

MONGOLIA'S FOREIGN POLICY IN TRANSITIONAL AND GLOBALIZING WORLD

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Growing mutual dependence on other countries and the increasing importance of international collaboration in all possible fields in order to fulfill current demands have led to the fact that the multi-pillared, balanced and more open foreign policy, even a small countries like Mongolia. Mongolia's international image is limited. Mongolia is landlocked country situated in the heart of Asia, bordered in the North by Russia and to the South by China and has given a significant strategic position.

Mongolia's Geopolitical Importance

Mongolia is the only country in the world, which is situated in the crossroad of Orthodox Christian, Islamic and Oriental civilizations. Therefore, it can be said that it has a big risk of being involved in a conflict of civilizations. The revolution that will take place in its outside environment will greatly depend on the process of expansion of these cultures and civilizations. Democracy, human rights, freedom, statehood and free market relations are the orientation of development that Mongolia has chosen. Therefore it cannot be ruled out that it might contradict the national interests of its neighbors. This process of democratization, which is gaining momentum in the world, can be contradictory to the domestic political status of two neighbors and the Muslim world adversely affecting the security of Mongolia. Such a change can occur in geopolitics.

Mongolia is considered to be a country with fragile geopolitical location and historically was greatly dependent on the relations of the two neighbors. If we look back at the history of past 80 years and over, Mongolia, among the conflict of the two neighbors and two systems, had the USSR defend its security. The conflicts of great powers and, on the other hand, the balance of powers and interests have been a guarantee of Mongolia's security. The reason that oriental (Chinese) culture and civilization did not penetrate to the north was related to the Mongolia's geopolitical factors. This geopolitical environment was completely changed in the 1990's. As to Russia Mongolia was no longer a "buffer zone". Mongolia also has no effect in the spread of European culture to China. The Islamic culture is possible to penetrate into Yakutia through Mongolia. The orthodox culture has no strength over there. This will be the beginning of the big changes in geopolitics.

Globalization and Mongolia

As in many other parts of international relations and multilateral co-operation, Mongolia's foreign policy of the past 1990's has been profoundly affected by the end of the Cold War, the country's embrace of democracy and market-oriented economy, and the emerging dynamics of Globalization. The 21st century - century of globalization, universality

of democracy, repaid development of science and technology - offers historic opportunities to my country - Mongolia. In brief, Mongolia's new principles and priorities of foreign and security policies were based on political realism, nonalignment, and the pursuit of its national interest. They were explicitly formulated in the Concept of Foreign Policy and the National Security Concept of Mongolia and were termed "multi-pillared foreign policy" and "a comprehensive approach to national security".

The multi-pillarity is a concept for enabling newly independent and post-communist countries, like Mongolia to formulate their foreign policies so as to safeguard their national interests. It was natural for us to come to the conclusion that our interests will be best served by refraining from being part of one bloc or the other. Now that there is no contention between two powerful blocs, this concept must undergo some change.

Generally, multi-pillar foreign policy came into being as a response to the lessons, learnt from past experiences of damages caused by an over reliance on one single foreign country, and an over emphasis on one single area. As Mongolia borders two super power-countries, which are major players in world policy, there is a need to counterbalance their predominance by establishing links with other important players. A policy that truly upholds Mongolia's national interests enables to accelerate its economic development and ensure its national security. For post-communist transition countries, which are not economically powerful, the balance of economic interests of great powers will remain important.

New progress in information technology provides an opportunity to overcome adversities of land-locked location and develop rapidly relying on the intellectual capacity of the Mongolian people. The advance of globalization, increasing interdependency in all parts of the planet, spread of democratic ideals, the technological progress and rapid development of information technology, on the other hand deep political, social economic transformation in Mongolia, determine the contents of the foreign policy and diplomatic activities, aimed at ensuring security and prosperity of the country.

Globalization or a global approach is not a new concept for Mongolia. (It is a period of 1945-1990's, when Mongolia was complying with orders within a coalition or a grouping, such as World Socialist Commonwealth, or was a permanent satellite of one pole in the international relations.) But it is a new concept in terms of policies of the US, of other members of G-7, new in the context technological changes and the collapse of the Soviet system. It is natural that we should adjust our foreign policy to these changes in the international system. We should welcome new ideas taking care to ensure that new opportunities serve our national purpose and our national benefit.

When the developed countries set the rules in the changing scenario, it is natural that the process is influenced by their experience and by their interest even then care is taken that global interest is not harmed. It is natural for Mongolia to hesitate, to take time over making required adjustments. Where will this globalization lead? On what terms will foreign direct investment come? What will happen to the ideas of development assistance? I am glad that a national consensus is emerging on the adjustments we should make to ensure that we regain our rightful place in the emerging international system.

The effects of globalization are increasingly felt in Mongolia, for example on international arena the evolutionary changes unfolding in political, social, economic, military and environmental fields in the Asia Pacific region impact directly or indirectly on Mongolia. At present the choice before us is not whether Mongolia will participate or not in globalization

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process, on the contrary, the question is how to improve our competitiveness in order to enter global relations in the increasingly interdependent world.

The main objective of government policy, including the foreign policy, is to seize the opportunity to accelerate economic and social development of the country through devising the means of the most effective participation in the process.

In this complex strategic environment, Mongolia as one of the active member of the region going to play the central role in shaping of new political and geopolitical order in Asia. The geographical position at the junction of Central Asia, Northeast Asia, Far East, China and Russia, makes Mongolia strategically most significant country in Asia.

It underscores the importance of flexibility in formulating specific foreign policy goals and objectives in the context of rapidly changing and at time uncertain international environment.

Mongolia diversified its external political, economic, trade and military ties. The Asia-Pacific region has emerged as an important direction of Mongolia's foreign policy.

Mongolia's foreign policy is both multi-pillared and multidimensional. Hence strategic objectives of regional policy:

- Building even handed, good neighborly relations with both neighbors,
- Developing links with other important regional players,
- Active participation in regional multilateral security and economic dialogue processes,
- Upholding international regimes restraining weapons proliferation are Mongolia's key objectives in enhancing security environment.

With regard to the relations with our neighbors, Bordering with two super powers on the Inner Asian heartland Mongolia is country of a peculiar geopolitical position, which is not uncommon in case of other countries. Henceforth the relations with her two immediate neighbors have always been and will have be a core of our foreign policy. We do not use the terms such as "redefining" or "blossoming". We use the simple and clear terms such as friendly relations and co-operation based on the generally accepted norms of international relations. Mongolia signed Treaties of Friendly Relations and Co-operation with both Russia and China in 1993 and 1994 respectively on the following principles:

- Even handiness
- Good-neighborliness
- Equal and mutually beneficial co-operation
- Long-term and stable nature of these relations

On our third neighbors, reformulating our foreign policy in 1990's we identified Asia-Pacific region as an area of our highest priority and in the framework of Mongolia's multi-pillar foreign policy, we develop close relations with all major powers. The USA and Japan fall within this very category. They extended generous support to us since the time Mongolia embarked on the path of democracy and free market economy. They're financial and moral support has been instrumental and fundamental in implementing political and economic transition at the same time.

Mongolia began to look to Northeast Asia. The major reasons were first, Mongolia's main political, military and economic partners-Russia and Eastern Europe were engulfed in political and economic turmoil. Mongolia-China relations were waiting for their "full normalization". Mongolia needed more advanced and more stable partners. Second,

Mongolia's own region the Central Asia has several conceptual disadvantages. Central Asia itself is a landlocked region; Central Asian countries faced more or less the same problems like Mongolia, their economic structures are similar to Mongolian, they were all politically and economically linked to the former Soviet Union, and the collapse of Soviet economy brought the same problem for them as for Mongolia and most importantly they were generally unstable. Third, all regional strategic powers, including Mongolia's neighbors are in this region, and in entirely new strategic environment, an important security issue for Mongolia has become the issue how to readjust its relations with them in overall regional balance of power. Mongolia badly needed to link itself with economically and technologically advanced powers like the USA, Japan and South Korea through opening Mongolia for foreign investment. Mongolia also needed to develop transport infrastructure to link itself with the region and find new access to the sea, and on long- term bases, Mongolia wanted to promote its role as a land-bridge between Russia and China as well as Northeast Asia and Europe and join regional multilateral processes to ensure its security and development needs. As a result of all these factors Northeast Asian region has become a priority direction of Mongolia's foreign policy strategy.

In this context a membership to APEC is our priority. The economic reforms and renovation process-taking place in Mongolia are also meant for accomplishing this very purpose too. Furthermore we attach enormous significance to activities of the ASEAN Regional Forum (ARF) one of the important political-cum-security institutions of the region.

Generally, Mongolia's Asia-Pacific policy goals following:

- Enhance mutual understanding
- Develop trade and economic links with the region
- Enhance Mongolia's security environment
- Contribute to regional peace and stability

Priority Directions - Multilateral Cooperation

In the past decade the Asia-Pacific region naturally became one of top priority directions in Mongolia's foreign policy. Geographically, functionally as well as in terms of civilizational and national identity Mongolia is undeniably an Asia-Pacific, in particular Northeast Asian nation. While aiming to participate constructively in the economic and political processes like the *Asia Pacific Economic Cooperation (APEC)*, *ASEAN Regional Forum (ARF)* and negotiations, priority is placed on developing bilateral relations with the countries of the region. Mongolia is conducting an active regional policy in the Asia-Pacific and sets the goal to join the *APEC* which goal will be pursued in conjunction with the advancement of economic reform at home.

Mongolia became a new participant of the *ARF* in 1998. Despite geographically distance regular levels of momentum of Mongolia's relations with South East Asia were maintained. By the end of the Cold War the ground was prepared for additional initiatives by the Government of Mongolia to expand relations with ASEAN countries. Mongolia's close relations with ASEAN countries helped matters as Mongolia was admitted to the ARF. The process presents an institutional channel that will enhance Mongolia's ties with the region, an opportunity to become an integral part of the strategic community and increase the number of friends in the region.

In 2000, Mongolia became the 25th member-state of the *Pacific Economic Cooperation Counsel (PECC)*. It was a major achievement of its foreign policy in terms of creating an identity for Mongolia as an Asia Pacific nation and such foreign activities have aimed at expanding trade and economic cooperation with all countries of the region. Mongolia is 134th country that has becomes the member of the *World Trade Organization (WTO)* and therefore, the goods and services originating in Mongolia are entitled to have a market access on non-discriminatory footing and without in justifiable barriers.

The bilateral negotiations of Russia and China on the WTO accession with the member states are giving Mongolia an opportunity to benefit from their concessions agreed as a result of accession negotiations. To further explore and expand these opportunities Mongolia will continue to work within framework of the WTO and regional level.

Since trade and international diplomacy are so closely intertwined, Mongolia believe that the multilateral trade system is beneficial for both developed and for developing countries. WTO rules give countries like Mongolia an equal share in the trading system. They guarantee stable market access and terms of trade. The proof is to be found in the fact that no developing country wants to opt out of the system. More and more are trying to join. Mongolia stressed that, the WTO is not a panacea for all our ills. The combination of more liberal trade and technology is undoubtedly making people better off. This is only possible if developing countries actively participate in shaping the rules, for example, in areas such as investment and competition.

By doing such activities at the global organizations level Mongolia participates in regional trade, economic and security cooperation mechanisms like:

UNDP Tumen River Project, CSCAP (the Counsel for Security and Cooperation in the Asia-Pacific) as well as "Track Two dialogue" like *Northeast Asia Economic Forum (Hawaii)*.

Foreign Policy Goals

In such scenario, Mongolia's foreign policy goals in the Asia-Pacific region are:

Enhance mutual understanding and, develop trade and economic links with the region; Develop even-hand good-neighborly relations with its immediate neighbors (Russia and China, both belonging to the Asia-Pacific region); Pursue a policy aimed at ensuring a balance of economic interests in Mongolia of great powers and other nations which are of strategic importance to Mongolia; enhance Mongolia's security environment; Contribute to regional peace and stability.

Mongolia's foreign economic policy goals in the region: Pursue to develop economic ties with the region in conjunction with the advancement of economic and legal reform at home; Seek foreign aid in major areas of reform; Encourage foreign direct investment; Engage with the APEC process, Develop links with PECC; Promote multilateral economic cooperation in North East Asia and as well as Central Asia.

In the face of evolving political and economic realities in the Asia-Pacific and growing complexity of issues related to harmony and development, Mongolia has chosen to open herself up to the broader world by strengthening her bilateral ties and engaging more actively in multilateral processes in Globalization.