Realpolitik in Mongolia-US Relations

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Abstract

The United States has, in recent years, touted the accomplishment of Mongolian democracy as a positive example to other nations in the region. The shift from socialism to democracy on the part of the Mongolians has dominated both academic discourse and political speeches alike on the growing friendship between these two countries. This article argues, however, that the growing relationship between the United States and Mongolia is one based on practical benefits to both parties instead of the ideals of liberal democracy. Hence, US-Mongolia relations are based in realpolitik, not ideology.

Keywords: Independence, strategic interests, liberal economy, democracy, realpolitik.

Introduction

Mongolia’s declaration of independence from the Qing (Manchu) dynasty of China in 1911 was founded on Mongol nationalism that, at that time, fostered dreams of a comprehensive nation made up of Mongol inhabitants of territories that stretched from Manchuria in the east, to Tuva in the west, and what is now Inner Mongolia south of the Gobi desert. However, this comprehensive pan-Mongolian state never materialized and only what is known as Khalkha Mongol territory (excluding Inner Mongolia) was carved out and successfully made into an independent nation-state. Nevertheless, since its initiation in 1911 and its subsequent successful independence in 1924, the Mongolian state has been founded on the principal of Mongol “national” unity. Even the socialist revolution of 1924 reflected Mongolia’s unique situation for social reform that was aided along, but not completely in line with, the Soviets’ world social revolution scheme. Hence, since the fall of the Qing dynasty in China in 1911, Mongol nationalism has laid the basis for the development of a nation-state, with the primary function of achieving Mongol autonomy and self-determination within the confines of its two powerful neighbors, Russia and China.

1 The Mongols are not a homogenous people. In general, the Mongols can be broken up into three distinct groups by geography and self-identity. These are the Khalkha of the southern or middle territory, the Oirats of the Western territory, and the Buryats of the northern territory (Gilberg and Svantesson 1996: 15-16). Although all three groupings of Mongols share similar cultural practices, languages, and lifestyles that are different from those of their neighbors and more like each other, their political organization has been fluid, composed of loose tribal ties where authority shifted regularly. The idea of a Mongol “nation” dates back to the consolidation of the tribes that inhabited the territory known as the crossroad between North Asia, Central Asia, and the Chinese peoples by Chinggis Khan in the thirteenth century; and it is this period in time that the Mongols of 1911 and 1991 turned to when forming and re-making the modern Mongol nation-state.
Although nationalism is the glue that continues to hold together the Mongolian nation-state, after having attained its independence Mongolia has acted rationally in order to maintain it. This can be seen by Mongolia’s willingness from 1911–1930 to engage in relations with the Russians, the Chinese, the US, and Japan. Having endured two centuries of Qing rule, the forces still seeking attachment to China were overrun by the majority who wished for the independence of Mongolia; Japanese militarism in North Asia at the time was seen as intrusive and suspect in its intentions following initial negotiations between the Mongols and the Japanese, and the United States, although interested early, pulled out of the region due to increased Soviet and Chinese activity. Hence, it was by default that Soviet influence in Mongolia was seen as the best case scenario for maintaining the status quo of the existence of an independent Mongolian nation state following the year 1911. Accordingly, it is against this backdrop of geopolitical circumstances that Mongolia-US relations have proceeded in the past and continue to follow in the present day.

Mongolia-US relations can be traced back to the 1920s where two seemingly polar and incompatible governing ideologies (US democracy and Mongolian theocracy) forged significant ties and in which today those ties are being re-established according to modern circumstances. Therefore, in line with the notion of realpolitik, the US saw it in its best interest to engage the theocratic leadership of Mongolia to monitor the rapidly changing political, commercial, and social changes in the North Asian region, and likewise re-engage with the democratic leadership of today’s Mongolia for virtually the same reasons (Campi 1987: 4). Similarly, the Mongolian leadership viewed US involvement in the region to be in their best interest in the 1920s, and continue to hold the same view today.

An Enduring Mongol Territory Between Russia and China

It has long been the consensus among scholars that Mongol political destiny has largely been determined by Russia-China interactions since the early to mid-seventeenth century. As the Manchu consolidated and expanded their power in the region, the Mongols from east to west fell under the control of the Qing (Manchu) dynasty, culminating with the recognition by the Khalkha Mongols (the dominant ethnic Mongol population of today’s Mongolia) of Manchu authority in 1691. Although Mongol populations of the far western lands of the Mongol Steppe would not be absorbed under Qing rule until the mid-eighteenth century, the incorporation of the Khalkha Mongol population solidified Qing rule over the “heartland” of Mongol traditional power. This Chinese Qing domination lasted for roughly 200 years until 1911, with the fall of the Qing Dynasty in China. Likewise, beginning in the mid-seventeenth century, Tsarist Russia was increasingly expanding east and infringing upon the Qing acquired lands of traditional Mongol territory and parts of modern-day Siberia. This expansion eastward by Russia led to the formalization of relations between Qing China and Tsarist Russia. In 1689, Qing ambassadors negotiating with Russia’s military officials drafted the Treaty of Nerchinsk. Although the Russians gained considerably less from negotiations than the Qing, the Russians did manage to

2 The concept of Realpolitik was first introduced by Ludwig Son von Rochau in nineteenth century Germany when assessing Klemens von Metternich’s approach to facilitating the Congress of Vienna. Today, the term refers to an approach to politics that strives to be non-ideological. In international politics, realpolitik focuses on relations as manifested from national interests instead of driven by ideology. An example of this was America’s engagement with China during the Nixon Administration, where economic and political gains were seen as significant enough push-pull factors to cooperate with Communist China.
persuade the Qing regime to formalize its acknowledgment of a Russian presence in the region. This essentially laid the groundwork for Russian-Chinese negotiations to continue on the basis of equality, from which Russia felt it could proceed with further negotiations at a later date when applicable. Of greater significance to the Mongol people were the Treaty’s political intangibles that left the fate of the Mongol territory to negotiation and interaction between Russia and China.

The arrangement agreed upon in the Treaty of Nerchinsk has endured largely until today in relation to Russia’s southern border. However, the major development since then has been the creation of a Mongolian nation-state between Russia and China. The fall of the Qing dynasty in 1911 freed the Mongols from Chinese rule and the Mongols turned to Russia in their attempt to acquire independence. Nonetheless, although establishing an independent Buddhist theocratic government at the time, Mongolia was described as being in “an international tug-of-war between Red and White Russians, Chinese, Japanese, and its own radical elements” (Green 1986: 1340).

Following the disarray caused by the Bolshevik Revolution, China took the opportunity in 1919 to reassert its control over Mongol territory. However, Soviet Russia quickly regained its political and military organization and the pursuit of “White Russians” in Mongol territory effectively stopped Chinese advances into Mongol lands as well. It must also be noted that in 1919 the Mongol leadership sent a letter to the United States asking for official recognition of Mongolian independence and for a Consulate Office to be established on Mongol territory. In 1921, a Consulate Office was eventually established; however, the United States pulled out seven years later due to increased Soviet activity in Mongolia, and the lack of perceived commercial benefits in Mongolia for the US (Campi 1987: 4).

Mongolia once again declared its independence in November 1924. However, prior to this, in May of the same year, Moscow and Beijing had already formed an agreement stating that (Outer) Mongolia was an autonomous region under the sovereignty of China. Knowing that China was relatively weak at the time and could not exert actual authority over Mongolia, coupled with an already heavy Soviet presence in Mongolia, this was an attempt by the Soviets to maintain a working relationship with China in the region. The fate of Mongolia, although it maintained its independence, was largely kept ambiguous until the 1945 Yalta Agreement, in which an independent Mongolia was an essential Soviet condition for entering the war against the Japanese. With the help of the United States in 1945, the Chinese leadership under the Kuomintang began preparations for establishing formal relations with an independent Mongolia. By the time Mao Zedong and the Communist leadership took power in China in 1949, a Chinese government presence in Outer Mongolia had been absent for 30 years.

During 1949–1960 Mongolia enjoyed its independence and benefited rather equally from both the Soviets and the Chinese. Through cooperation between Soviet Russia and China, both Soviet and Chinese investments and infrastructure support increased during this time. Aside from this, however, since the mid-1920s Mongolia’s Communist rule

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3 Prior to the Treaty of Nerchinsk, Qing China, much the same as Ming China, engaged in Sino-centric relations with its surrounding neighbors. However, the insistence by the Russians for equal diplomacy eventually succeeded and the Sino-centric model slowly gave way to a more balanced treaty-based foreign policy on the part of the Chinese (Voskressenski, 2003: 100-101).

4 It must be noted that Soviet influence in Mongolia led to the abolition of the Buddhist theocracy and a purge of thousands of Mongolian citizens reminiscent of Stalin’s actions in the Soviet Union. Although Mongolia received aid from China, it was undeniable by this point that Mongolia was looking west to Russia for guidance and support.
was firmly established in the shadow of the Soviet model, though it was the 1960 Sino-
Soviet split that forced Mongolia to choose a side. Mongolia equivocally sided with the
Soviet Union and expelled all Chinese workers and government officials from Mongolia.
The reasons for this are complex. For the sake of this study it is suffice to say that the
psychological fear of Chinese rule over Mongolia was ever-present, with Mongolia’s last
external authority being the Qing Chinese. This fear was manifested from the objective
reality of Mongolia being geographically situated closer to larger populations of Chinese
than to significant populations of Russians, coupled with the historical experience of
economic bondage inflicted on Mongolians by Chinese merchants and Qing government
officials. Furthermore, politically, the socialist government of Mongolia was patterned
after the Soviet model and was established in 1924, twenty-five years earlier than the
Chinese socialist model of government, with Mongolian leaders heavily supported by
Stalin and Khrushchev up until this point. In this regard, the Mongolian Prime Minister
Tsedenbal understood his position of power to be backed by Moscow.5

Although Moscow enjoyed dominant control over Mongolia since 1924, the Sino-
Soviet split essentially weeded China out of the Mongolia equation for the next 30 years.6
Following the fall of the Soviet Union in 1989, Mongolia once again was freed from
external imposition. In 1990, Mongolia drafted a new democratic constitution in which
the once Communist Party (Mongolian People’s Republic Party, or MPRP) agreed to
engage in open elections. The fall of the Soviet Union, in addition to the opening of
Mongolian markets and the economic rise of China in the region once more brought
Mongolia face-to-face with China’s direct influence. Mongolia was again in a similar
predicament to that of 1911, at the time of the Qing dynasty’s demise, when the balance
of power shifted between Mongolia’s two strong neighbors, which left Mongolia free, yet
still vulnerable.

Mongolia’s current foreign policy maintains a desire to maintain equal relations
between both Russia and China, and seeks as many foreign official relations as possible to
counterweight the two. Although a number of countries have offered aid, investment, and
political support, including Japan, Germany, and Canada, of main concern is Mongolia’s
desire to court the United States as its primary “Third Neighbor”.

The relationship between Mongolia and the United States so far has developed
dramatically in the last decade, and presents benefits to both sides, as well as possible
challenges.

The Search for Alternatives

At first glance it may seem appropriate to describe the “third neighbor policy” as a post-
Cold War democratic triumph, based on lessons learned from prior Chinese and Soviet
authoritarian influence. However, it is shortsighted to conclude that the third neighbor

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5 Coercion of Mongolia as a result of the Sino-Soviet split impeded Mongolia’s development. As an ex-
ample, in 1964 Chinese workers were withdrawn from Mongolia, leaving many projects unfinished and
abandoned. Moreover, as Sino-Soviet relations deteriorated, trade between them slowed considerably and
Mongolia’s rail revenues decreased by 75 percent (Radchenko 2006: 99).

6 The significance of Chinese activity within Mongolia was essentially non-existent during this time; how-
ever, Tsedenbal was notorious for using the “China card” against the Soviet Union in which every shift
in Sino-Soviet relations provided Mongolia with a sizable advantage to seek greater Soviet economic
assistance (Batbayar, 1999: 208).
policy is something recently manifested and based on Mongolia’s post-Cold War shift from socialism to liberal democracy.

As Scalapino points out, in 1919, the theocratic leader of Mongolia, Bogd Khan (Divine King), sent two letters to the American government which requested political recognition of an independent Mongolia and expressed his wish for an American Consulate to be established in the Mongolian capital of Urga (Scalapino 2005: 9). In April 1921, a United States Consular Office was established in the city of Kalgan (located in today’s Inner Mongolia Autonomous Region in China). However, following the Soviet revolution and Mongolia’s inclusion under the Soviet umbrella, the United States rescinded its diplomatic ties, leaving the fate of the Mongol people and territory to be determined through Soviet and Chinese diplomatic processes. Although unsuccessful in the early twentieth century in securing US support, Mongolia noted America’s interest in the region. The memory of this subsequently lingered throughout the socialist period, giving Mongolia the confidence to once again reactivate relations with the US during the post-Cold War period.

Today’s leaders of Mongolia, like Bogd Khan in 1919, recognize the benefits of a US presence in Mongolia to the country’s independence. Likewise, just as the US promoted positive US-Mongolia relations in 1921, so too did the Bush Administration in 2005 when marking the first-ever visit by a US president to Mongolia. The assumption that today’s third neighbor policy is rooted in the shared ideology of democracy in both countries, although undeniably convenient, is a limited explanation. United States-Mongolia relations are still heavily rooted in the geopolitical realities of the North Asian region, just as they were in 1919 when the US formalized relations with the authoritative Buddhist theocracy of Bogd Khan.

Like-minded Liberal Democracies?

This section focuses on the political and economic reasons that suggest US-Mongolia relations are not based on the shared idea of liberal democracy. As discussed below, Mongolia is neither a functioning democracy nor engages in a free-market economy that is comparable or compatible to the US model. It is argued therefore that the shared ideology of a liberal democracy is not the driving force of relations between the two countries.

Political reforms
Following the decline of the Soviet Union in the late 1980s to the early 1990s, Mongolia quickly transformed itself into an independent nation-state. After 200 years of Chinese suzerainty and another 70 years of Soviet influence, the Mongol people could now chart their course for domestic political reform with greater Mongol discretion, as well as create an independent foreign policy. Domestic reform veered towards a liberal democracy, while foreign policy became more global in scope. The relationship between the US and Mongolia reflects both the desire by Mongolia to establish a functioning government, and its desire to find one or more bilateral relationships that could possibly offset the influences of both Russia and China; the latter now being of greater significance. The international community, in particular the US, has lauded Mongolia’s development as a democracy.

7 The United States chose to open its Consulate Office in the city of Kalgan instead of Urga mainly due to the perceived commercial benefits that were available in Kalgan (Chinese Inner Mongolia) as opposed to Urga (Outer Mongolia).
However, as Khirghis (2005: 35) states when talking of Mongolian democracy, “this is the big picture, surely good enough to declare, but is limited when [it] comes to substances”. Mongolia has positioned itself thus far at the forefront of democratic reform in the Central Asian region. However, this is relative only in comparison to the authoritarian rule of such nations as Uzbekistan, Kazakhstan, and Iran.

Issues of corruption throughout Mongolian politics and government bureaucracy are well documented. Personalities and specific individuals still play a prominent role in strategic planning and national decision-making, in which an institutional structure of greater stability, sustainability, and transparency is still needed. The political demonstration and subsequent riot on 1 July 2008 highlighted the instability of Mongolia’s party politics and revealed Mongolia’s lack of competent oversight in pursuing fair and balanced campaign guidelines. Both major party groupings, the MPRP and the Democratic Union, were suspected of voter fraud, buying votes, and tampering with ballots in the June 2008 parliamentary elections. As well, the government of Mongolia arrested roughly 700 protesters, with nearly 200 of them remaining in prison until October 2008. Twenty-five newly elected members from the Democratic Party boycotted the opening ceremony of the National Parliament and threatened non-participation until the 200 “political dissidents” were released.

Aside from campaign ambiguities, political dissent is still constitutionally outlawed. Of primary concern in recent years have been Articles 110 and 111 of the Constitution, which provide for punishment of up to three months detention in prison for any person convicted of “insulting, libeling, and harming the reputation of somebody by using [the] media” (Sumiyabazar, 2008). Repeat offenders and those guilty of offences of a more serious nature may be jailed for up to five years.

Citizen participation in Mongolian civil society remains low due to poor infrastructure in academic, development, healthcare, and other social, grassroots level initiatives that are compulsory for a multi-level democracy to exist. Mongolians are granted freedom of information; however, the initiative to develop the dissemination of information remains a low priority for politicians and government officials. For example, the Mongolian Government blocked access to various sources of information following the 2008 riots, when the government declared a state of emergency and ordered all private television channels and news stations suspended, leaving only the government channel open.

Aside from the relative quickness of the initial democratic transition from socialism in 1990, so far Mongolia’s relationship with democracy has been one of “two steps forward and one step back”. The initial speed has not been maintained through the development of an adequate institutional structure. Party politics have not been contained under the present framework, thus implying that a relationship between the US and Mongolia based on a shared belief in democracy is superficial at best. As Thomas Friedman explained, quoted by Khirghis (2005, p. 37), “A nation does not immediately become a democracy just because it has a few elections”.

It is fair to argue that Mongolia’s intent to form a functional democracy is genuine. However, the reasons for this differ from the ideological reasons underlying the United States’ push for democratization. In this light one may argue that Mongolia’s democratic initiatives are the result of practical and rational calculations in its attempt to distance itself from its two powerful neighbors. China to the south is maintaining its one party rule even though economic reform has been underway for some time now. Russia to the north,
although declaring itself a democracy, is increasingly moving towards authoritarian rule with Prime Minister Putin at the helm. Mongolia has implemented a domestic political structure different from both Russia and China, so as to distance itself from these two powerful neighbors. Mongolia’s form of democracy will likely evolve as it is further exposed to outside influences. Depending on future geopolitical factors (similar to those that have determined Mongolia’s destiny in the past), the ideology of democracy in Mongolia may weaken due to immediate, more pressing circumstances and challenges. It is also pertinent to add that the closest political institution to a democracy experienced by the Mongol people was the establishment of the Ikh Khuraldai (Great Assembly) under the rule of Chinggis Khan in the thirteenth century. Mongolia cannot be expected to hastily create a transparent modern democracy in line with US wishes.

**Economic liberalization**

Mongolia has an enormous task in liberalizing and conforming economically to the standards of the United States. The benefits of increased economic cooperation between Mongolia and the US are severely disproportionate on Mongolia’s side and are likely to stay that way for some time to come. Currently, a Free Trade Agreement with the US is being considered; however, many obstacles still exist that highlight Mongolia’s troubled transition to a liberalized economy according to global standards.

One aspect of a functioning liberal democracy centers on the freedom to innovate and create personal wealth without heavy government intervention. Mongolia, although striving to be a responsible participant in the global economy, has yet to tackle the problems of coping with the size of the American market, domestic business practices and infrastructure, and corporate ethics. In early 2009, Mongol Bank, the central bank of Mongolia, was embroiled in a corporate and political corruption scandal that held implications for the political party reform of the MPRP. Consequently, this led to the forced resignation of the Mongol Bank President after he uncovered inconsistencies in government accounting that showed possible links to the highest levels of government. Furthermore, corruption in the customs system is still rampant due to the lack of transparency in the judicial system. To date, there still remains no commercial court to deal with issues of corruption in trade, leaving Mongolian economic initiatives unstructured at best. In effect, the import and export regimes are disorganized and there remains no administrative infrastructure sufficient for industry growth. The battle between the MPRP and the democratic coalition over mining (Mongolia’s largest economic asset), and the extent to which it should be opened up internationally, is still unresolved in parliament. As Mongolia’s population is split roughly down the middle between urban and rural inhabitants, so too is the argument over mining concessions: the urban population favors a more open mining industry compared with the rural population, which feels largely marginalized since the democratic reforms of 1990. The MPRP thus far has remained a prominent force in Mongolian politics, and the economic reform that America is eager to witness has not yet gained momentum.

The United States’ applause for Mongolian democracy and the opening of a free market economy can only be understood in direct relation to the political situations of other nations in the Central Asian region. Although Mongolian liberal democracy looks relatively good on the surface, it is far from adequate in absolute terms; and thus requires a constant dose of encouragement by the US for fear of political regression. As Khirghis
(2005: 35) suggests, “despite endorsements by the outside world, I see [international approval] as apriori encouragement rather than postfactum acknowledgment.”

Benefits for Mongolia

The desire for Mongolia to improve relations between it and the US revolve around three key components: political independence, regional and global security, and economic growth.

Political independence

The most important factor in Mongolia-US relations is the realization of Mongolia’s “third neighbor” foreign policy. As both Russia and China have tussled over Mongol territory for over four hundred years, with both exercising great influence (if not direct rule) over it at different times, another “neighbor” or outside power is seen as essential in balancing the influence of both Russia and China and maintaining Mongolian independence. Although the “third neighbor” policy is essentially open to all nations who wish to develop relations with Mongolia, the Mongolian government views courting the US as its main priority.

The overarching theme that dominates US-Mongolia relations is simply preserving Mongolian independence. The US is engaged in this through several means, the first of which is inserting itself into the traditional north Asian arrangement of Russia-China-Mongolia relations. In line with both Mongolia’s wishes and US self-interest, the US-Mongolia partnership has increased the national participants in this framework from three to four. It is the hope of Mongolia that this in turn will alter the dynamics of the region, so that Mongolia will move from being bound by Russia-China geopolitics to becoming a fully independent member of the region and international society.

This can be achieved mainly through two avenues. First and foremost, Mongolia views its growing relations with the US as confirmation of its status as an equal member of the international community. Considering Mongolia’s history of Chinese rule and Russian influence, it does not wish to be coerced once again into having to choose one or the other. The United States’ involvement in Mongolia is welcomed due to its potential to offset coercion by Russia and China geopolitically, economically, and in regards to security.

Regional participation

In line with the above assumption, Mongolia views US involvement in Northeast Asia as essential to its participation in regional community building into which Mongolia has invested much of its foreign policy efforts. To put it bluntly, Mongolia has been, and remains, as an afterthought in these negotiations due to its perceived insignificance regarding what it can offer the region politically and economically. Although Mongolia’s inclusion in any type of formal, comprehensive region-wide community building is not in question, Mongolia would like to play a larger role in these negotiations in order to solidify its position as an independent, equal nation-state. Subsequently Mongolia hopes to be incorporated into these negotiations by ensuring US support for its inclusion into any talks that may arise.

US military support

The buildup of Mongolia’s military is without a doubt based on maintaining its
independence. In the past Mongolia’s military has been developed and maintained largely by either Soviet Russia or China. Mongolia does not wish to repeat this scenario for fear of over-reliance on its powerful neighbors, and their possible political and military coercion; so it looks to the US for support in developing Mongolia’s military. As Mongolia does not share a border with the US, and has no history of US interference, it can comfortably develop a bilateral alliance with this geographically distant super power. The fear of a Chinese invasion from the south to absorb the Mongol territory previously under Chinese rule, however, has decreased dramatically since the mid to late 1980’s. Nonetheless, this suspicion still lingers, given that China’s growth is disproportionately high compared with other nations of the region, especially compared to Russia; and suspicion of the Chinese is an enduring theme among Mongolia’s politicians and citizenry.

Of greater importance to Mongolia at this time is the support of the US in building and training the Mongolian military to participate in international peace-keeping operations. Mongolia views contributing to peace-keeping forces as “a foot in the door” towards greater international participation, and thus far has contributed over 700 troops to the US-led operations in Afghanistan and Iraq. In return, the Mongolian military has benefited a great deal from US human resources, as well as monetary and technical support. The US has afforded Mongolian officers, citizens, and Foreign Service personnel the opportunity to attend military academic and training institutions across the US; engage in multiple training programs alongside US military personnel; and be given large amounts of technical support and upgrades.

Moreover, as Mongolia is geographically situated at the intersection of East and Central Asia, the threat of international terrorism impacting Mongolia is real. Mongolia’s western populations are made up of Muslim Kazaks whose ethnic and religious affiliations transcend Mongolia’s borders. A well-equipped Mongolian military is seen as essential to address possible insecurities that may arise in Mongolia’s western areas. As Mongolia and China share this common threat of growing Muslim extremism in their western territories, a competent Mongolian military able to handle the threat of terrorism may help redress the balance in Mongolia-China relations.

Economic independence
It is seen by many in Mongolia that economic independence promotes political independence. The assistance of a major economic power besides Russia and China is essential in achieving this independence.

Mongol history witnessed Qing China impose Mongolian obedience through monetary support, as well as the accumulation of massive debt on the part of Mongolian tribal leaders and the Buddhist theocracy in the eighteenth and nineteenth centuries. In contrast, the Soviet Union bankrolled virtually 80 percent of the Mongolian economy during the 70 years of Soviet influence over Mongolia in the twentieth century. As the urban populations of Mongolia increase their standard of living, Mongolian domestic politics are under more pressure to liberalize the economy. Mongolia today is the only World Trade Organization member nation that does not have a bilateral Free Trade Agreement (FTA) with any other nation. This is set to change with Mongolia’s current strategy of forming an FTA with the US. Currently the US considers an FTA with Mongolia as unjustifiable on economic grounds alone, although the US is not ruling it out completely.

Finally, where many of the former Soviet republics, such as the Ukraine, Georgia, Azerbaijan, and Armenia, have fostered closer ties with the European Union (culminating
in the “Eastern Partnership”), Mongolia, although seeking to democratize, has no such convenient body to turn to. Considering the international clout of the US, the Mongolian government recognizes the importance of closer economic US ties in its pursuit of a more independent and economically stable Mongolia.

**Benefits for the United States**

This section argues that the primary goal of the US in engaging Mongolia lies in Mongolia’s unique position in the region and its possible benefits to US strategic interests.

*Mongolia’s strategic geographical position*

The US views a strong relationship with Mongolia as beneficial to its overall Asia strategic plan, especially due to Mongolia’s geographical position between Russia and China. From the end of World War II until the fall of the Soviet Union in 1992, the US’s Asia strategy was based on an alliance system, often referred to as the “hub-and-spoke” model. This arrangement was essentially made up of a few strategically important allies that entered into bilateral defense relationships with the US. This has, for the most part, kept conflict in the region subdued in comparison to the era before World War II. The Chinese government generally saw US troops based in Japan as beneficial, as a large US military presence in Japan prevented a re-occurrence of imperial ambitions by the Japanese on the Asian continent. A US presence in Asia allowed China to undertake economic reforms to modernize with no real military threat, and South Korea viewed US troops on its side of the Demilitarized Zone as necessary for peace on the Korean Peninsula. However, although US soldiers did not leave either Japan or South Korea, the US strategy in Asia following the Cold War shifted from a dominant focus on security to a mixture of security and economic issues. This was evident during the Clinton Administration’s China policy, where it chose to engage China economically instead of containing or countering its rapid rise either regionally or globally.

Since that time, China has argued that its rise is peaceful and has, to the surprise of many, embraced multilateralism as a core foreign policy. However, China still asserts its sovereignty over ethnic minority areas such as Tibet, Xinjiang (the Muslim Uighur population), and Inner Mongolia. The ethnic unrest seen in Tibet has not been contained and Xinjiang has also recently developed into an ethnic/religious hotspot within China’s borders. This unrest could possibly spill over into Inner Mongolia as well. Islamic fundamentalism is already a real concern in Xinjiang, and even though pan-Mongolianism is subdued, it is still present in Inner Mongolia. One significant factor in China’s rise is whether China can contain these ethnic “domestic” issues. Given their ethnic nature, these domestic issues could put China’s economic growth in the region on a collision course with the national interests of some or all of its Central Asian neighbors, given that these ethnic issues inevitably transcend modern nation-state borders.

As US interests are embedded in the Central Asian region, where the five former Soviet countries of Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, and Uzbekistan have been instrumental in the US-led “War on Terror” in Afghanistan and Iraq, conflict between the US and China is not out of the question. If China is coerced to change the status quo of the Central Asian region and engage with it more forcefully due to domestic issues spilling over China’s borders, US interests in the region will inevitably be at risk. A conflict of interest is likely between China and the US over large deposits of oil, natural
gas, uranium, and gold. As these resources are located in the Central Asia region, the US views Mongolia as a convenient ally in its relations with China. A US-Mongolia military partnership could relieve unnecessary pressure if a conflict of interest between the US and China arose in Central Asia. Mongolia’s location at the intersection of Northeast and Central Asia could provide a diffusing mechanism for the US military in the event of a possible confrontation with China. Furthermore, a US presence in Mongolia would ensure US influence in the region by in effect coercing China, North Korea, and Russia to include the US in any regional security or economic dialogue. The US already has a firm foothold in the region with military bases in Japan and South Korea. However, Mongolia’s efforts to establish closer US relations is incredibly convenient, as it pushes the US presence further to the north and northwest, inserting itself in what has traditionally been a solid block of exclusively Russian and Chinese negotiated territory.

As with US-China relations, US-Russia relations in Central Asia highlight for the US the significance of an alliance with Mongolia. In early February 2009, Kyrgyzstan announced its plans to close a strategic US air base that has been critical to US missions into Afghanistan. Many observers see this as a decision influenced by Russia to squeeze the US out of Central Asia. Upon the announcement by Kyrgyzstan, Russia immediately offered its support for the US to use Russian bases for its Afghan operations, a move which would place US actions in Central Asia under tighter scrutiny from Russia’s watchful eye. Although the US negotiated with the Kyrgyzstan government effectively and avoided this roadblock, the US will need to give up increasingly more negotiating power to ensure its place in the region. As Russia once again exerts itself internationally, moves like this cause the US to seek other options. Mongolia, with one foot in Central Asia and the other foot outside the region, provides an opportune alternative.

Although Russia views Mongolia directly within its sphere of influence, as it does the former Soviet Central Asian nations, Russia’s grip on Mongolia has softened since Gorbachev’s Valdiviostock speech in 1986 and the subsequent fall of the Soviet Union in 1992. Since that time, Mongolia’s position between the Soviet Union and China was vital in rebuilding Russia, as Russia held on to virtually all of Siberia. Due to a diminished threat from China, coupled with the domestic push by Mongolia to distance itself from Russia, Russia has backed away from Mongolia considerably since then. For the US, Mongolia’s decision to seek a “third neighbor” is strategically in line with US foreign policy interests.

North Korea relations
The North Korean nuclear issue is of vital concern to the US in the Northeast Asian region. Maintaining the status quo that emerged after the Korean War is vital to maintaining a US presence in the region. Although Mongolia’s declaration of itself as a “Nuclear Free Territorial Zone” was initially intended as a reaction to its position between the two nuclear powers of Russia and China and its experience during the Sino-Soviet conflict, it does hold positive implications for the US in its mediation with North Korea. As Endicott (2005: 23) says, “I regret that we have not been able to witness a 7-Party Talks in Beijing where Mongolia could play a significant facilitator role in its ongoing quest to help improve the security of the region”. Mongolia has also been instrumental in “Track II” negotiations

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8 In July 1986, Soviet Head of State Gorbachev gave a speech in Vladivostok outlining the Soviet Union’s new Asia policy and positive re-engagement with China. This had implications on Mongolia’s relations with both China and the West, as China had established relations with the United States in 1979.
(i.e. involving retired diplomatic, military, academic, and other stakeholders), in forming a League of Non-nuclear States in Northeast Asia.

Mongolia has an established history of positive relations with North Korea. This has not changed much today, and currently, Mongolia may be considered as North Korea’s only friend. In November 2003 both states agreed to “develop cooperation in infrastructure, construction, and agriculture, and increase the volume of bilateral trade” (Endicott 2005: 24). The North Korean embassy was re-opened in Ulaanbaatar in 2004, and the North Korean government has opened an Ulaanbaatar office for its Ministry of Light Industry. Since that time there has been an exchange of workers (mainly in the construction industry) and the sixth Intergovernmental Consultation Committee on Mongolia-DPRK Cooperation on Economy, Trade, and Sciences, was held in February 2005 (Endicott 2005: 24-25). It is the hope of the US that increased interactions between Mongolia and North Korea will lead North Korea to open up and engage more broadly in the region and the world. Mr. Enebish Gombo, former First Secretary of the Mongolian Parliament and Mongolian Ambassador to the United Nations, described Mongolia’s relationship with North Korea as one in which Mongolia does not wish to antagonize its North Korean neighbor by pressuring them to liberalize. Instead Mongolia wishes to maintain good relations with North Korea and introduce new ideas through increased interaction, interdependence, and leading by example.

For the US, Mongolia’s bilateral non-belligerent approach to North Korea is a welcomed compliment to the hard-line approach that Washington feels is necessary from the international community. In essence, a practical working relationship between Mongolia and North Korea benefits the US in two ways. Closer ties between the US and Mongolia offer a back-door negotiating avenue into North Korea, which Washington can utilize at its convenience without having to contradict its political position at the international level. As well, as North Korea maintains its desire to engage the US bilaterally, the US views Mongolia’s pressure on North Korea to open up peacefully and engage with the international community as partly relieving the US from bilateral negotiations over political and economic reform; thus possibly making consensus building a smoother process between the US and North Korea.

**Combating international terrorism**

The US views Mongolia as a key player in its fight against the spread of international terrorism. To date, Mongolia has contributed over 700 of its military personnel to the US-led operations in Afghanistan and Iraq. The ratio of servicemen who served in Iraq and Afghanistan to Mongolia’s total population (which is roughly 2.7 million) ranks Mongolia’s contribution to the wars in Afghanistan and Iraq higher than those of Japan and South Korea; both of which are established allies of the US. Mongolia’s strategic location gives closer access to potential terrorist “hot spots,” such as Central Asia and Northwestern China (Xinjiang).

A stable and independent Mongolia is of the utmost importance to the US, whether it is a democracy or an authoritarian theocracy, as it was at the start of the twentieth century. What is important to the US is that Mongolia gains and maintains its political distance

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10 From a personal interview with Mr. Enebish Gombo by the author (4 August 2007).
from its two neighbors, China and Russia. This in turn opens the door for Mongolia to engage the international community more comprehensively, and thus, as the US views it, is more in line with its interests. The US can look at Mongolia’s geopolitical situation and be rest assured that in its desire to distance itself from both Russia and China, Mongolia will be forced to promote open government, an open economy, increased participation in the North Korean issue and other regional political and security negotiations, and participation in the fight against international terrorism.

Conclusion

As starkly illustrated by the political riot of 1 July 2008, Mongolia’s liberal democracy still remains unstable. However, the US has repeatedly heaped praise upon Mongolia’s developing democracy and has “rewarded” Mongolia with stronger political and economic relations. Much attention has so far been given to the analysis of increased US-Mongolia relations in the context of building democracy in the Northeast and Central Asian regions, as Mongolia conveniently falls under both geographic areas. However, an analysis based on the spreading ideology of democracy as a driving force of the increasing interaction between Mongolia and the US is insufficient, primarily due to the mere fact that Mongolia does not have a functioning liberal democracy at the moment.

Corruption is still rampant throughout Mongolian civil society, which in turn suppresses civilian participation in government and society in general. Laws drafted in line with democratic reforms, although a contrast from Mongolia’s socialist era, are not what many in the US consider compatible with democracy. The judiciary remains caught up in political corruption and its effectiveness is still under question. This was vitally evident following the 2008 riots in which hundreds of “political dissidents” were held for months without judiciary action. The Mongolian economy is still underdeveloped and corruption plagues the two largest industries of banking and mining, as well as the customs system.

Stronger US-Mongolia relations are, and should be, based on the practical benefits each will gain from the partnership. Mongolia’s benefits encompass the preservation of national independence, regional and global security, and increased domestic economic growth and infrastructure. For the US, the benefits concern Mongolia’s strategic geopolitical position between Russia and China and its implications for US strategy in the region, Mongolia’s access to North Korea, and finding a friend in hostile territory in the US-led war on international terrorism.

Mongolia’s decision to democratize itself following the fall of the Soviet Union has little to do with the development of US-Mongolia relations over the last decade and a half. As mentioned earlier, the idea of incorporating the United States into the North Asian regional geopolitical framework was entertained as far back as 1919, under the authoritarian theocracy of Bogd Khan. The end of the Cold War merely allowed this idea to be implemented once again, after sitting in hibernation for 70 years. It can be argued that the fall of the Soviet Union in 1992 was merely the same “re-set” button that was pushed at the end of the Qing dynasty in 1911, which left Mongolia in political limbo. The US response on both occasions was the same: its best interests were served by forging closer ties with an independent Mongolia. The growth of Mongolia-US relations is based firmly in the concept of realpolitik, in which, for Mongolia geopolitical issues of regional and international security are embedded in the goal of state survival, and for the United States, in the maintenance of the status quo of its political presence in Asia.
References and General Bibliography


