

The Problem of Poverty in Mongolia:
From Socialism to the Millennium Development Goals

by

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Abstract

This paper traces the evolution of poverty in Mongolia in modernity and closes by highlighting progress towards Millennium Development Goals (MDG) and opportunities raised by Millennium Challenge Accounts (MCA). This paper includes a review of poverty literature content analysis of historical documents, national and multilateral reports. Finally, the paper analyzes data by province from the 2007 Human Development Report to identify longitudinal and geographic trends in development. Although development in 2006 is more dispersed, it is driven almost solely by GDP. Furthermore, there is risk of losing a high baseline in education and health provision. Education needs to be a priority to sustain and improve on existing levels of social development.

Keywords: Poverty, Mongolia, Development

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Introduction

Mongolia is a former socialist republic, is very proud of its independence and boasts one of the highest voter turnouts in the world. It has a developed, but fragile infrastructure that some third world countries do not have. On the other hand, the United Nations declared it one of the least developed countries. Poverty is slightly higher than in the United States, but with such a low standard of living, the effects of poverty are devastating. Wealth is being created at a rapid pace and is concentrated in the cities of Ulaanbaatar, Darkhan and Erdenet.

History and Politics

Time Magazine gave Chingiss Khan (Universal King) the distinction of being “Man of the Millennium.” In a millennium that saw the rise of Europe and Anglo American hegemony, why would a Mongolian merit such a distinction? Mongolia opened up the Silk Road to Europe after centuries of isolation. Before Chingiss Khan, Central Asia was a vast area of tribes and microcultures that shared a nomadic lifestyle based on animal husbandry, similar languages and living in felt tents (Morgan, 1986). The religion for the most part was Shamanistic, although Islam rapidly spread from the east (Heissig & Samuel, 1980). The Mongolian empire created trade networks and a rule of law that allowed new ideas and new markets form. However, as the empire declined, Mongolian standards of living declined.

In 1911 the end of feudalism through the fall of the Manchu Dynasty saw the rise of the Republic of China. Outer Mongolia declared independence, but had trouble getting the international community, Russia a notable exception, to recognize sovereignty. Taiwan ROC repeatedly blocked Mongolia's entrance to the United Nations until 1961,

after the General Assembly forcibly removed Taiwan ROC from the Security Council, replacing it with the People's Republic of China who in turn validated Mongolia's independence on the world stage out of solidarity. The United Kingdom was one of the western countries to establish relations in 1964 (Bawden, 1968). The United States, out of deference to Madame Chiang, did not establish relations until 1987 (State, 2007). Even more recently, Taiwan finally placed an independent Mongolia on their maps in 2002 (Rossabi, 2005).

During this brief period of independence, the Bogd Khan was head of state. Briefly, the Chinese retook Urga, but the Bolshevik-hating White Baron retook Urga on the Bogd Khan's behalf. At this time, Sukhbaatar, Choibalsan and some other Russian educated Mongolians formed the Mongolian People's Revolutionary Party and took a fabled trip to Moscow to gain support from Lenin. Soon Soviet troops rolled into Urga, leaving behind Soviet advisors to help build the world's second Socialist Republic (Bawden, 1968).

Until the Bogd Khan's death in 1929, Mongolia had a constitutional monarchy, with the MPRP as the sole party in parliament. One third of the adult male population was in the monastery. At the time, the MPRP was a diverse party with representatives from royalty and the temple. As a first step to consolidating power, they declared that the Bogd Khan would not be reincarnated, but he would await the heavenly troops in Shambala. For the next thirty years, Mongolia's progress towards Socialism was slow and bloody as the new government collectivized animal husbandry under the leadership of Choibalsan. Various regions, the west in particular, and temple militias waged a low intensity conflict against the MPRP and its army (Bawden, 1968). The eventual

suppression of the temple resulted in the execution of about 25,000 lamas (Rossabi, 2005).

After World War II, the golden period of Mongolia started, with an explosion of development bankrolled by the Soviet Union and in part by the People's Republic of China. The Soviets built a railroad, international airport and highway system, put in the phone system, and built numerous hospitals, schools, apartments, military bases and mines (Bawden, 1968).

Perestroika came to Mongolia in the 80's. The United States began diplomatic relations in 1987 after a series of market reforms. After a series of public demonstrations led by future Democrats Zorig, Khulan, Ganbold and others, the MPRP rejected Marxism-Leninism in 1991, opening up to multi-party politics. Multiparty democracy coincided with the collapse of the Soviet Union, which resulted in the abrupt end to military and financial aid. The MPRP prevailed in the first election, but drafted a constitution in partnership with the various Democratic parties, traditionalists and Greens. The International Republican Institute, a US funded NGO, persuaded these parties to form a coalition in order to have an effective campaign. Accordingly, in the 1996 election the MPRP's 70 year rule ended with the election of National Democrat Enkhsaikhan as Prime Minister. The coalition went through four governments before fragmenting and giving the MPRP back its rule in 2000.

Politically, the Democratic coalition returned in the parliamentary election in 2004, but this coalition fell apart in 2005, leaving the MPRP with the plurality. President Enkhbayar, also of the MPRP, serves as President (CIA, 2006). In general, local governments have been mixed with urban areas leaning right and rural districts leaning

left. A notable exception is Dornod, the eastern province, because it is home to Zorig and Oyun. It is important to remember that unlike Russia and some other countries, the former socialist party really is former socialist. The MPRP continues to endorse market reforms, but disagrees as to the method and pace. Of particular contention are the payment of pensions, public sector salaries and the privatization of profit making firms.

Administrative Organization, Infrastructure and Economic Activity

The hierarchy of administrative division in Mongolia goes from aimag (province), to khot (city), to soum (county), to soum center (soumiin tov) to бага (township) and багийн тов (township center). Ulaanbaatar, Erdenet, Choir and Darkhan are autonomous cities and do not answer to a provincial government. Other cities are inside aimag jurisdiction. Soums are very important divisions, but the бага is the smallest; it is rare to find their governments active since the privatization of the collective herds. The smallest soum center will have at least 1000-2000 people. People often live 50-100 kilometers from the nearest settlement.

All aimag centers have a post office, schools, a hospital, television and radio. They usually have one open-air market and several stores that sell meat, flour, rice, potatoes, onions, garlic and seasonal vegetables (cabbage, turnips and carrots). Candy, vodka, beer and soft drinks, including Coke and Pepsi products, are commonplace. Small soum centers might not have a market. They subsist off animal products or do all of their shopping in a nearby city. All soum centers have a post office, phone service, and uneven electricity. Mongolia's electricity comes from coal-fired plants, which also supply heat and hot water to nearby homes and industrial facilities.

The center of the country is connected by rail transit to all major cities. Some of the interior is penetrated by two lane paved highways. Aimags outside of the central Mongolia have small airports that connect to the international airport in the capital. Japan and the United States have been very interested in upgrading Mongolia's transportation infrastructure as a way of promoting economic development and reducing its poverty rate of 36 percent.

Currently, most of Mongolia's economic output comes from copper and other mineral extraction such as coal, gold, fluorspar and tin. According to Khan Bank President Peter Morrow, informal coal miners, called "ninja tigers," mine an estimated \$13 million per year off the books. Mongolia is proud of its cashmere, but this is primarily sold raw to China. Other agricultural exports include horse meat, wool and leather. According to the CIA Factbook (2006), about 40 percent of Mongolians are employed in agriculture, 49 percent in the service sector and 11 percent in industry, with 3 percent unemployed. The 2007 gross domestic product per capita is \$2,900 (PPP) and inflation is down at 15 percent. Mongolia has a small textile processing industry that had been endangered by the expiration of the world multi-fiber agreement in 2005, but experienced a reprieve when the United States reintroduced bilateral quotas on apparel imports. Mongolia is trying to develop a boutique vodka and beer export industry with Grand Khan Vodka and Chingiss Beer. Labor exports and remittances overseas are growing with an estimated 15,000 to 20,000 Mongolians living in the United States alone (Bahrapour, 2006).

Health and Safety

Mongolia is a remarkably healthy country despite an under-resourced health care system. This is in part because of the climate and in part due to diet, exercise and hygiene. Mongolia has a large number of doctors per capita, but often lacks basic medicine and equipment. Under socialism, the system involved large public hospitals in cities or aimag centers and smaller clinics in villages. Women with complicated pregnancies could use generous maternity leave and spend it in a rest home. These facilities were suspended a few years in the early 1990s during the transition until the funding stabilized. Nurses make house calls to visit new born infants each month for a year to reduce under-five infant mortality. In remote areas, nurses go out on horseback or by motorcycle to visit families to provide treatment and preventative services. Soum centers set up cooperative pharmacies using UNICEF's Bamako Initiative model to ensure a sustainable supply of 400 basic medications.

Key factors for infant mortality are acute respiratory diseases and diarrhea. Mongolia is home to the bubonic plague (the horde were responsible for bringing the plague to Europe), but unless you go marmot hunting, you have nothing to fear. Hepatitis A, B, C and typhoid fever are in the water supply. Mongolians have been producing and drinking vodka for centuries. Before the Russian influence, it was produced out of milk. The Russian process of using potatoes or grains made vodka cheaper and slightly stronger. Mongolian vodka is about 80 proof. Although Mongolia is one of the few cultures that whole heartedly rejects marijuana, cocaine, and opiates, use of tobacco and alcohol are serious public health concerns. Mongolia does have an alcohol abuse education program in the schools and mass media. Treatment is very rudimentary. It often involves a stay in a hospital or sanitarium where alcohol is not available.

The Mongolian Education and Social Welfare

The first school system in Mongolia began with the Buddhist temple system. Children could learn how to read Tibetan and eventually various Mongolian scripts. In the 20th century, the Russians and Swedish missionaries set up schools in Urga. These students became future leaders. The MPRP and Soviet advisors set up the modern school system. Since 1991, several private, often Christian, schools have formed.

Mongolia has a ten-year school system, eight years being compulsory, although there is no enforcement. Small villages have only eight year schools; smaller villages have only four year elementary schools. Larger schools in regional centers board children. Today, these children must pay or work off their tuition and fees. Day care is available from birth until children go to elementary school, around six years of age. The last two years of secondary school can be done as college prep or a specialization like agriculture, business or secretarial school. In general, all grades are in the same building, with the first four grades in a special wing.

There are three levels of higher educational institutions: the college, the institute and the university. A college offers three or four year degrees in education, business, language or some other technical field. Although most institutes of higher education are in Ulaanbaatar, regional schools were set up in the 1990s to educate students close to home in hopes of reducing rural to urban migration.

The Education Development University opened a school of social work in 1998 with support from Fulbright exchange professionals. The new program emphasizes social development and child welfare. The Mongolian school system generally employed a school social worker responsible for community outreach with families. In 2006, Friends

of Mongolia, Inc., administrator of the Matthew Girvin Scholarship, has awarded two students scholarships to study social work. In addition, the Soros Foundation has paid Mongolians to obtain MSWs at Columbia University and Washington University. The new profession of social work has been deliberately set up under a social development framework. The Ministry of Social Welfare and Labor is responsible for pensions and unemployment insurance. These programs are legacies of socialism and will be discussed in more detail in the third section. Beginning in the 1990s, development agencies have been working to recover lost levels of social welfare. In partnership with the Ministry of Health and the Ministry of Education, UNICEF (2008) supports programs in the areas of child development, maternal and child health, child protection, basic social services and community participation in order to support Millennium Development Goals. The forth section will examine the progress towards these goals.

Theories of Poverty and Poverty Measures

Theories about the causes of poverty range from innate characteristics of the poor to structural explanations regarding culture, social and political institutions. Blank (2003) provides an overview of six typical explanations from scholars of economics and policy for the existence of poverty. First, developing countries and certain regions in the first world are *economically underdeveloped* and thus expanding markets to these regions could provide jobs and goods necessary to meet consumption needs of poor families. Second, the poor often do not have the human capital needed to compete in the workforce and need job training and education. Blank's third perspective is the Marxian viewpoint that blames capitalism for poverty and requires government intervention to tame the dark side of the market through regulation. In a related fourth perspective, political and social forces such as sexism and racism cause poverty. Fifth, some scholars believe that *poor choices* and habits, such as having children out of wedlock or recreational drug use, cause poverty. These scholars would advocate prohibitions against vice and incentives for marriage, for example. Finally, Blank's last perspective is that social welfare programs cause poverty by creating intergenerational dependency on welfare through *poverty traps*. For an economist, this poverty trap is usually in the form of a dead weight loss to the labor market when taxation is taken from the employed and given to people who would otherwise work in employment if they did not have the welfare check. Obviously, eliminating welfare programs would reduce poverty were this theory the main cause of poverty. Blank concludes, with sentiments expressed in her title, that economists can be caring as well as efficient when advising antipoverty programs (Jung, 2006).

Global Poverty

Some of the measures used by industrialized countries are not used for developing countries because the standards of living are extremely different and some do not have the capacity to conduct a regular census. In order to compare countries with a simple metric, the United Nations defines poverty as those who live on less than one dollar a day. As part of the Millennium Development Goals, the international goal is to reduce the number of persons who live on one dollar a day by 50 percent by 2015 with 1990 as the baseline. As of 2001, East Asia had almost met its goal of dropping from 33 percent poverty to 16.6 percent. However, poverty is increasing in Africa, Confederation of Independent States, Eastern and Central Europe. Worldwide, there are one billion people in the world living in poverty, but this is about 250 million less than in 1990 (United Nations, 2005 p. 6).

Some global poverty experts do feel that an absolute poverty measure is sufficient, and advocate measures that take into account gender, chronic poverty, institutions and participatory measures that are country specific. For example, the United Nations Development Programme has a Human Development Index (HDI). This index is published annually in the Human Development Report and looks not at income or consumption, but is the average of life expectancy at birth, educational attainment and real GDP per capita (UNDP, 2007). Mongolia's HDI has increased since 1999 from 0.66 to 0.72 in the year 2006. In contrast, the HDI for the United States in 2005 is 0.95 and for China it is 0.77 (UNDP, 2008). With the HDI, measuring poverty moves the whole world from thinking about well being as money to a health investment and human capital.

Participatory Methods of Measurement: An Example from the Field

Because different cultures have different standards of living, participatory methods are required to get a sense of what local people consider are criteria that differentiate the poor from the non-poor. This comes straight from Adam Smith, who observed that the English need their leather shoes, but the French do not. In participatory research, the research subjects work with the investigators to define the survey instrument and help set thresholds.

Robin Mearns (2004) reports on the results of Mongolia's most recent poverty survey. Mongolia's simultaneous transition from a one-party socialist state to a free-market multiparty democracy during the 1990s led to a rapid rise in poverty, and increased reliance on livestock as a means of family support, especially among rural households. The article first looks at this transition as a backdrop to view findings from the 1995 Living Standards Measurement survey (LSMS) and the Participatory Living Standards Assessment (PLSA) conducted in 2000. The methodology of the PLSA was participatory and based on a "sustainable livelihood" model of well-being. This allowed researchers to have participants describe their own definitions of very poor, poor, with means and wealthy. They developed four different geographic standards moving from very rural and urban: bag, soum center, aimag center and Ulaanbaatar, the capital city. Such a methodology set a baseline for potential longitudinal analysis of poverty dynamics, which could look at chronic and transitional poverty.

The 1995 LSMS, which is a household survey that looked at household income using a breadbasket absolute measure of poverty, estimated a national rate of 36 percent poverty. Critics noted one limitation of the data in that it understated the actual estimate.

For example, using the breadbasket only as a threshold did not take into account self provided resources, such as livestock. In addition, the breadbasket did not correct for age and gender differences in nutritional needs. Critics feel that the 36 percent may reflect extreme poverty, but the actual poverty rate as used internationally may be closer to 51 percent. In order to look at a robust definition that includes assets and cycles of poverty, Mearns turns to the PLSA. This survey did not use the word poverty in the title because the concurrent national election made salient the idea that poverty was caused by people who refused or were unable to work, and that public assistance only rewarded people for being lazy (Mearns, 2004).

How do Mongolians measure poverty in the PLSA? Mostly it is measured by livestock and family characteristics. For the sake of simplicity, this paper will collapse poor and very poor, and collapse the two urban and two rural categories. Poor rural families have less than 150 livestock, have large families but no extended family networks. They tend to be on public assistance, have a single parent household, are unable to pay taxes and need to beg or trade in livestock for cash. Poor urban families also lack relatives, but have large, single parent households. They are often homeless or live in a torn tent, scavenge, resort to stealing, have only one income per household, eat meat only two to three times a week and require frequent medical attention. In contrast, families who are rich or with means have over 150 head of livestock, dual income households, own vehicles, run private businesses, pay taxes and have small households; many support relatives and can afford to send children to higher education (Mearns, 2004 pp. 28-31). This example shows how even in Mongolia, the threads of poverty measurement come together regarding social issues, education, health, income,

consumption and assets. Although a given wealthy Mongolian may be considered poor by US standards, they would have the respect and recognition in their own community, as well as an education that could potentially be marketed overseas. Accordingly, as pointed out by Fukkuda-Parr (1999), such a participatory method is valuable for within-country policymaking, but problematic when making cross-national comparisons.

Conclusion

Both in the United States and globally, poverty measures are getting more complex, more technical and broad. New definitions are multisectoral. They are taking both the market as a given, but also include as many non-monetary elements as possible. A participatory living standards assessment may be the best tool to get a trendable estimate of what people in the community feel are levels of poverty. However, a multisectoral definition of poverty such the Human Development Index is important for cross cutting social policy in order to increase the well being of all citizens that works across stovepipe agency efforts. However challenging, this does not need to be at odds with the desire of auditors to determine the sole impact of each line item in a public sector budget.

Measuring poverty is not about careers of professionals; it is about making sure families have adequate food, shelter, clothing and dignity that allow a good life. As Molly Orshansky said as quoted in Fisher: "Unlike some other calculations, those relating to poverty have no intrinsic value of their own. They exist only in order to help us make them disappear from the scene...With imagination, faith and hope, we might succeed in wiping out the scourge of poverty even if we don't agree on how to measure it" (Fisher, 1992).

The Evolution of Mongolian Poverty

A simplistic view of Mongolian history and poverty would show how its poverty rises in isolation and falls through trade and global integration. However, historical accounts of poverty are anecdotal even though they may be compelling. This section will begin with some historical reflections on poverty. Next, it will describe the ability of state socialism to eliminate poverty through massive soviet subsidy. The bulk of the section will focus on changing post socialism development efforts to address poverty. They begin with Jeffery Sachs' shock therapy, a neo-liberal approach coupled with a “New Zealand” style of governance. Next, Griffin’s developmentalist strategy developed for UNDP. Finally, efforts or suggestions of a sustainable livelihoods framework. It is impossible to discuss Mongolian poverty in isolation from strategies to alleviate it because some argue that the macroeconomic polices and early alleviation strategies exacerbated poverty.

Historical Poverty

Historical poverty in Mongolia is closely tied to its history with China and Russia, its remote location and decidedly nomadic pastoral heritage. Anthropologists Bruun and Li (2006) posit four moments of Mongolian pastoralism: 1) mobile – military during the days of empire, 2) the pastoral monastic era during the Manchu dynasty characterized by Buddhist influence, 2) communist modernization through most of the 20th century and 4) contemporary urbanism-pastoralism, characterized by intrinsic poverty in a relatively stable international order.

Bawden (1991) explains how Manchu dynasty policy from 1691 to 1911 deliberately isolated Mongolia and restricted trade to short term licensing agreements. The use of Mongolia as a buffer against Russia began in this period, as did the military outposts on the Russian border (p. 15). As trade to the outside was cut off, thus rose poverty and disease in Mongolia.

At the turn of the 20th century, rural poverty may have created a population of day laborers that lived in *gers*, a Mongolian felt tent, outside settlements (Bawden, 1968; Bruun & Li, 2006, p. 11; Sneath, 2006) Since urban areas attract traders, Mongolians associate them with foreigners and dishonest dealings (Sneath, 2006, p. 144). Benwell (2006) adds that poverty is probably responsible for Mongolia's reputation in early 20th century travel literature for prostitution (p. 125). Sneath also highlights the competing but not mutually exclusive tensions in Mongolian culture between the rural-localist impulse, characterized by exaggerating closeness to nature, sincerity, tradition and hospitality of rural life and the urban elite-centrist impulse, which is characterized by a cosmopolitan culture that sees the rural as poor and backward.

In short, pastoral nomadism is embraced as authentically Mongolian, but impoverished in wealth and sophistication. At the same time, urban sophistication, while not poor, is also a site of unfair trade with foreigners and prostitution. These framings are important to understand while observing the progress from building a welfare state under socialism, dismantling it using shock therapy and then looking back and trying to salvage the pieces.

Socialist Era Poverty and Anti-Poverty Program

One of the problems of writing about a post-socialist nation is that the source documents were written at a time when the state controlled almost all published material and the archiving of that material. This makes it difficult to find divergent viewpoints or independently verified data. Sanders (1987), a Mongolianist and journalist, details the social and economic structure of Mongolia in the late socialist era (p. xii.). He notes, much like Bawden, that official statistics on Mongolian life were impossible to verify under MPRP rule. Official sources were explicitly written from a Marxist-Leninist perspective in order to advance international solidarity of the proletariat in places like Afghanistan (p. xiii).

However, contemporary scholars in Mongolia were able to benefit from conversations with the elderly who represented a broad set of ideological perspectives. In general, democrats, social democrats, socialists, nationalists, Buddhists and greens would agree that material life was better under socialism, but people are glad to have freedom. This is important in the context of poverty, since it is a measure of well being, one may feel happier under freedom with fewer material goods than to live with bureaucratic restrictions and fear of political persecution.

State socialism probably eliminated poverty by building a welfare state. Mongolia prides itself as leapfrogging directly from nomadism to socialism without an intervention period of capitalism (Butler, 1991). Prasad (1995) describes framework of Mongolian development of the nation state used by social science. First, the Mongolian People's Revolutionary Party engaged in general democratic transformation from the revolution in 1921 through 1940. Changes were social, but not economic as Mongolia's economic base remained pastoral. From 1940 to 1960 Mongolia built the "foundations of

socialism” which included heavy industry and popular education. The golden years of socialism ran to 1990: “intensive construction of a socialist society” involved diversification of industry. Campi (2006) notes that at that time the Soviet Union invested heavily in mineral extraction. For example, the Soviets built the cities Darkhan and Erdenet, home of one of the world’s largest copper mines. Finally, the fourth period from 1990 is liberalization and introduction of market reforms (p. 2). In actuality, Sanders, Bawden and others note that market liberalization had begun in the 1980s under glasnost, but in terms of multiparty democracy, that did not come until the 1990s. After World War II, Mongolia survived in peace and became a model, if not the model socialist welfare state.

While Prasad praises the country as exceptional to go from world conquest to obscurity to modernization, but he has uncritically absorbed the competing tensions that identify animal husbandry as “backward.” This tension colors policy makers from current President Enkhbayar to multilateral developmentalist.

Legal Frameworks of Social Welfare under Socialism

Butler (1991) describes how Mongolia law established social rights, beginning with pensions for urban workers in 1979. This expanded to agricultural associations and the disabled in 1984. The MPRP enacted public education law in 1982 and expanded it to post graduate training in 1984. In 1980, the government established Labor protections. In summary, by the 1980s, Mongolians enjoyed guaranteed employment, pensions, universal education, universal health care and subsidized day care. As is often the case, the movement of social welfare entitlements follows a pattern from center to edge.

Advancing the movement

The MPRP also organized several mass organizations to help liberate the people. The first Mongolian Trade Unions organized in the 1920's and were under the supervision of the MPRP central committee. In 1984, 95 percent of all workers belonged to a trade union. Trade unions were responsible for monitoring social welfare provision in all aspects including pensions, education, day care, housing and health care (Sanders, 1987). Trade unions also had special access to sanatoriums. The Mongolian rest home or sanatorium is a curious working class hybrid of a vacation resort and residential health treatment facility (p. 76-77). Many of these benefits came to rural areas. In other words, each village had a post office, clinic, school, cultural centers, police and housing for civil servants (Sneath, 2006, p. 148) to liberate the people. In fact, the health care system had 88 persons per bed and 406 persons per physician in part due to the geographic dispersal of the population.

Since the unions were organized directly by the one party state, interest group theory is not a good explanatory theory for development of the welfare state. The desire of newly urbanizing Mongolians to institutionalize respite in rural areas as social benefit is further evidence of the ambivalence towards modernization.

Woman, Children and Youth

The Mongolian Women's Federation was the MPRP's mass organization delegated to monitor laws on women's labor, maternal health and infants. Under socialism, women received paid maternity leave for 101 days. Termination of pregnant women was strictly prohibited. Women received first class medals for having eight children and a second place medal for five children (Sanders, 1987 p. 82-83). Mothers also received a per child

cash grant for up to nine children (118-119).

Benwell (Benwell, 2006) also notes how under socialism, women achieved high levels of education, employment and political participation while still maintaining a family life. In rural areas, state collective farms provided formal support to families and gave women leadership roles.

Investments in human capital through education of youth became a key feature of the socialist program. By 1986, Mongolia had a 10 year school system, 100 percent adult literacy, 40 vocational technical schools and 8 universities (Sanders, 1987, p. xvii). Activist young people joined the Mongolian Revolutionary Youth League to become the next generation of MPRP leaders. They also organized recreation and public works projects with youth in order to prepare them for guaranteed employment in People's Republic (p. 78-79). In fact, unemployment was low because it was potentially illegal (p. 123).

This pronatal policy of the People's Republic of Mongolia was decidedly materialistic. It defended women against poverty and unemployment because of their role as mothers. The combination of population growth, increased life expectancy through maternal health and near universal literacy provided a foundation for high Human Development Index figures after the transition to a market economy and multiparty democracy.

General living standards

Rural collective farms provided disability and survivor benefits (p. 120). Retirement age was set at 60 for men and 55 for women (p. 121). Sanders gives dollar

estimates of various costs of goods in the 1970s and 1980s, but the dollar equivalents are not expressed for a specific year, which make it difficult to translate into current dollars (see Table 1). Those with incomes greater than 500 MNT/monthly paid 5 percent income tax (p. 121).

Table 1: 1972 Wages and Pensions Under Socialism (Saunders, 1987)

	1972 Maximum	1972 Minimum
Type Work	Doctors, inspectors and skilled factory workers	Clerical work
<i>Mongolian Tugriks ₮</i>	₮700 MNT	₮450 MNT
<i>US Dollars \$</i>	\$210 (\$1,024.59 in 2005 dollars)	\$135 (\$658.66 in 2005 dollars)
Pensions (Monthly)	50% of wages for those with wages < ₮600 MNT	₮150 MNT
<i>Mongolian Tugriks ₮</i>	40% of wages for those with wages > ₮600 MNT	
<i>US Dollars</i>	\$180 (\$878.22 in 2005 dollars)	\$45 (\$219.55 in 2005 dollars)

Note: 1 Dollar equivalents in 2005 are based on the value of the consumer bundle, or buying power of the monthly salary in today's dollars. This is indexed using the US consumer price index, not the Mongolian index. Thus, it would overestimate housing, health care, meat, milk and education (i.e. domestic supply) but underestimate energy and consumer goods (imports). From <http://www.measuringworth.com/index.html>.

In 1988, Mongolia had the highest GNP for a socialist state in Asia, but was the least wealthy of the COMECON member nations. Since Mongolia's trading partners were socialist, it did not have access to the 1970 era petrodollars flowing from OPEC. The Soviet Union provided most investment. However, Mongolia had low rates of personal savings and half of taxation indirect (Kaser, 1991, p. 95). There was no reason to save because the state would provide until death. Banking was done at the post office for the most part, because in essence revolutionaries were making transfers from one department to another. All had offices in the same administrative center. It may not have occurred to model revolutionaries that these urbane standards of living were a curious artifact of a strategic decision by OPEC to reduce oil supplies, sending the price of oil from 20 to 70 dollars a barrel. This in turn allowed the Soviet Union to sell its oil and natural gas on the world market and use the profits to support Mongolia and other

satellite states in the name of international solidarity. As Thomas Friedman (2006) pointed out, the USSR dissolved when the price of oil stagnated at \$17 a barrel and could no longer afford to buy international solidarity out of surplus oil profits. After the velvet, iron and concrete curtains fell, Mongolia would be left with a bill for services rendered and opportunities to refinance in the new world order.

Democracy Era Poverty and Anti-Poverty Programs

After the Soviet Union left, international NGOs, missionaries and western scholars went in to tap the newly opened territory in Central Asia. In a sense, idealistic volunteers with the US Peace Corps and other international voluntary agencies replaced the conscripted soldiers and technical experts who drew the short straw in Moscow. Each international organization had its own perspective on how best to manage the simultaneous political and economic development of Mongolia sans People's Republic. Since the transition, Mongolia received aid from Japan, Europe, the United States, Korea, China and Russia. This aid had been spent on democratization, poverty alleviation, agriculture and infrastructure. Although Mongolia has the natural resources to be self-sufficient in terms of food, its population and educational system lack the resources to run a high tech economy. As of 2003, the gross domestic product was mostly from services at 58 percent, agriculture 21 percent tied with industry (CIA, 2007). Goods and services improved after the transition, but poverty had not abated and inequality increased.

Kaplonski (2004) describes the day to day realities of the transition while he was in Ulaanbaatar working on his dissertation in 1993. Bread and other goods were rationed.

The Tugrik traded 400 to the dollar and families earned about 10,000 a month and spent all of it. By 1997, the Tugrik traded at 800 to the dollar but families were earning 58,000 a month and were able to save a little. Although the income more than doubled, it does not account for inflation of goods and services. Stores were full of Swedish furniture, Japanese electronics and Korean food, but not everyone could afford it. Mongolians joked that no one could afford to shop at these de facto museums of capitalism (pp 44-47).

Kaplonski also notes in an interview with late nationalist parliamentarian Dashbalbar his observations that poverty is part of the transition to democracy from socialism. Dashbalbar jokes that people still call it a transition after seven years even though Hitler accomplished much in only three (p. 135).

In 1994, the World Bank and UNDP funded the first transition Poverty Alleviation Program to assist the estimated 26.8 percent of the population in poverty. The program budgeted \$2.5 million for infrastructure and public works, \$2 million for health, \$2 million for education and \$3.2 million in microcredit for vegetable growing. The Democratic Union, embracing a free market philosophy that believed cash and in kind donations created welfare dependency, embraced a model of poverty alleviation to support public employment and small business development (Rossabi, 2005, p. 135).

The World Bank and State Statistical Office conducted a Living Standard Measurement Survey in 1995, an absolute measure with indigenous benchmarks, to establish baseline national rate of 36.3 percent. The poverty alleviation program was criticized by the Mongolian leadership because the rate of poverty went up rather than down to 10 percent as hoped by project plans (Mearns, 2004; Rossabi, 2005). However,

it was not reasonable to draw such a conclusion, since earlier estimates were based on vital statistics collected by local government officials.

In 1996 after consultation with Bretton Woods institutions and Jeffrey Sachs, Prime Minister Enkhsaikhan of the Democratic Coalition introduced a “shock therapy” economic plan that involved cutting public services, eliminating tariffs, introducing a national sales tax, and other currency stabilization measures. Although the currency stabilized around 1100 tugriks to the US dollar, the new government discovered that it had no revenues because few paid taxes. Privatizing state owned enterprises floated the economy for several years.

A key element of Sachs' shock therapy is debt cancellation, which for the most part has eluded Mongolia, which still holds \$1.36 billion in external debt—one of the highest in Asia. The Mongolian government disputed development costs accrued from the 70 years of Soviet assistance (Rossabi, 2005, pp. 6-10). This issue would not be resolved until the Canadian Ivanhoe Mines, Ltd. purchased \$50 million in bonds toward repayment of the debt (Rossabi, 2005, p. 201).

Rossabi cites three international critics of the poverty alleviation program. Economists Bernard Walters, who felt that government needed to protect the poor from market forces, and Keith Griffin, who argued that development policy should also address income inequality as well as poverty. UNICEF Director Carol Bellamy visited Mongolia in 1999 and noted declining social welfare. She suggested poverty programs had not been well targeted (p. 137).

The second World Bank poverty study in 1998 estimated 35.6 percent poverty, although a small decrease, albeit different methods, but did little to satisfy critics.

Rossabi criticizes the government's explanation of inadequate economic growth and argued that tax evasion, privatization, income inequality and corruption exacerbated poverty (p. 138) Critics felt microloans had unfavorable rates and little return on investment for those who did participate. By 1999 the UNDP – World Bank concluded that 70 percent of poor family's income went to food and that 60 percent of elderly were in poverty. In addition, single parenthood was on the rise and many families lost grid power when they could not afford deregulated electricity rates (p. 138). In response, the IMF proposed at a donors meeting further cuts in government spending to ensure macroeconomic stability so that debt service would not be interrupted.

In 2001, Keith Griffin led a team of UNDP economic consultants to develop a new anti-poverty strategy. They recommended undoing some of Sachs' shock therapy and reintroducing tariffs and imposing a luxury tax on cars. They took a Mongolian-led, not donor-led approach. The Poverty Alleviation Program comprised only 1.2 percent of donor funds. Moreover, Mongolia had the fifth highest external debt in the world. Griffin also advocated increasing personal savings and supporting cooperative development with meaningful community participation (Rossabi, 2005, pp 148-150) However, Rossabi laments that a whole generation of Mongolians had grown up in a “culture of poverty” and feels that emerging adults need not only jobs and loans, but social assistance to help cope in a changed Mongolia (p. 93, p. 150).

Poverty, Sustainable Livelihoods and Gender in the 21st Century

As the developmentalists at UNDP tried to humanize pro-market voices from the Neo-Liberal camp, they did not go unchallenged. Campi (2006) criticized Griffin and other development thinkers for linking anti-poverty efforts to urbanism or, as she puts it,

sedentarization. She argued that many of Mongolia's cities are sited for political, military or industrial reasons and are not sustainable without subsidy. Only policies that consciously incorporate Mongolia's nomadic traditions would be sustainable.

When the collectives disbanded and privatized herds, many moved to cities to escape rural poverty. "New herders" who lost state supported jobs moved to the country but may not have known how to raise livestock well (Benwell, p. 112). Since wealth is measured in livestock, and new herders did not have strict state imposed controls on sizes, it encouraged families to overgraze and placed additional burdens on women and children. Traditionally poverty is associated with laziness in current or previous lives. Poverty is the main reason for migration. "Free time" for women means making clothes, drying meat, curdling milk and other chores (p. 113).

Benwell cites employment data showing how women dominate hotels, restaurants, social services, health care, education, banks and retail, but are not as well represented in agriculture, military, journalism and heavy industry. In professions, such as law, they are well represented at low levels, but not at provincial or the supreme court (p. 117). Although women are paid for 101 days of maternity leave and may take leave without pay for two years of child care, this only makes employers reluctant to hire them. Social assistance for child care, disability and pensions are too small to live on without family support (p. 118)

The contemporary situation of women becoming primary income earners is complicated by high male unemployment, male alcoholism and domestic violence (p. 132). An appropriate Mongolian proverb goes, "Wives and goats have to be beaten once a month. They know well the reason for this beating" (p. 121). Divorce has been legal

since socialism, but single mothers may become socially excluded. There is no stigma against co-habitation, and having “secret lovers” for men or women is kept quiet, but not considered shameful (p. 122).

Rural women may maintain herds with the children while the male works in the city. Alternatively, female survivors of domestic violence may choose to be single and take advantage of urban job opportunities. Benwell argues that Mongolian men feel emasculated by poverty and do not understate the damage of alcohol to their families or nation (p. 131).

Mongolia moved from indigenous pastoral nomadism to monastic feudalism under Manchu rule, to socialism as a Soviet Satellite and now to global multiparty capitalism. The best explanatory theory for these recent transitions could be diffusion of innovation, or more appropriately diffusion of failure. While a feudalistic, traditionalist society based on animal husbandry and a temple economy may have historic and cultural value; it is hardly compatible with ending poverty. Socialism ended poverty, but required global capital from petrodollars to fund its massive infrastructure subsidies, and thus was not sustainable in the long run. Neo-liberal shock therapy has an emphasis on the shock and not on the therapy—especially in the case of market failure. The next section will detail current efforts to end poverty as documented in the Millennium Development Goals and Poverty Reduction Strategy Paper and assess the progress of the Developmentalist approach and sustainable livelihoods.

The Millennium Development Goals and Anti-poverty Programs in Mongolia

Thomas Freidman (2002) argues in *The World is Flat*, that globalization and the internet have opened up enormous opportunities for developing countries by flattening barriers to information. As the first decade of this “world is flat” century winds down, Mongolia has done much better than other developing countries in reducing poverty and improving quality of life. However, income inequality has become worse. This section will review progress towards Millennium Development Goals and assess the hopes of US bilateral aid to help achieve those goals.

Progress Towards Millennium Development Goals

A new century brought the United Nations Millennium Declaration and its corresponding Millennium Development Goals (MDGs), which pledged to cut global poverty by 2015. Mongolia had achieved relatively stable economic growth and civil society, and was well poised to take advantage of international commitments to development. Mongolia has nine MDGs with 22 targets (See Appendix). For poverty, the nation would like to see levels fall from 36 percent to 18 percent by 2015 and eliminate child hunger. The strategies could be read as promoting sustainable livelihoods because they focus on micro credit and enterprise development. Target 4 adds an emphasis on services to internal migrants. The gender equity goal proposes to both increase enrollment of boys in formal education and decrease their enrollment in parliament. This is to reverse the trend of boys dropping out of school to tend herds or engage in informal trading. Of particular important to sustainable livelihoods are targets

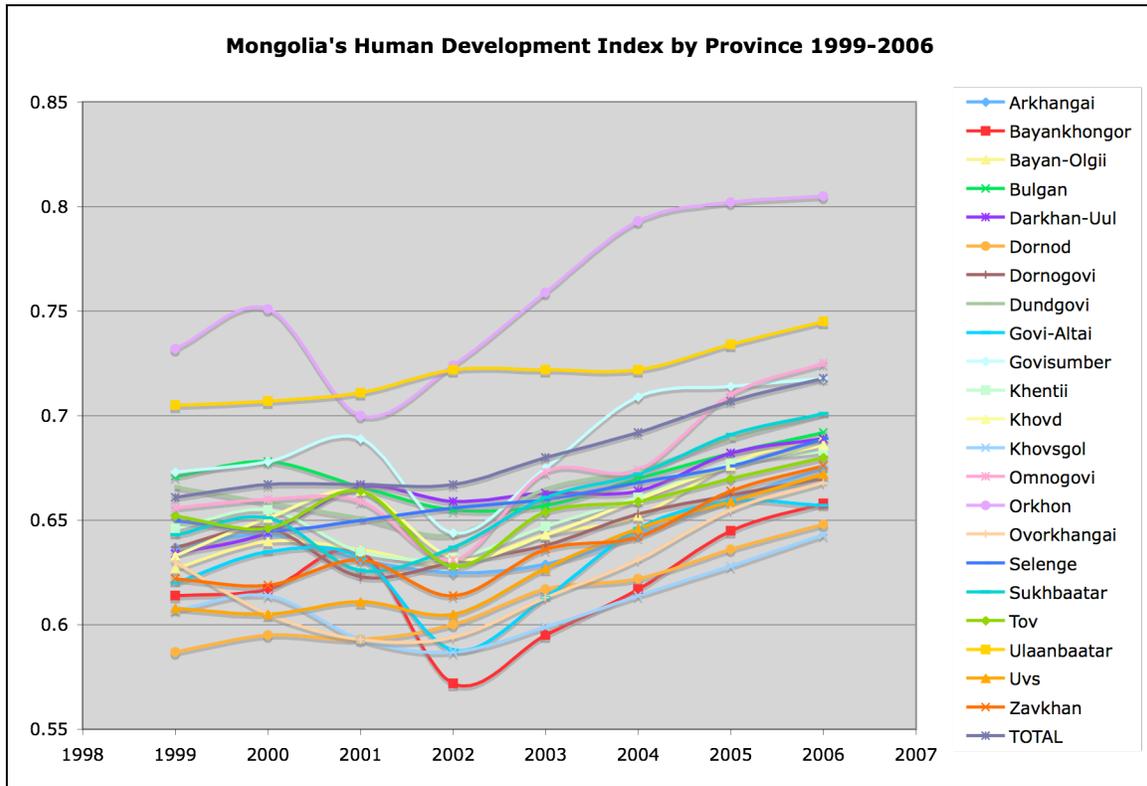
12 through 15 under the goal for environmental sustainability. This is truly a cross cutting issue, since air quality impacts child health and clean water and protected land is essential in a pastoral economy. On the other hand, goal eight is clearly a developmentalist goal that desires export linkages to the global economy. Targets focus on trade, shipping infrastructure, sustainable debt service and information technology. This is emblematic of Mongolia's internal struggle between pro-industrialization reformers like President Enkhbayar and nationalists like the late Dashbalbar who would be content in the utility levels provided by a pastoral economy.

At the time of writing, Mongolia has only reported progress in achieving planned reductions in child mortality and improving material health. Everything else, including poverty, is cited as "possible to achieve if changes are made" (UNDP, 2007). The theme of the 2007 Human Development Report (HDR) is Employment and Poverty, following up on the themes of the 2003 report which focused on urban and rural disparity. Although the HDI for Mongolia is at its highest of 0.718 out of 1.000, there is still substantial variance among Mongolia's 22 provinces, with a mean about equal to the median at 0.689 and standard deviation of 0.035 units.

An analysis of HDI panels from 1999 helps illustrate Mongolia's tenuous path towards sustainable livelihoods. Figure 1 shows the trend of HDI by province with all rising. Note the palpable drop in HDI in 2002, which experienced a major blizzard that wiped out thousands of livestock. The highest province, Orkhon, has an HDI of 0.805 and the lowest HDI of 0.643 is found in Khovsgol, a northwestern province named for the second largest freshwater lake in Asia and home to the Reindeer (Tsataam) people who live in animal skin tents and herd reindeer to this day. Orkhon, on the other hand, is

home of the Erdenet copper mine, which has the capital to produce a standard of living comparable to Russia. The provinces with the lowest HDI are in the desert or far from the center of the country.

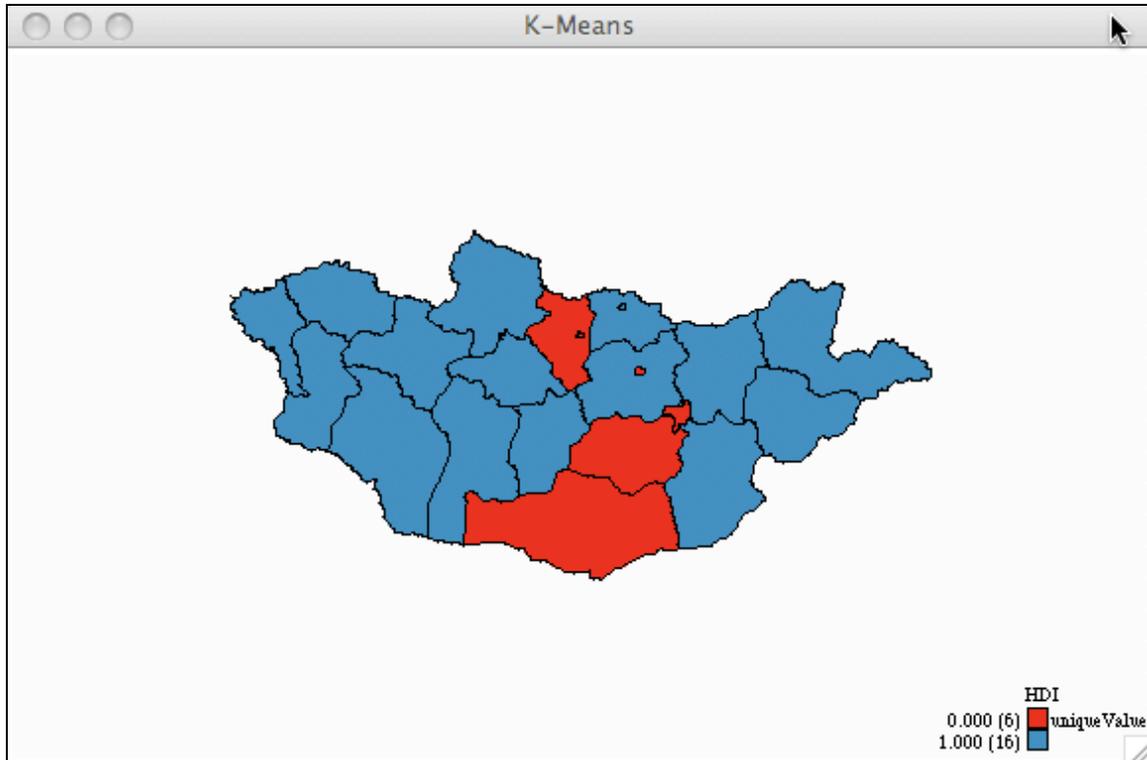
Figure 1



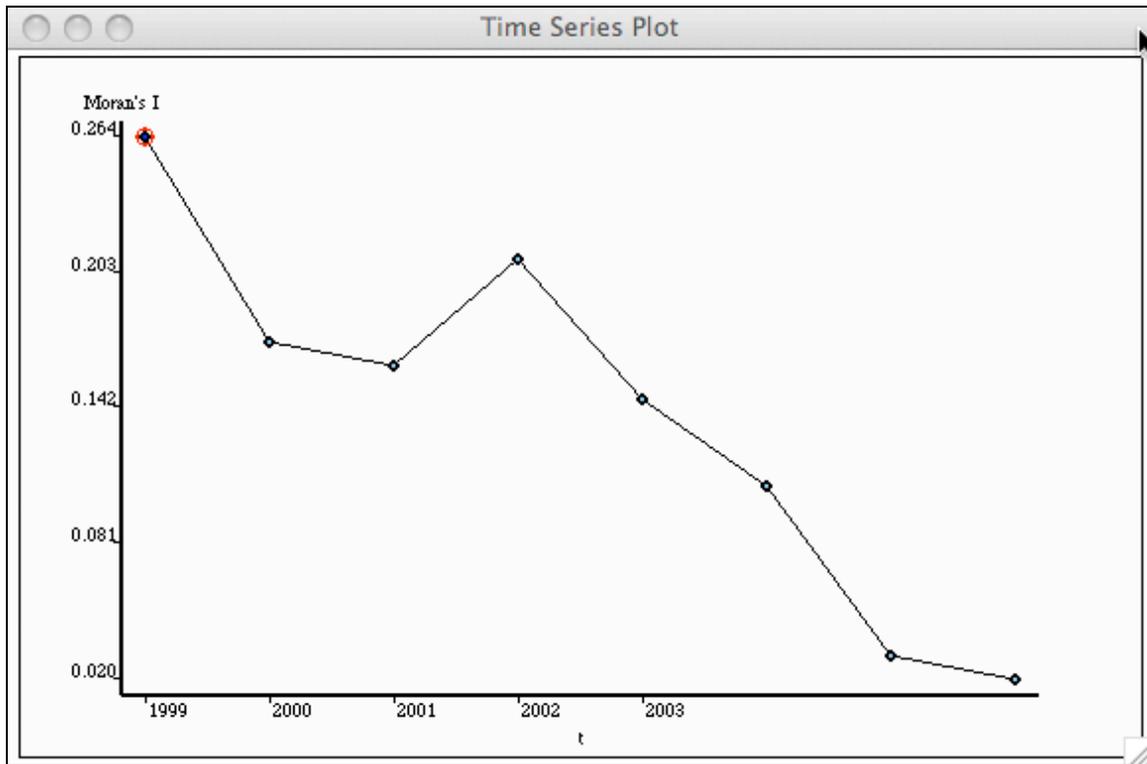
The trend is that the HDI is positive. The marginal robust estimate for the increase per year is 0.006, controlling for population and landmass of the province. The interclass correlation of years in aimags is 69 percent, much greater than the interclass correlation of aimags in years of only 20 percent. This points to the inequality among provinces. Figure 2 illustrates the importance of Mongolia's transit infrastructure with a map, with the high HDI provinces in red and lower in blue. The provinces are clustered by HDI using k-means ($k = 2$) for all panels. However, the trend in HDI over time has been randomizing the disparity among provinces. The spatial autocorrelation statistic,

Moran's I is a measure of how correlated near observations are to each other and ranges approximately from -2 to 2 with zero implying independence. Figure 3 plots the declining Moran's I global spatial autocorrelation statistic from .264, which is approaching significance (pseudo P =0.10) to almost zero in 2006.

Figure 2: K-Means Clustering of HDI (K=2).



Note: 2 The red provinces have a higher HDI and are served by international rail and paved highways.

Figure 3: Trend in Moran's I Global Spatial Autocorrelation 1999 - 2006

Note: 3 Spatial Autocorrelation found in 1999 has diminished to almost none in 2006. Comparison to the quintile maps of 1999 and 2006 show some dispersion of improvements in HDI, particularly in the western provinces.

Comparing the quintile maps shows relative improvements of HDI in the western provinces driving the results (Figures 4 & 5). The 2007 HDR notes that these provinces had lower rises in income inequality.

Figure 4: 2006 Human Development Index Quintile Map

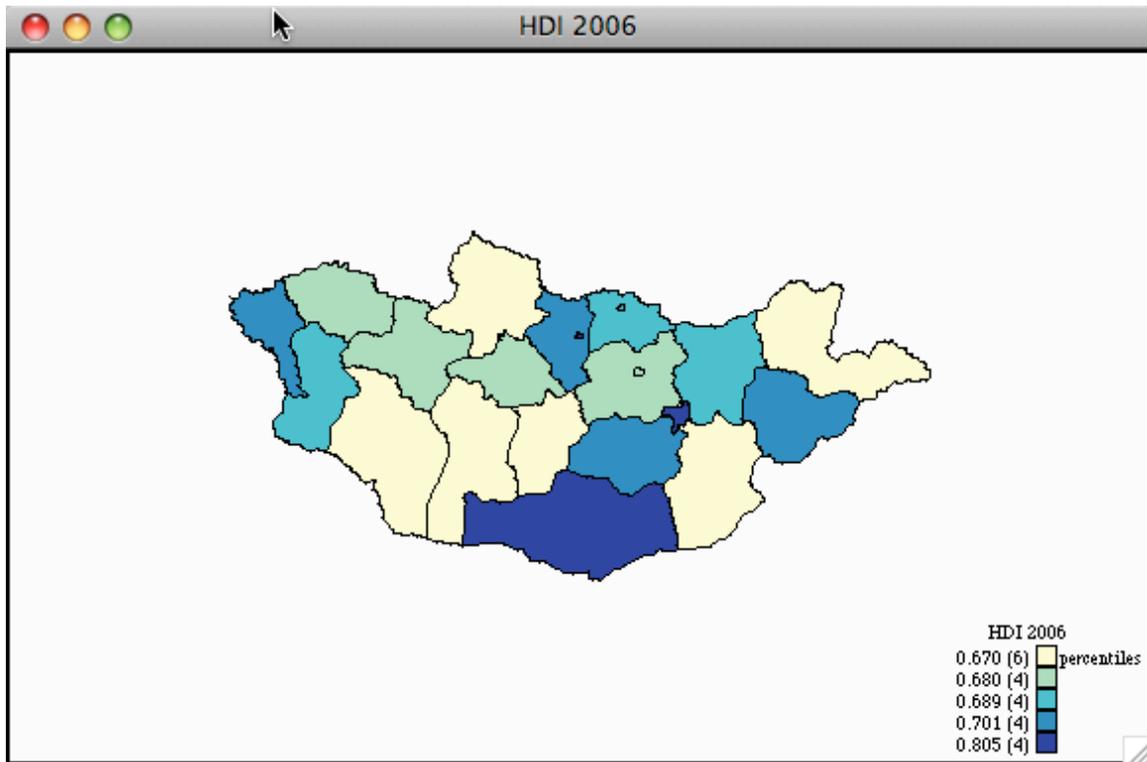
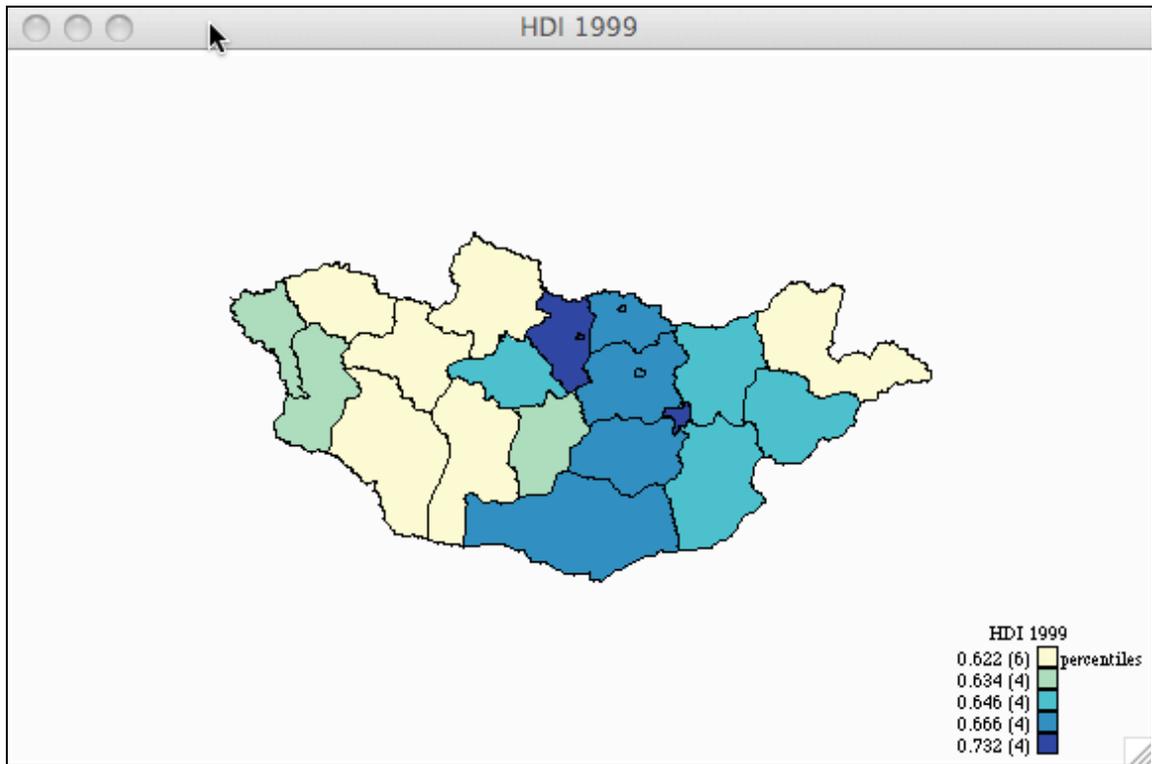


Figure 5: Human Development Index 1999 Quintile Map



Although the trends are promising and the need for rural development is clear, HDR shows the GDP as driving increases in HDI, partially because education levels are already high for a developing country and are not increasing but rather decreasing from reductions in school enrollement. Because a GDP based measure masks inequality, the report also discusses the increase in the Gini inequality index from 0.350 to 0.380 from 1998 to 2006. Rural inequality, especially in provincial capitals, is also increasing (see Table 3). Because the data are not available at the soum (sub provincial) level, it is not possible to properly assess within-province differences for the purposes of development planning.

Table 2: Consumption inequality Gini Coefficient, 1998-2006

Indicators	1998	2002-2003	2006
National Average	0.350	0.329	0.380
	Urban	0.331	0.386
	Rural	0.313	0.360
Region			
	West	0.306	0.342
	Khangai	0.320	0.354
	Central	0.314	0.393
	East	0.317	0.399
Location			
	Ulaanbaatar	0.332	0.367
	Aimag Center	0.324	0.389
	Soum Center	0.318	0.373
	Countryside	0.309	0.346

Note: 4 Mongolia Human Development Report 2007

Prospective Activities to Address Poverty in the MDG Framework

Trends and disparities in the HDI provide evidence for the regional income convergence hypothesis but masks the within province disparities. The still existing disparities justify the MDG to improve rural sustainable livelihoods. The HDI report includes some of the following recommendations for reaching MDGs (see Table 4).

Table 3: 2007 Mongolian Human Development Report Recommendations

Recommendation Number	Summary
One	Expand investment in human development
Two	Strengthening data collection for more effective employment policy-making
Three	Bridging the skills mismatch between supply and demand in the labor market
Four	Reducing a serious obstacle to employment promotion in Mongolia today: alcoholism
Five	Promoting decent and productive work for young people: Recommendations of the ILO school-to-work transition survey
Six	Reduce gender inequalities in the labor market
Seven	Eliminating child labor
Eight	Opening opportunities for persons with disabilities in the labor market
Nine	Expanding employment opportunities for migrants
Ten	Rolling back informality – reducing the gap between formal and informal workers in access to government services and protections, and expanding the formal sector
Eleven	Rural employment generation – reinvigorating the soum centre economy
Twelve	Expanding and broadening mining sector- based employment creation

Educational progress reflected in the HDI is declining because primary school enrollment dropped from near 100 percent to 93 percent (UNDP Mongolia, 2007). The report also follows up on previously acknowledged challenges in Mongolia regarding alcoholism, child labor, gender inequity, the disabled and internal migrants. Specific employment issues include appropriate job training to match skills to jobs. Herding has seen a doubling of the number of herders since 1989 with the number of livestock remaining constant. This has led to increased inequality as measured by the Gini coefficient compared to previous years. The report recommends a revitalization of rural centers abandoned after socialism to provide rural employment opportunities. Finally, the mining sector, source of the majority of Mongolia's GDP, employs 48,000 people, but 13 percent are not Mongolian. The report recommends preparing the local workforce for skilled jobs in Mongolia. It will be interesting to see how Mongolia can keep its goal

to reduce carbon emissions, while at the same time increase access to rural areas. In addition, such investments would require capital Mongolia simply does not have and cannot loan, given a debt ratio that is one of the highest in Asia.

Irrevocable United States Bilateral Aid: The Millennium Challenge Accounts (MCA)

In order to compensate for being landlocked between two powerful neighbors, Mongolia actively participates in multilateral bodies and peace keeping missions. Mongolia refers to strong trade partners such as the EU, USA and Korea, for example, as “Third Neighbors.” In the Fall of 2007, President Bush and President Enkhbayar signed into law the first Millennium Challenge Compact Agreement for \$285 million over a five year period. At the signing ceremony, Bush thanked Mongolia for their support of the war in Iraq (Sumiyabazar Ch., 2007). The aid package was determined technocratically not politically. Mongolia was very competitive for the first round of MCA dollars because of its relative ranks in civil liberties, health care and pro-business policies.

The MCA is a new experiment with bilateral aid. Rather than grant annual appropriations that come with a standard set of cross cutting statutory provisions on the use of Federal funds, a lump sum is granted based on comparative rankings on governance, human development and economic policy. In traditional bilateral aid, countries were often required to use US goods and services and aid was held up for diplomatic reasons. MCA hopes to focus on results. If a country meets its goals and maintains its relative rankings on eligibility criteria, it will continue to get MCA funds on top of traditional bilateral aid. In another departure from bilateral aid, the funds are managed by the host country and not by the United States (MCC, 2007). O. Enkh TUYA,

one of the founders of the Liberal Women's Brain Pool, serves as the director of the MCA project. She was a Reagan-Fascall Fellow in Washington, DC after her tenure as a member of parliament (NED, 2007).

Mongolia proposes to use the lump sum grant for railway infrastructure and management improvements (\$188 million), developing a land tenure system for suburban and peri-urban land (\$23 million), vocational training for 30 new careers (\$26 million), prevention of diabetes, workplace injury, cancer and cardiovascular disease (\$17 million), management (\$23 million) and program evaluation (\$5 million) ("Fact Sheet," 2007). Development assistance to Mongolia from the United States has been about \$12 million a year from 1998 to 2002 (Birgells, 2001), and total aid had averaged about \$190 million a year in the 1990s (USAID, 2001). Although US development assistance had fallen to less than \$10 million a year this decade, total development assistance in 2005 had increased to \$212 million (CIA, 2007; "USAID: Mongolia," 2007). The MCA represents a large increase in funding that will allow prepayment of major infrastructure and human capital investments that will not add to its existing debt of \$1.38 billion (CIA, 2007).

Arguably, the MCA is a performance based new deal public works style program that seeks to institutionalize market reforms in a country that is still privatizing. Time will tell if this influx of capital will allow Mongolia to adjust to levels of utility that are sustainable without future aid or simply delay future poverty. The MCA uses data from Freedom House and World Bank for governance statistics, WHO and UNESCO for human capital investments and the Heritage Foundation, World Bank, IFC and IMF for economic data. In 2008, Mongolia had passing scores in all categories save educational

expenditures (“Fact Sheet,” 2007). This is both a testament to the legitimacy of libertarian and traditionalist think tanks in the selection of aid dollars, and the institutionalization of a scorecard approach to management—a one page color document of quantitative statistics that requires further research to learn the methods and stories behind the data.

Conclusion

Mongolia’s experience with poverty in isolation, but commitment to social development can be informed by Castells’ characterization of Chile as a market inclusion, which is a liberal economy with redistribution to help achieve MDGs (Castells, 2007). Like Chile, Mongolia prefers to guide market growth and support heavy investments in health care and education. Although Norper (2007) points out that Mongolia’s economic growth still flourishes at 8 percent this year in an otherwise tepid global economy, these are driven by raw materials exports and not the added value and information intensive wine and fish farming found in Chile. Norper hopes that a combination of strategic relationships in the Northeast Asia—in particular the strategic advantage of having a pro-United States country with close ties to North Korea and other nuclear powers--will keep the interest of policymakers. Diplomatically, Mongolia can also play a role in international trade, environmental protection and energy security. He also notes the palpable sight of construction and internet cafes as evidence of Mongolia’s promising future. I share his enthusiasm but worry about the long term ability of Mongolia’s third neighbors to balance the necessary relationships with Russia and China.

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Appendix One

Table 4: Mongolia's Millennium Development Goals and Targets (UNDP, 2007)*

Goal 1	Reduce Poverty and Hunger				
Target 1	Halve, between 1990 and 2015, the proportion of people whose income is below the national poverty line	Poverty Headcounts			
		1990	2000	2015	
		36%	35%	18%	
Target 2	Halve, between 1990 and 2015, the proportion of people who suffer from hunger	Prevalence of Underweight Children			
		1990	2000	2015	
		12%	12%	0	
Target 3	Develop and implement strategies for decent and productive work for youth. Create jobs for unemployed people, especially for youth by giving more opportunities for land use, simplifying the procedure of opening small and medium enterprises, giving more opportunities for unemployed citizens to get micro credits				
Target 4	Reduce negative effects of population concentration and migration, to create legal environment to protect interests of migrant citizens, provide them with job places, and establish system of their enrolment in medical, education, cultural and other social services.				
Goal 2	Universal Primary Education				
Target 5	Provide primary education to all girls and boys by 2015	Net enrolment ratio in primary education			
		1990	2000	2015	
		-	91%	100%	
		Proportion of pupils starting grade 1 who reach grade 5			
		1990	2000	2015	
		91%	84%	100%	
		Youth literacy rate of ages 15-24			
		1990	2000	2015	
		99%	98%	100%	
Goal 3	Promote Gender Equality and Empower Women				
Target 6	Eliminate gender disparity in primary and secondary education by 2015 and to all levels of education no later than 2015				
		Gross primary education enrolment (female/male ratio)			
		1990	2000	2015	
		1.01	1.01	1	
		Gross secondary education enrolment (female/male ratio)			
		1990	2000	2015	
		1.12	1.2	1	
		Female/male ratio of students in higher educational establishment			
		1990	2000	2015	
		1.56	1.72	1	

		Share of women in wage employment in the non-agricultural sector			
		1990	2000	2015	
		-	47%	50%	
		Proportion of seats held by women in national parliament			
		1990	2000	2015	
		4	12	30	
		Proportion of female candidates nominated for national parliament			
		2000	2004	2008	2012
		11.50%	13.70%	20%	35%
Goal 4	Reduce Child Mortality				
Target 7	Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate				
		Under-five mortality rate (per 1000 live births)			
		1990	2000	2015	
		87.5	42.4	29.2	
		Infant mortality (per 1000 live births)			
		1990	2000	2015	
		63.4	32.8	22	
		Percentage of children vaccinated against measles			
		1990	2000	2015	
		82.50%	92.40%	96%	
Goal 5	Improve Maternal Health				
Target 8	Access for all individuals of appropriate age to required reproductive health services and, reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio				
		Maternal mortality rate (per 100.000 live births)			
		1990	2000	2015	
		200	158	50	
		Proportion of births attended by skilled health personnel			
		1990	2000	2015	
		99.90%	99.60%	99.80%	
Goal 6	Combat STIs/HIV/AIDS, TB and reverse other diseases				
Target 9	Have halted by 2015 the spread of HIV/AIDS and to prevent				
Target 10	Reverse the spread of tuberculosis by 2015				
		Prevalence of tuberculosis /per 100.000 persons/			
		1990	2000	2004	2015
		79	125	177	100
		Death rates associated with TB /per 100.000 persons/			
		1990	2000	2015	
		4.9	32.2	0	

		Proportion of TB cases detected and cured under DOTS			
		1990	2000	2015	
		-	100%	100%	
Target 11	Implement a separate program to control dental diseases among population				
Goal 7	Ensure Environmental Sustainability				
Target 12	Integrate the principles of sustainable development into country policies and programmes and combat air pollution in urban areas, especially in Ulaanbaatar				
		Percentage of land area covered by forest			
		1990	2000	2015	
		9%	8.20%	9%	
		Percentage of protected land area			
		1990	2000	2015	
		7%	13.30%	30%	
		Note 15.0 per cent out of it shall be under local special protection			
		Carbon dioxide emission (ton/person)			
		1990	2000	2004	2015
		4.08	4.19	5.61	4
Target 13	Protect river and spring sources, undertake rehabilitation measures for their protection				
Target 14	Halve, by 2015, the proportion of people without sustainable access to safe drinking water				
		Proportion of population using improved water source			
		1990	2000	2015	
		30.80%	37%	70%	
Target 15	By 2015, to have achieved a significant improvement in the lives of slum dwellers				
		Proportion of population using adequate sanitation facilities			
		1990	2000	2015	
		22%	25%	50%	
Goal 8	Develop a Global Partnership for Development				
Target 16	Create favorable conditions for achieving the MDGs through developing trading and financial system				
Target 17	In view of special needs of landlocked Mongolia create favorable conditions to access the sea, improve the efficiency of transit transportation through the territory of foreign countries, and increase transit transportation through the territory of Mongolia				
Target 18	Develop a debt strategy to ensure sustainability of external and internal debts for long time, study methods applied nationally and internationally to coordinate and resolve debt issues without negative affects on the state budget and economy of Mongolia				
Target 19	Development of new information communication technologies, building an information society				
Goal 9	Strengthen Human Rights and Foster Democratic Governance				
Target 20	Fully respect and uphold the Universal Human Rights Declaration and to ensure the freedom of media and the right of the public to have access to information				
Target 21	Mainstream democratic principles and practices into life				
Target 22	Develop a zero-tolerance environment towards corruption in all areas of society				

Note: 5 Revised targets through 2020 are published in draft (2007).