.5 percent growth rate, which was due in large part to heightened exploitation of Mongolia's rich mineral endowments.

Mongolia possesses over 6,000 deposits of roughly 80 minerals, worth an estimated \$ 1.3 trillion. The mining sector has been a major contributor to the national economy, accounting for more than 20 percent of GDP, over 60 percent of industrial value-added worth, and 90 percent of our nation's export value. Mineral resource exploitation creates both opportunities and risks for Mongolia. Prudent macro-economic policies will help Mongolia steer clear of the well-known pitfalls of natural resource-based econo-

mies. Mongolia's economic development agenda, therefore, focuses today on diversification, industrial expansion, and the development of infrastructure.

Mongolia has tremendous economic potentials yet to be realized. Besides mining, Mongolia presents significant opportunities for growth in tourism, agro-industries, light industries, such as

cashmere and wool, and renewable energy production. This last is of particular importance, given our strong commitment to sustainable development and the UN post-2015 agenda. With an average of 300 days of sunshine a year and excellent wind corridors, Mongolia has established the Asian Super Network for Green Development project to produce renewable energy for consumption—and

not only at the national level, but one which we hope will become part of an Asian super grid.

Finally, we have worked hard to establish an enabling and welcoming environment for foreign investors to engage in mutually beneficial economic projects. Last autumn, for instance, we comprehensively updated our Investment Law, after a thorough

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MONGOLIA'S INTERNATIONAL ENGAGEMENT

Mongolia has important international priorities and roles. We pursue a multi-pillar, open foreign policy. Mongolia is strategically located between Russia and China, two of the world's largest markets. We maintain good neighborly, constructive and prosperous relations with our only two immediate neighbors. Mongolia is interested in developing large-scale projects with them through a win-win approach in areas such as infrastructure, railroads, power stations, and mining.

While maintaining active and balanced relations with Moscow and Beijing, Mongolia strives to deepen friendly ties and strengthen active and mutually-beneficial cooperation with the countries we define as our "third neighbors"—that is to say, countries with which Mongolia does not share a physical border, but with which we share common democratic values and economic interests.

Mongolia cares deeply about safeguarding global peace. We believe that the elimination of nuclear weap-

ons is critical to the physical preservation of our planet and its inhabitants. In 1992, Mongolia proclaimed itself a nuclear weapons-free state. Our status was re-affirmed a decade later by a Joint Declaration of the five permanent members of the UN Security Council. This document affirms that Mongolia can effectively and meaningfully contribute to achieving a nuclear weapons-free world.

We are also firmly opposed to storing nuclear waste on Mongolian soil. In 2012 and 2013, Mongolia successfully chaired the Community of Democracies (CD), the world's most reputable global democracy movement. During Mongolia's presidency of the CD, its Governing Council and Executive Committee were established, and a full-time Secretary General was appointed. The work of the Group of Democratic Countries at United Nations Headquarters in New York was regularized, and a CD Group at the United Nations Office at Geneva started operations. A Network of New Democratic Leaders was also established and commenced operations. Also during our presidency, UN Member States adopted by consensus a historic resolution, which was introduced by the Mongolian delegation, on "Education for Democracy," during the 67th Session of the UN General Assembly, which was presided over by Vuk Jeremić.

Moreover, Mongolia set forth a Zero-Tolerance to Corruption Initiative within the Community of Democracies, thus raising the issue to the top of the agenda of the organization. The Asian Democracy Network was also launched, and our region agreed to draw on assessment on the status of democracy in our part of the world every two years.

In addition, Mongolia proposed the Ulaanbaatar Dialogue on Northeast Asian Security Initiative, with the aim of enhancing bilateral and multilateral cooperation with the countries of Northeast Asia, and in this way encouraging the pursuit of long-term goals to strengthen regional peace and stability.

Mongolia has also been one of the most active supporters of UN peacekeeping operations. Mongolian troops have courageously served as Blue Helmets in many hotspots around the world, including the Democratic Republic of Congo, Western Sahara, Eritrea, Georgia, Sierra Leone, Chad and Darfur. And today, our men and women in uniform are serving in areas with high security risks and threats, such as Afghanistan and South Sudan.

As a land-locked developing country, Mongolia devotes significant attention to the alleviation of impediments to fast and effective trade and transportation. Land-locked developing countries in Asia have supported Mongolia's initiative, signing an intergovernmental agreement to establish an international think-tank to study and propose solutions to the challenges we share.

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A few years ago, Mongolia became the 57th participating State of the Organization for Security and Cooperation in Europe. We have worked hard with our partners in the world's largest regional organization, which covers a broad area from Vladivostok to Vancouver, on a number of important topics of shared concern—from security and human rights, to elections, human trafficking, and terrorism.

Mongolia cares deeply for the natural environment. We take seriously our shared responsibility to confront the threat from climate change. Therefore, we strongly promote green development policies. The recent election of Mongolia's Minister of Environment and Green Development as the first

President of the United Nations Environment Assembly is an acknowledgment of Mongolia's role in advancing the global environmental agenda. We have also actively participated in the work of the UN General Assembly to define the Sustainable Development Goals, establish mechanisms to finance them, and create structures to monitor progress in implementing them.

BUILDING FOR THE FUTURE

Mongolia has no intention to preach to others about democracy, but we do have lessons to share with those who believe our experience can be instructive.

With the aim of helping other emerging young democracies, Mongolia therefore established its International Cooperation Fund. Through this agency, we have started implementing projects and programs with other countries. For instance, we are actively working with the Kyrgyz Republic to share lessons learned in effective parliamentary democracy and legal reform. We are also conducting training for diplomats and public servants from Afghanistan.

We have, furthermore, invited and hosted journalists from Myanmar to study the experiences of our transition.

We Mongolians do not hide our shadow. Our mistakes and lessons are open. Freedom is a system where one can make a mistake, while learning from that mistake. In fact, we consider the path of a free and open society to be, in and of itself, a learning process. As Mongolia continues to learn, we are emerging as a robust player in regional and world affairs, with our own meaningful contribution to make to the advancement of the common good.

I believe in the bright future of my nation. My people are dynamic, educated, industrious and trustworthy. Mongolians are an old nation, with a young heart and mind. For such people, no shadow is lasting, and no storm is fatal. We shall remain for evermore the children of the Golden Light, looking up at the Eternal Blue Sky and seeing in our mind's eye the Spirit Banner of Chinggis Khaan watching over his offspring, proud—I am sure—of what we have done, and confident of what's to come. ●