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Mongolian political and
economic observer, columnist

First ever meeting
**BETWEEN
POLITICIANS**

(1990.02.24)

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WEEKLY

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First ever meeting BETWEEN POLITICIANS

(1990.02.24)

The Daily News is publishing former president Ts.Elbegdorj's diary from the past as a series. In one of their recent editions (11 April), the newspaper published his notes from nearly 30 years ago. The notes spoke to the first ever meeting between Mongolia's new political forces, which was organized by the Mongolian Student Union. At the time, I co-facilitated the meeting and also took my own notes, which are being shared here for the first time.

SATURDAY, 24 FEBRUARY 1990

8:30am. A statement from the Mongolian Revolutionary Youth Union (MRYU)'s Presidium Committee

-I spoke about changes in the International Union of Students (IUS) and the Mongolian Student Union (MSU), and responded a lot of questions that came from the room.

-As a member of the MRU's Presidium Committee, I proposed that an extraordinary session of the MRU's general assembly needs to be urgently convened.

10:30am. I gave an interview to L.Gantuya, a journalist from Mongolian Press, about the current affairs within the IUS and the MSU.

2:30pm. I met with G.Ganbold, Secretary of the Presidium Committee, and talked about the current reality of the MSU. He had stepped down from his position as the MRU's Chairperson only three days ago at a Presidium Committee Meeting.

4:00-9:00. pm The following people convened in the Building 3 of the National University of Mongolia (formerly the tertiary education committee).

Joint meeting between democratic political forces:

1. MSU: L.Bold, D.Jargalsaikhan, Zorigoo (student), Rentsentavkhai
2. Shine Devshil Kholboo: Batsukh (professor/teacher), B.Sundui, Sh.Shagdarsuren, J.Bor
3. Democratic Socialist Movement: Ch.Lkhagvajav, R.Khatanbaatar, P.Ulaankhuu, R.Gonchigdorj
4. Mongolian Democratic Union: Ya.Batsukh, Jargalsaikhan (Buyan), Ts.Elbegdorj (Ulaan Od), Tumurbaatar

Each of these four groups were represented by four people (as above). A very lengthy debate on two items:

1. What common principles and actions can we agree on?
2. About organizing a peaceful demonstration on 4 March

The groups had the following positions on these two issues:

MSU	Shine Devshil Kholboo	Mongolian Democratic Union	Democratic Socialist Movement
<ul style="list-style-type: none"> - Replace the members of the Mongolian People's Revolutionary Party's General Assembly and the Party Representatives Khural - Organize People's Assembly, make changes to the Constitution, and hold free elections 	<ul style="list-style-type: none"> - Dissolve the Political Bureau - Establish a coalition government 	<ul style="list-style-type: none"> - Completely dissolve the Political Bureau - Establish a coalition government - Establish a People's Commission with special powers 	<ul style="list-style-type: none"> - Stay clear of the policy and agenda pushed by the Soviet Union - Hold a roundtable dialogue - Establish an interim People's Assembly
<p>If we agree on the key principles of the joint demonstration, we should inform the public and join together in a demonstration after the MSU's own demonstration. 12pm, the MSU, not on the Sukhbaatar Square.</p>	<p>Join forces in the 4 March demonstration. 1pm.</p>	<p>Organize the 4 March demonstrations across the whole country. It would be better to do it together. 1pm. It must be the Sukhbaatar Square.</p>	<p>Organize the demonstration on 4 March. 1pm. Not on the Sukhbaatar Square, but in another location.</p>

► **SPECIAL NOTES ON WHO SAID WHAT:**

B.Jargalsaikhan (Buyan) from the Mongolian Democratic Union:

- Same as Tsedenbal, Sodnom has a Russian wife and sides with Russia. We have the secret document signed by him. He sold Mongolia again by making us owe 1.3 billion dollars to Russia.
- Ambassador Sitkhinov did a press conference yesterday at the Soviet embassy and said "Well, we will give your herders candles and other consumer products worth 25 million rubles."
- The current leaders of the party are criminals, so we won't sit on the same table with them to negotiate.

Ts.Elbegdorj (journalist in Ulaan Od) from the Mongolian Democratic Union:

- The MSU should orchestrate a students strike and encourage students to not go to school on Saturday 4 March.
- If the students strike is not organized, a workers' strike will be organized in manufacturing plants.
- These two days – 3 and 4 March – are revolutionary days. So there might even be blood. The Mongolian Democratic Union has 102 branches in Ulaanbaatar alone.
- If we don't change our country now, foreign students will

come here carrying suitcases in the summer and do the demonstration for us.

At the end of the meeting, there was a working group established, which consisted of Ts.Elbegdorj (Mongolian Students Union), Batsukh (Shine Devshil Kholboo), Gonchigdorj (Democratic Socialist Movement) and Jargalsaikhan (MSU). The working group developed the following documents that were later approved jointly:

1. Joint statement addressed to the Mongolian People's Republic, the People's Assembly, the Presidium Committee of the Mongolian People's Revolutionary Party, and the Ministers' Council
2. Appeal to the whole of the Mongolian People's Republic's defence forces and the Ministry of Public Security

The joint statement called for:

1. Hold the Mongolian People's Revolutionary Party's extraordinary general assembly in March, change the Party's Representatives Khural's structure, and separate the political party from the state and government
2. Hold an extraordinary People's General Assembly and elect a President in a free election where all political forces have equal rights and powers
3. Prioritise independence of the state, unity of the nation, and

security of the people

The appeal to the ministries called for:

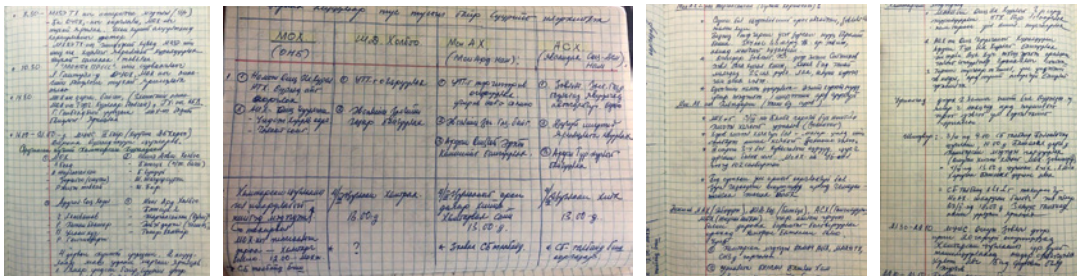
1. Abstain from using arms against people under any circumstances

Decision:

1. Representatives will convene on the Sukhbaatar Square at 9am on 3 March and present the joint statement to Batmunkh, the leader of the Mongolian People's Revolutionary Party, at 10am (The MSU didn't agree to the students' strike)
2. Organize a joint demonstration at 1pm on 4 March and receive a response from Batmunkh to the joint statement
3. No agreement on holding the demonstrations on the Sukhbaatar Square, despite the push from the Mongolian Democratic Union. Agreed to discuss again at 6pm on 27 February

9:30-10:10pm. Us four (the MSU representatives) came back to the National University of Mongolia's Students Council and presented the outcomes of the joint meeting to over 20 students. It was well received and the attendees congratulated us on the result.

10:10-11:00pm. L.Bold and I met in his room and discussed about organizing the 4th conference of the Mongolian Student Union.



Note: At the time, I used to work in Prague, representing the Mongolian Student Union in the International Union of Students. I came back to Ulaanbaatar and attended the first general assembly of the Mongolian Democratic Union on Sunday 18 February 1990. I went there with P.Tsenguun (now with Altan Taria), who was a student then.

I used to stay up late, reorganizing my notes from the day and putting them together into neater records. As the MSU, we needed to find and engage with these new organizations who were calling themselves a 'political force', invite them to discussions, and discuss how we could work together and join forces.

This meeting, which was the first ever, saw a strong attendance with many people present, all of whom were trying to make their voice heard. Given the organization was not that good and as per a proposal from Gonchigdorj, each organization agreed to elect four members to represent

them and hold the discussions. From then on, the meeting process was much smoother.

In any case, after lengthy discussions on changing the state and government of a new Mongolia, we produced our first official statement. We went into an adjoining room and put the statement on paper together with two people who would later become the Speaker of Parliament and the President.

Out of these four organizations, the MSU was the only organization that had an official registration in the state system, its own stamp, and a typewriter. At the time, the Mongolian Democratic Association was trying to establish a coalition government, despite not being a political party.

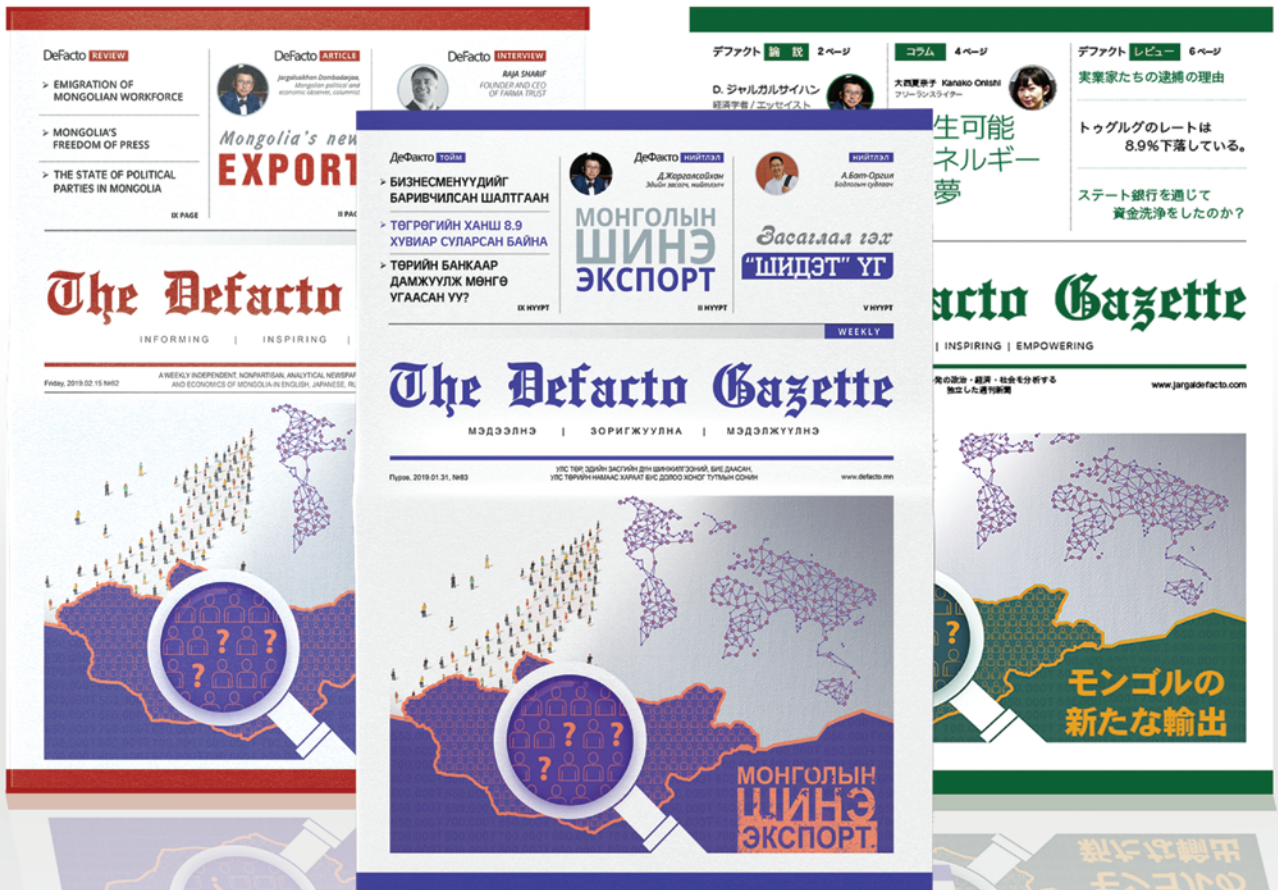
The next meeting between these four democratic forces took place at 6.30pm on 27 February 1990. I have the notes from this meeting as well. It was the second day of the Lunar New year of Iron Horse.

EVERY MONDAY

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THE STATE OF MONGOLIAN PRESS FREEDOM

There are a number of issues such as pluralism, media independence, environment and self-censorship, legal framework, transparency, infrastructure, and abuses. Abuses refer to imprisoned journalists. Number 70 in the World Press Freedom Index conducted by Reporters Without Borders is not that high. Mongolia has been covered in the index from 2013 onwards and the highest ranking came in 2015 when we were ranked 54th. However, we were ranked 60th, 69th, 71st and 70th in subsequent years.

We are hovering around the same mark and our press is regarded as partially free. We should delve into the issues and fix them. By the end of 2016, there was 446 media outlets in Mongolia constituting of 101 newspapers, 69 radio stations, 131 TV stations (including regional stations) and about a 100 internet news portals. The supply is much bigger than the demand but the situation is even more unfortunate than that because 75% of the media outlets are owned by current or former politicians.

Our President has his own TV station, the previous one had a newspaper outlet and his predecessor also has a TV station. Licenses were given out to anyone, first of all to politicians themselves. This results in the media becoming a champion of their owners during the election as well as a propaganda machine rather than an unbiased outlet to inform and educate the public as it is meant to be. Moreover, the Trade and Development Bank of Mongolia owns Bloomberg Mongolia television and "Zasgiin Gazriin Medee" newspaper while Mr. Bayasgalan of Golomt Bank owns Eagle TV.

There is a legislation making the practice of banks owning TV stations illegal but there are no reports on the implementation of the law. In Mongolia, we have more of an issue with the enforcement of laws than laws itself which is a strong indicator of Mongolia's weakness of public governance. Unlike our neighboring countries, we don't have state media. A legislation transferred all state

Ranking since 2013

Year	Ranking	Year	Ranking
2018	71 / 180 ↓	2014	88 / 180 ↑
2017	69 / 180 ↓	2013	98 / 180 =
2016	60 / 180 ↓		
2015	54 / 180 ↑		

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Source: <https://rsf.org/en/mongolia>

owned media to the public. There are 15 Board Members nominated by the Office of the President, Government and Parliament. There has been a new nomination for Board Members to serve 6 year terms the chair of which is elected from among the membership. It is worth nothing that the Executive Director does not sit on the board.

It remains to be seen how independent those public media outlets can be but it is discouraging that there is a shift in the composition those boards following changes in government. Nonetheless, Mongolian National Broadcaster plays a large role in educating and informing the Mongolian public and is the largest media outlet with 750 employees.

I believe that the relicensing of all outlets and the prohibition of politicians having interests in media outlets will take Mongolia down the road of better press freedom. Secondly, there needs to be a cut in the number of TV outlets. This would allow for higher salaries as well as more trained and professional journalism.

The journalists suffer from the lack of funding in media outlets as they are unable to receive proper training or postgraduate education in an environment where so many TV stations are fighting over a finite number of advertisements and relying on government subsidies.

THE SAFETY OF ULAANBAATAR CONSTRUCTION SITES

The issues facing the construction sector goes beyond the safety of passers-by but is a clear example of the saying reap what you sow. Those issues are the consequences of the illegal trading of Ulaanbaatar city lands by previous mayors and officials. The practice began when M.Enkhbold was mayor of the city in the early 2000s. The Ulaanbaatar Fund was created followed by Ulaanbaatar Bank, Ulaanbaatar Insurance and Ulaanbaatar Leasing which are all private. So all of our public money and land transferred into private hands in one way or another.

Take the land south of the Tuul River for example which was meant to be used for tourism development. It now is home to large construction projects and buildings. This shows the irresponsibility of our elected officials and mayor who is nominated by the city council and approved by the Prime Minister. There is no semblance of urban planning with the houses in new micro districts not allowing for traffic to pass by. A couple of years ago, a metal rod falling from a construction site killed a young driver.

I am very saddened to see this happening as I was born here and it is my city. The majority of my writings are about the mishandling of Ulaanbaatar city property and land. The situation is so dire that I believe there is a need to relocate the administrative center from Ulaanbaatar. We might follow Korea's example in this regard as they house a substantial number of Ministries in Sejong, a 100 km from Seoul. This would make things much



Earlier this week a construction brick fell on a car in traffic, lucky no one died, but the people in the car had severe lacerations. Sukhbaatar district, 1st Khoroo, at the north side the Children's Palace.

simpler as now, you can travel for 5 hours between two Ministries due to the traffic. Sometimes I think to myself that even our worst enemy would not have built a city in such a manner.

Many other countries and states operate by the Korean example. For example, the capital of California is Sacramento while the two largest cities are Los Angeles and San Diego. Australia's largest city is Sydney but their capital is Canberra. On this topic, the Ulaanbaatar city administration is moving to Yarmag soon through some agreement after the sale of their buildings to Golomt Bank in the typical secretive manner.

This constituted the sale of a historic landmark and we are not aware of what will happen to it. The idea seems to be to sell the land on auction and relocate the museum. However, this is a part of our history and in a normal civilized country, you don't change the façade of the building. Take our embassy in Washington D.C. for example. It is a small building but you need to get a permit to even paint the building. The only thing that is encouraging is that we can freely discuss the issues on TV.

THE EXTORTIONATE INTEREST RATES OF MONGOLIAN BANKS

I am always surprised as to why the movement to lower interest rates lost momentum. The movement made me question the education and their knowledge of the bitter experiences that countries that chose to regulate interest rates went through. Credit interest rate is like any other price governed by supply and demand.

Regulating the price of the good, interest rates in this case would diminish the supply of loans significantly. This would eventually squeeze the credit market which is bad because GDP, by which we measure economy, grows through extension of credit. Secondly, although the current rate is high at 20%, it is transparent but if you were to cap those rates at 10%, the money would go to other institutions such as non-banking financial institutions and pawn shops. These transactions are not transparent and sometimes dangerous.

Japan went through the same experience where the interest rates were capped. This contributed to a shrinkage of the banking sector and a prevalence of non-banking institutions. The manner in which they operate contributed to the rise of the Yakuza and loan sharks. The majority of the credit market will become illegal. The development of a capital market is one way through which to decrease those rates naturally. A legislation on capping interest rates would only benefit the politicians who will be the first to get cheaper loans.

Lowering the interest rates naturally is an issue of trust, the trust of investors in the business and its leadership. There is very little trust in state-owned-enterprise for example as its entire leadership is intertwined with politics. The losses with which every state-owned-enterprise operates with are covered through the budget using our taxes.

A second measure to decrease interest rates is to decrease inflation. Interest rates will always be higher than inflation but it will decrease alongside inflation if inflation decreases. A thriving private



sector with normal, open, fair competition is essential for lowering inflation. However, there is little potential for competition when a Ministers operate a business. Also, they received 3% interest rates through the Small and Medium Enterprise fund when everyone else is getting loans at 16% interest rates. State-owned-enterprises in industry foster the seeds for corruption.

We talked about supply and demand, when there is more supply than demand, prices will be cheaper and it is indicative of other options that the public has. For an economy to operate effectively, the supply has to be consistent with the demand. Free market and free prices are the building blocks for a low inflation rate and government regulation of price destroys the industry it is targeted towards.

This review has been edited here for space and clarity. You can watch the full 30-minute review on the Defacto website [\[HERE\]](#).

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