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# MONGOLIAN ECONOMY

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take away from history is friendship

From recession to economic  
partnership

## 95 years of Mongolian-Russian diplomatic relations



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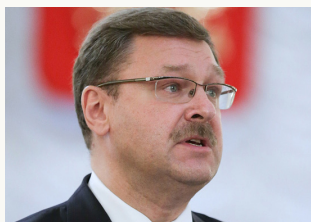
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+86 10 8535 1866 or +86 159 0115 7089 | MATTHEW LIU (刘自强) [ziqiang.liu@gulfstream.com](mailto:ziqiang.liu@gulfstream.com)

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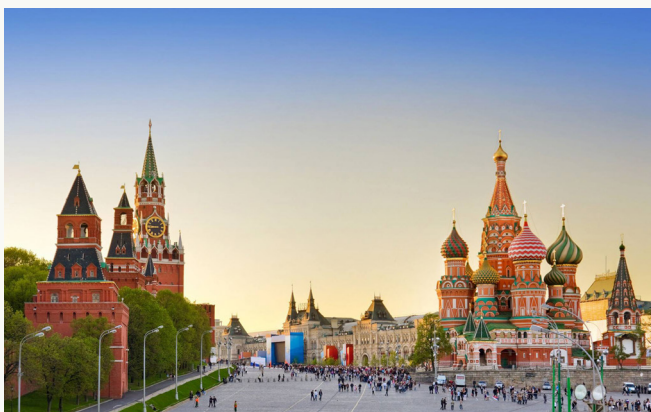
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# 2016 MAGAZINE OF THE YEAR



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**FOUNDER, EDITOR-IN-CHIEF:**  
D. Bekhbayar / 9999 4248

**FOUNDER, DEPUTY EDITOR:**  
I. Otgonjargal / 8800 6228

**EDITOR:**  
S. Otgontsetseg / 9927 8928

**ENGLISH EDITOR:**  
O. Tuvshin

**TRANSLATOR:**  
B. Enkhmunkh

**JOURNALISTS:**  
B. Enkhtsetseg  
B. Uuriintuya  
G. Orkhon  
TS. Elbegsaikhan  
A. Sevjid  
M. Bilguun  
G. Davaadorj

**DESIGNER:**  
Sh. Oyundari

**MARKETING MANAGER:**  
D. Barianjav / 9409 2904  
B. Dulguuntamir / 8608 0000

**Address:**  
Chingeltei district, 1st khoroo  
Peace Avenue, Express Tower 1101  
Ulaanbaatar, Mongolia  
Central Post Office, P.O. Box 2762,  
15160 Ulaanbaatar, Mongolia  
URL: [www.mongolianeconomy.mn](http://www.mongolianeconomy.mn)  
E-mail: [info@mongolianeconomy.mn](mailto:info@mongolianeconomy.mn)  
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## EDITOR'S NOTE

Russia feels very close to us and does not feel like a foreign country when we go there. Maybe it is because our ears have been familiar with Russian language and Russian songs since childhood. According to our countrymen living in Russia, life in our northern neighbour is much like life in Mongolia. The source of this closeness of our people is long, friendly relations.



This year marks the 95th anniversary of the establishment of diplomatic relations between Russia and Mongolia. Years have passed and we have gotten to know each other well. Life presents us with many challenges, which tests the relationships among countries. Fraternal relations under socialism and 25 years of partnership under democracy have given us the opportunity to learn, to understand weaknesses in our relationship and to determine the path of development in the future.. Mongolia and Russia urgently need to re-learn about each other and decide how to best expand bilateral relations in the context of globalisation. Studying the past and experiences of fraternal and friendly relations is not enough for successful cooperation in the future. We need to explore new forms of cooperation and write new stories which we will reminisce about 95 years

from today. But for the formation of new directions of development and partnership, we cannot forget the past.

Our editorial staff has prepared a special issue in Mongolian, Russian and English, dedicated to the 95th anniversary of establishment of diplomatic relations between Russia and Mongolia. With the launch of the magazine in three languages, another page in the history of relations between our countries is being written on paper.

For this issue, our team of journalists visited and worked in the Russian cities of Moscow and Novosibirsk. We are pleased that we were able to talk with two veterans of the Battles of Khalkhyn Gol, who are almost 100 years old. The words of these ordinary people gives understanding to the next generation about how great a price was paid to keep the motherland safe. We met many good Russian people who left us with an unforgettable experience and imparted their knowledge about our country. Vladimir Dzhaniybekov, who is well known among the Mongolian people, described the relations between the two countries with precision in just in two words: "Maintain and multiply!"

Even 200 pages were not enough to cover the historic relations spanning almost an entire century. It is truly a well-tested relationship that has lasted for a long time. In addition, we have prepared a segment to be aired on TV covering the celebrations of the anniversary in Russia. We are proud of the history of the two countries and confident that historic relations will further enriched in the upcoming centuries.

The aim of this special issue is to be a reflection of the history and the state of relations between Russia and Mongolia. I would like to thank Russian Ambassador to Mongolia Mr. I.K. Azizov and Mongolian Ambassador to Russia Mrs. D.Delgermaa, as well as the employees of both embassies for their support and assistance in our work.

D.BEKHBAYAR  
EDITOR-IN-CHIEF

Mongolia

# GREETING



On behalf of the Ministry of Foreign Relations of Mongolia and myself, I cordially congratulate you and the staff of the embassy on the 95th anniversary of the establishment of diplomatic relations between Mongolia and the Russian Federation.

Over the past 95 years, a solid foundation for close, long-lasting cooperation between Mongolia and Russia has been laid. Our two nations have strengthened fraternal relations and faced the tests of history with mutual respect and co-development. I am glad that traditionally friendly Russian-Mongolian relations have developed at a high level of strategic partnership based on equality and mutual trust.

I would like to note that the implementation of the medium-term programme of development of strategic partnership between Mongolia and the Russian Federation, which was signed in April this year during your official visit to Mongolia, will bring a new level of bilateral cooperation in a wide range of important areas.

We expect that the further deepening of our bilateral strategic partnership will have a positive impact on the development of Mongolia and Russia, the well-being of our peoples, as well as cooperation in the region as a whole.

I wish Minister Lavrov and all the people of Russia health, great success and all the best.

Sincerely,

Minister of Foreign Relations of Mongolia  
MUNKH-ORGIL TSEND

Russian Federation

## GREETING



Please accept my sincere congratulations on the occasion of the 95th anniversary of the establishment of diplomatic relations between our countries.

Mongolia is a long-standing and reliable partner of Russia. We are united by strong ties of friendship, good neighbourliness, mutual trust and respect. At various times, including at the sharp turns in history, the people of the two countries cooperated and supported one other.

Over the past decade, joint efforts have achieved significant results in the development of relations. We note with satisfaction that the two sides have a mutual disposition to further expand bilateral cooperation. We expect that the implementation of the medium-term programme of development of the strategic partnership signed this year to contribute to the promotion of Russian-Mongolian relations in all areas.

We highly appreciate the level of cooperation achieved in the international arena. Russia and Mongolia have a similar or identical approach to resolving many key issues.

I am convinced that the celebrations of the anniversary will contribute to the further strengthening of comprehensive relations between the two countries for the benefit of our people and in the interest of consolidating peace, security and stability on the Asian continent.

I would like to take this opportunity to wish my colleague Minister Munkh-Orgil as well as the Mongolian people success and prosperity!

Minister of Foreign Affairs of the Russian Federation  
SERGEY LAVROV



### Diplomatic Relations

# Having stood the test of time

BY G.DAVAADORJ

**T**he 95 years of modern Russian-Mongolian relations have gone through a long and sometimes complicated history. This rich relationship faced many obstacles and went through everything from the ideological and fraternal relations to allied, neighbourly and finally strategic relationships.

Almost a century of official relations between our countries can deservedly be called 95 years of friendship, throughout which there have not been any military or political conflicts between our countries. Such bilateral relations that have stood the test of time are rare in the history of the world.

### Brothers

Mongolians chose the socialist path of development in the early twentieth century, which led to 70 years of “brotherly and friendly relations” between Russia and Mongolia.

In July of 1921, the People’s Revolution took place in Mongolia. Four months later, the “Agreement on the Establishment of Friendly Relations” was signed between the governments of the Mongolian People’s Republic (MPR) and the Russian Soviet Federative Socialist Republic (RSFSR), and the two countries established their diplomatic missions in Moscow and Ulaanbaatar.

Since then, Mongolia began to implement large-scale joint projects for the development of industry, energy, transport, communications, culture, education, health, the economy and other sectors. The foundations for modernisation of Mongolia were set.

The next stage of bilateral relations is inextricably linked

to World War II. In March 1936, the MPR and the USSR signed a protocol on mutual assistance due to a growing threat of attack by militarist Japan. And in 1939, the USSR provided direct military assistance to Mongolia for the armed conflict in the east of Mongolia. As historians say, the joint victory in the war played an important role in deterring external aggression aimed at the Soviet Union and Mongolia from the east. In turn, during the Great Patriotic War (how Russians refer to WWII), Mongolians provided comprehensive assistance to the Red Army and the Soviet war effort. Older and younger generations of Russians remember this with gratitude.

It should be noted that the Soviet Union was the only country to recognise Mongolian independence since the establishment of diplomatic relations for many years. Despite the fact that the Soviet-Mongolian relations are a controversial topic for researchers today, it is undeniable that Soviet recognition had a significant impact on other countries in accepting Mongolia’s independence. Thanks to the efforts of the USSR on the recognition of Mongolian independence at the Yalta Conference in 1945, China was forced to recognise Mongolia’s independence, which catalysed recognition of Mongolian independence all over the world.

The modern historiography of Soviet-Mongolian relations regards that the declaration of independence of Mongolia in the world was the fulfilment of an old dream of the Mongolian people on sovereignty, and on the other hand, it played a huge role in the stabilisation of the geopolitical situation in the Far East. Furthermore, the Soviet Union actively supported Mongolia’s accession to full member status in the UN in October 1961. Within five years after ►

► joining the UN, Mongolia had already established diplomatic relations with 30 countries, and involved itself in various UN agencies.

In general, Soviet-Mongolian relations between 1920-1940 largely consisted of mutual military-political support and the beginning of formation of the national economy of Mongolia. Along with numerous joint projects, in 1949, Trans-Mongolian Railway was built with the support of the Soviet Union. This was the first and biggest development project in the history of our country.

Since the 1950s, bilateral relations entered a phase of the predominance of economic, trade and scientific-technical cooperation instead of military-political relations. In general, the years 1950-1990 are defined as the stage of a broad development, aimed at the transformation of Mongolia from an agrarian country to an industrialised agricultural country. Loans and Soviet assistance under the Council for Mutual Economic Assistance (CMEA) became the basis of establishing industry, infrastructure and communications in Mongolia. Education and the health sector of Mongolia became self-sustaining, and the nation's workforce and intellectuals of modern times were born.

### Old friends, new partners

Russian-Mongolian relations took a dramatic turning point during the late 1980s to the mid-90s. Due to the deep political and socio-economic changes and market forces, the economy of the two countries fell into a state of severe crisis. Due to the lack of experience and tradition of an open social and economic policy and democracy, both Russia and Mongolia faced great difficulties.

As a result the Russian Federation starting to focus more on its domestic issues, Mongolia dropped down in Russia's list of priorities, and the traditionally close connection was significantly weakened. During the difficult years of the 90s, the economic relations between the two countries fell sharply and reached the worst indicators. Thus, between just 1991-1993, trade turnover between the countries fell by 40 percent, and by the end of 1997, trade contracted by 6.5 times.

Yet, the relations of the neighbouring countries could not continue like this for long. Naturally, there was a need to establish completely new forms of relations between the two countries based on generally accepted international standards, the principles of respect for democratic values and respect for the interests of the two peoples.

Therefore, the "Treaty on Friendly Relations and Cooperation between the Russian Federation and Mongolia" was signed in January 1993. This document became the legal basis for the further development of Russian-Mongolian relations in a new environment of international relations established after the end of the Cold War. The agreement reflected the principles of mutual respect for sovereignty and independence of each other, the inviolability of borders, territorial integrity, non-interference in internal affairs, obligations of good neighbourliness, partnership and cooperation. Based on this, we formed the conditions for recovery of lost political, economic and social ties between Russia and Mongolia.

### Strategic partners

Thanks to the agreement of 1993, political relations between Russia and Mongolia began to gradually recover at various levels. In 1999, the decline in trade between the countries bottomed out and was stabilised at a level of USD 200-300 million at the turn of the new century. Still, in today's globalising world, practical steps were needed to further expand bilateral relations.

Thus, the state visit by Russian President Vladimir Putin to Mongolia in 2000 started a new chapter in bilateral relations. As a result of the visit, the Ulaanbaatar Declaration was signed, and the main areas of multilateral cooperation were defined. This declaration, together with the Moscow Declaration, adopted during the Mongolian President's visit to Russia in 2006, became catalysts for improvement of bilateral relations.

Despite all this, the existence of the factors that negatively affected economic relations between the two countries still remained. One of them was a large debt owed by Mongolia to the USSR. In 2005, as a result of the annulment of 98 percent of the RUB 10 billion debt by Russia and a payment of USD 250 million by the government of Mongolia to settle the remainder, the biggest obstacle in economic relations between the two countries was eliminated. During the official visit of Russian President Dmitry Medvedev to Mongolia in 2009, a "Declaration on the Development of Strategic Partnership" was approved, which has further strengthened bilateral relations. Thus, Russia and Mongolia announced to the world the development of bilateral cooperation based on the principles of strategic partnership in the new century.

The next event that further enriched strategic partnership was Putin's working visit to Mongolia in 2014. The visit lasted only six hours, but was nevertheless very fruitful, as 15 agreements on intergovernmental and inter-sectorial cooperation were signed. Also, the visa scheme among the two countries set in 1993 was reformed during this visit. As is known, the visa-free scheme has brought tremendous progress in places close to the Mongolia-Russia border.

However, if we consider look at the economic and trade ties between the two countries at the level of the national government, it continues to be the weakest part of bilateral relations. Researchers note that, despite the existence of a sound legal framework consisting of 130 contracts and agreements, practical steps need to be taken to implement them. Despite the many areas in need of improvement, our future economic relations promise us new opportunities and resources. There are good prospects, especially in the sectors of transport, agriculture and tourism.

It is also hoped that the medium-term programme of development of strategic partnership signed in 2016, as well as the programme to establish a Russia-Mongolia-China economic corridor, will provide those practical steps needed in order implement many of the tasks assigned to Russia and Mongolia. ■

**Almost a century of official relations between our countries can deservedly be called 95 years of friendship.**

# K.I. KOSACHEV: *Most important asset nations can take away from history is friendship*



BY S. OTGONTSETSEG

*We invited Konstantin Iosifovich Kosachev, a Russian statesman, diplomat and Chairman of the Council of the Federation Committee on Foreign Affairs, to get his views on bilateral relations and cooperation between Mongolia and Russia.*

- Hello Mr. Konstantin Iosifovich. This year we celebrate the 95th anniversary of the establishment of diplomatic relations between Mongolia and Russia. We are well aware that our enduring friendship is not limited by the scope of the past 95 years. How would you describe the outcome of the historical relations between the two countries covering almost a century?

- Almost a century of official relations, and even longer non-diplomatic relations, is of course a great opportunity to evaluate the strength of the ties between our people and countries, especially when you consider how many different dramatic events occurred over this time, including the Second World War and collapse of the socialist system, which was followed by the extinction of the Soviet Union

off the world map. All this, of course, could not but affect our relations – sometimes in the form of a catalyst or stimulus, and sometimes as a kind of distraction, when other things seemed more important.

Now, based on the experiences gained, we can say with confidence that most important asset nations can take away from history is friendship. Economic, political, military and other factors come and go, but the concept of close and vital partners, friends and neighbours remains throughout the centuries. Today, it is probably the most important outcome of 95 years of official relations between our two countries, and this is not just empty flattery from me. In particular, we have no political disputes, mutual claims, fundamental differences or any of the many other things that come between many countries in the region and the world. This is something that should be cherished. However, this is not a fixed condition, so the authorities

and societies of our two countries have to make sure they work hard to maintain the prevailing high level of mutual understanding and trust achieved over the years.

**“Our friendship was sealed not only in the battles of war, but also in the skies of peace.”**

- What are some of the special moments you would name in the history of our friendship over this period?

- One of the most important milestones in the recent history of Russian-Mongolian relations was the declaration on the development of strategic partnership between the Russian Federation and Mongolia, signed in Ulaanbaatar on August 25, 2009. The declaration notes that the leaders of the two countries paid tribute and gratitude to all those who fought shoulder to shoulder for the sovereignty and territorial integrity of Mongolia in 1921, defended Khalkhyn Gol in 1939 and jointly fought against fascism in the Great Patriotic War (WWII).

Those are really the most important events in our ►

- ▶ shared history that largely determine the nature of relations. Many times, our nation has come to the aid of our Mongol brothers, and of course, we cannot forget the contribution of the Mongolian people showed to our army and people in the Great Patriotic War. Mongolia provided uniforms, food, horses and collected funds for military equipment. In this regard, I would especially like to mention a landmark visit by Mongolian President Ts.Elbegdorj in May 2015 to participate in the commemoration of the 70th anniversary of victory in the Great Patriotic War. Russia, of course, appreciated this important diplomatic gesture of the highest level, while leaders of a number of other states displayed behaviour that openly tried to undermine the significance of the event.

We also have deeply memorable achievements during peace. Personally, I remember well the flight of the first Mongolian cosmonaut J.Gurragchaa (who later became Mongolia's Minister of Defence) in March 1981 as part of the international space crew of the Soyuz 39 under the leadership of Vladimir Dzhanibekov. In other words, our friendship was sealed not only in the battles of war, but also in the skies of peace.

As a politician, I would like to note the importance of the state visit of President Putin to Mongolia in November 2000, during which the "Ulaanbaatar Declaration" was adopted. In my view, it was from that moment, coinciding with the turn of the century and millennium, that the upward development of bilateral relations was revived after the clear decline of the 1990s. For example, trade between our two neighbouring countries fell 6.5 times in 1998. I think that in this century, we have been able to maintain the high standard set in 2000, but today we are facing new crises, so we need to look for new solutions to these challenges. Yet, I am sure that new breakthroughs and milestones are awaiting us in the not too distant future.

### "An old friend is better than two new ones."

**- The history of our friendship is rich and unique, so we must not take it for granted or downplay its value. The younger generations of the two countries sometimes underestimate its significance, even attempting to distort this friendship. What are your thoughts on this? What opportunities are there to improve this situation?**

- I myself graduated from the Moscow State Institute of International Relations during the Soviet times, and in almost every class there was a capable, sociable, hard-working, "one of us" type of Mongolian student. So to me, I didn't think of Mongolia as a faraway country several time zones away from Moscow, but when I thought of Mongolia, I thought of the people, my peers, that I talked to and studied with during my student years.

I think that is what is missing in the experiences of young people today. However, we must understand that we live in a different era. Today, both our countries are more open to the world, and the era of global information and communication technology makes being direct neighbours not as critical as it was in the past. I came across these statistics: in the mid-

1990s, 67 percent of the entire adult population of Mongolia was able to read and understand Russian, and 74 percent of the Mongolians used the language in some way in their lives.

Of course, that is no longer the case anymore. Hence, we need to work in other realities, and this is a task not only for politicians but also for civil society. We have a saying in Russia: "an old friend is better than two new ones." This phrase can be understood quite literally. I think perhaps we need to highlight the qualities of Soviet and Russian relations with Mongolia to the young people. The two nations pursued mutual benefits and economic and other interests. I would like to stress that there was no desire to subjugate, pressure or force to change the political system of Mongolia. This still characterises our relationship today. That's what I would remind young people, when looking back at the path traversed by us.

Naturally, we need to meet more often and strengthen our basis for joint projects, permanent forums and other initiatives that we could maintain at the political and legislative levels.

I would like to specifically note the historical sphere, which today is a topic under heavy attacks from various revisionists trying to "tweak" the past to fit into the current political narrative. We need to reply with truth. Furthermore, who says the Russian and Mongolian youth, the students, can't conduct joint historical research using the archives of the two countries? After all, nothing will bring us closer than a joint undertaking. The effects of what you learned through your own efforts, of course, will be much greater than reading academic papers. This is just one example of where the young people of the two countries could make efforts for mutual benefit. As people say, "where there's a will, there's a way."

**- In recent years, relations between our countries have been developing rapidly at the diplomatic level. How does Russia assess the current state of relations with Mongolia? How would you note the trends in relations and cooperation between our countries?**

- We have a strong foundation based on more than 150 intergovernmental treaties and agreements signed, which is a good reflection of the current level of understanding and the quality of our relationship. It is not just "on paper" agreements, as they are fully active and affect a variety of spheres. During the course of the working visit by President Putin to Mongolia to participate in the festivities dedicated to the 75th anniversary of victory at the Battles of Khalkhyn Gol in 2014, 14 major intergovernmental, interdepartmental and inter-company documents, including a package of agreements on the conditions for mutual travel of citizens of both countries, were signed. Since the introduction of the visa-free scheme, the number of trips from both countries has doubled and continues to grow.

I am convinced that the quality and nature of relations ▶

*I think that is what is missing in the experiences of young people today. However, we must understand that we live in a different era.*

► between our two states will not change in any way in the short and medium term. The atmosphere of friendliness and partnership spelled out in the declarations of 2000 and 2009 will remain in full effect. However, the figures and formats of our relations will change. New areas and levels of cooperation will be added, significantly catalysing the integration process in Eurasia.

As a member of parliament with experience in both houses of the Russian parliament, I would like to highlight very active Russian-Mongolian inter-parliamentary relations. Chairman of the Federation Council of the Russian Federation Valentina Matviyenko's visit to Mongolia in June 2014 was organised very well, in terms of both planning and content. In September of last year, the Mongolian Speaker of Parliament at the time, Z.Enkhbold, visited Moscow.

One area that I cannot go without mentioning is inter-regional and cross-border cooperation, which has traditionally served a special role. It accounts for about 70 percent of bilateral trade volume. A sub-commission on cross-border and regional cooperation of the Russian-Mongolian Intergovernmental Commission is working on the draft of an intergovernmental agreement to promote cross-border cooperation. I think there is still plenty of room for more interaction at the regional level, and we are willing to contribute to its expansion at the legislative level.

Another area that we can continue to build upon is education. Today, the Russian Ministry of Education allocates an annual quota of 300 Mongolians (students, interns, and graduate and doctoral students) to study in Russia, covered by the federal budget. This, of course, is a very small number, but it is still valuable as we are talking about free education, and not so many countries with developed education systems provide such an opportunity.

I am glad that branches of Russian higher educational institutions are operating in Mongolia. For example, the Plekhanov Russian University of Economics, East Siberia State University of Technology and Management (in Ulan-Ude) and the Russian language preparatory department of the Irkutsk State University of Railway Transport can be mentioned. Supporting the expansion of scientific exchange is a key priority. We believe that the recently established association of research centres of Russia, China and Mongolia will play a major role in this.

Of course, it is necessary to support the study of the Russian language in Mongolia. You should no longer live within the old Soviet "baggage." In my view, the situation is not very good, when the majority of high-level leaders of Mongolia are fluent in Russian while the young people do not know the language that well.

In my opinion, we are not sufficiently utilising opportunities in the tourism sector. A number of projects are being discussed. In particular, the organising of the international tourist route, "The Great Tea Road," that

would link 20 regions of Russia with China and Mongolia, as well as the launch of a special excursion train, can be mentioned. However, it is also necessary to encourage private tourism, as well as new attractive forms of tourism such as ecotourism, and work together in tertiary markets. All these themes could also improve our relations and help us ensure our economic interests.

### **"We cannot be satisfied with the trade volume between our countries."**

**- As you know, ownership of two Russian-Mongolian joint ventures was recently transferred to the Mongolian side in full. Could this event have any influence on the relationship between our two countries?**

- President Putin once specifically noted that "We have accumulated considerable experience working in the mining industry," naming the successful operations of the joint enterprises "Erdenet" and "Mongolrostsvetmet" as examples. But of course, our cooperation is not limited to just these major projects. Russia may clearly play a more significant role in the energy market of Mongolia. The issue regarding the plans for the construction of a hydro power plant in the Selenge River basin is becoming an issue that needs to be resolved. Implementation of these projects is a concern for Russian and international environmental organisations, because there could be risks to the water supply of the Irkutsk region and the unique ecology of Lake Baikal. President Putin proposed considering alternative ways of solving the problem of energy supplies - for example, by increasing Russian stations' supply of electricity to the northern regions of Mongolia. All this can and should be discussed in a meaningful way.

One thing we cannot be satisfied with is the trade volume between our countries. In 2015, it amounted to USD 1.16 billion, which was a 22.6 percent decline compared to the same period of the previous year. Against in the first quarter of 2016, trade turnover between our countries fell by 27 percent. These figures are clearly not consistent with the nature and quality of bilateral relations between Russia and Mongolia.

I read that experts say importing meat from Mongolia has many advantages over importing frozen meat from Latin America. Mongolian meat is cheaper and more ecological. It can be supplied directly to the meat-packing plants of Ulan-Ude, Chita and Irkutsk, and then it can be in a fresh frozen state. In the context of restricted trade with a number of Western countries, in my opinion, many good opportunities have been presented for expanding the import of Mongolian meat, but, as I understand, there has been no progress.

On January 31, 2016, President Putin signed the legal act which wrote off 97 percent of Mongolia's debt to the Russian Federation in the amount of USD 174.2 million, and this important document was ratified by both chambers of the Federal Assembly. However, as experts have noted, the proportion of investment in Mongolian-Russian cooperation is still rather small, and Russia lags ►

*The era of global information and communication technology makes being direct neighbours not as critical as it was in the past.*

► behind many other countries in terms of total foreign direct investment into the economy of Mongolia. I think solutions are needed in this area, perhaps through the formation of specialised investment mechanisms and structures.

**- How do you view the programme to create economic corridors within the broader aim of political, economic and infrastructural integration of Mongolia, Russia and China? What kind of policy Mongolia should abide by in order for the corridor to function successfully and profitably for Mongolia?**



- The purpose of establishing the economic corridor is clear: to create the conditions for the expansion of tripartite cooperation by increasing trade volume between the three countries. The president of Mongolia proposed selecting the ready-to-implement projects from the 32 chosen and seeking funding, in particular through the establishment of an investment centre mechanism, during the tripartite meeting of leaders. I believe that this is a real road map for the project, but the details should be discussed by experts, representatives of transport authorities and businesses.

Although I am not an expert in the field of economics, I would like to note that the project is highly significant, especially politically, and can serve as an impetus to the development of the region at large. I believe that the authorities of Mongolia are doing everything in their power to ensure that the concepts can be realised in a reasonable time frame.

**- You are an expert on matters of international relations. How successful is Mongolian cooperation with other countries in your opinion? Where do our strengths and weaknesses lie?**

- I will mention one typical example. A session of the Parliamentary Assembly of the Organisation for Security and Co-operation in Europe (OSCE PA) was held in Ulaanbaatar on September 15-18 of last year. The previous session of the OSCE PA was held in Finland without the participation of Russia, because the country's authorities refused to give entry permission under the Western sanctions on Russian MPs, including the Chairman of the State Duma Sergey Naryshkin. In response to this, our entire delegation decided not to participate in the session.

Mongolia's approach was totally different as it ensured the highest level of organisation and conduct in Ulaanbaatar, thereby demonstrating political and democratic maturity. I think that tells everything.

On September 8, 2015, the President of Mongolia initiated the adoption of Mongolia's status of permanent neutrality, and on September 29, 2015, he announced this intention at the 70th session of the UN General Assembly in New York. Of course, it is a sovereign choice of Mongolia, from which it may be able to receive great benefit, but it does not mean that Mongolia must withdraw from

cooperation in various multilateral formats. Mongolia is known for its quite successful participation in the works of the SCO, CICA, ASEM, ACD, PECC and the ASEAN Regional Forum (ARF).

It is hard to give advice or judge the works of my Mongolian colleagues on to how organise foreign relations, but I am confident that there are things with which Mongolia can strengthen its position. Behind the scenes of international organisations, initiatives aimed at the common good are encouraged. Of course, Russian delegations and

representatives in these international institutions could cooperate with Mongolian counterparts to strengthen our initiatives and increase penetration. Naturally, Mongolia's reputation will depend on how it responds to the urgent global and regional challenges of the day, by participating in international mechanisms to address these challenges, including terrorism, drugs and other forms of transnational organised crime, ecological challenges and other themes of sustainable development.

**- Does the Russian Federation have an official state policy directed at preserving or expanding its space used in Mongolia's economy? If so, in what areas and which sectors?**

- Special state strategies for individual countries do not exist, but of course, there are initiatives to preserve and expand the traditional space our country occupied in Mongolia's economy at the level of the economic aspects of the government, legislative bodies, regions and businesses. All of these are reflected in the proposals voiced by the president and government of Russia.

**- As we arrive at the end of our conversation, we would like to ask you to share your thoughts on Mongolia and its people with our readers?**

- At one time, in 2008, when I was still working in the State Duma, our delegation visited Mongolia for an official visit, and I think I can say on behalf of all the participants of the trip that all of us just fell in love with Mongolia. The vast steppe region the size of Western Europe, in which three million people live, largely serves as a metaphor for the people's character – as wide and open as the vast expanses of Mongolia. At the same time, Mongolia is a nation with a rich history which has made significant contributions to global history. However, I have to say the people I communicated with during my university days and when I was working in various organisations after graduating were the most interesting. Words such as joyful, hardworking, witty, hospitable and friendly are what come to mind when I try to describe Mongolians. I have always enjoyed working with Mongolian colleagues as well as spending my free time with them. I would gladly receive them in the halls of the Federal Council, and it would be nice to re-visit wonderful Mongolia to meet old friends and make new ones. ■

Ambassador

## B. Delgermaa: *Our people share a warm atmosphere and lively interaction*

*We have sat down with the B. Delgermaa, Ambassador Extraordinary and Plenipotentiary of Mongolia to Russia.*

**- Let's begin our conversation by talking briefly about the historical relationship between our two countries in relation to the 95th anniversary of the establishment of diplomatic relations between our countries?**

During this time, the economic loans and support we used to receive from the Soviet Union stopped, and Mongolia went through difficult times due to shortages of goods and energy. Also, the Soviet Union dissolved as former Soviet republics declared independence. This year marks the 25th anniversary of independence for many countries of the former Soviet Union.

Although the economy was difficult for post-socialist Mongolia, we updated all the agreements and negotiations in 1993. In other words, there were no changes in the key aspects of bilateral relations, although both countries were undergoing reforms and in a state of transition. Then in 2009, the two countries signed a memorandum of strategic partnership. Therefore, it can be said that Russia is a strategic partner in Mongolia's foreign policy. Relations between the two countries reached new heights with the agreement on strategic partnership.

**- How do you assess the 95th anniversary of the establishment of diplomatic relations between the two countries as the Ambassador representing Mongolia in Russia?**

- Politically, there are no pending disputes or issues between our countries. Top-level bilateral meetings take

place regularly. Although our country has observer status in the Shanghai Cooperation Organisation (SCO), the president of Mongolia meets with his Russian counterpart to discuss bilateral relations during each annual meeting of the heads of state of the SCO member countries. Generations of Mongolian prime ministers participated in the annual St. Petersburg International Economic Forum. In this context, our PM met with Russian PM Dmitry Medvedev. President Putin attended the event commemorating the 75th anniversary of the Battles of Khalkhyn Gol. Prime Minister Dmitry Medvedev took part in the ASEM summit held in Mongolia. Chairman of the Federation Council Valentina Matvienko and Chairman of the State Duma Sergey Naryshkin visited Mongolia, and Mr. Naryshkin attended the 2015 Autumn Meeting of the OSCE Parliamentary Assembly held



Photo by B. Bayarjargal

Perhaps it would be appropriate to talk about diplomatic relations between Russia and Mongolia by separating the topic into periods. The first period would be 1921-1945, or in other words, the period starting from the People's Revolution up to the end of World War II. The second is the post-war development period. During this time, the two countries made huge investments and started major joint projects in the sectors of mining, agriculture and construction. Moreover, relations expanded in the cultural and education sector, and many Mongolian intellectuals and notable people in the cultural sector studied in Soviet universities.

Since the 1990s, there has been a big systemic change in the two countries. Both countries transitioned from a centrally planned economy to a market economy, and the political system also changed into a multi-party system.

*We have always headed in the same direction for 95 years*

► in Ulaanbaatar. These high-level meetings and other events show that the bilateral relations of our two countries meet the description of strategic partners.

Minister of Foreign Affairs Sergey Lavrov's visit to Mongolia in April of this year was of course a very important event as it was the first visit by a Russian Foreign Affairs Minister to Mongolia in nearly a decade. During his visit, the bilateral cooperation programme for the next five years was approved. It is an important medium-term strategy programme that defines what challenges the two countries face in the humanities, economic, political, defence and all other sectors, and what should be done before the centenary of the establishment of diplomatic relations. It should be noted that it is a document of historic significance.

Our countries have a fraternal relationship. When I meet with Russian people in hospitals or in the streets, many people tell me "my grandmother used to work in Mongolia in the 70s" or "my grandfather fought in the Battles of Khalkhyn Gol." Russian people have such warm and kind hearts. Mongolians who studied in Russia come to Moscow after 20 or 30 years and say they feel as though they have come home and always want to eat the ice cream and pirozhki they used to eat during their student years. Such is the warm atmosphere and lively interaction between our two nations.

The main work our embassy should carry out is reviving the old tradition in the humanities sector. In other words, we need to take cooperation in culture, literature, journalism, sports, health and education to new levels. The Ministry of Education, Culture and Science signed a memorandum of cooperation with the Ministry of Culture of the Russian Federation and made certain negotiations concerning the period 2015-2017. In this context, the two countries agreed to organise bilateral cultural days and exchange cultural ambassadors. Sending a cultural ambassador, the face of the country's culture, to such a great centre of world culture is a big diplomatic activity between nations.

Another issue we must focus on is the gap in the trade balance between the two countries. In the past, Russia accounted for the majority of foreign trade whereas today it takes up a very small percentage. Therefore, my first task after being appointed to this position was making structural changes and having the best personnel focus on trade and economic areas.

In a time when the world is becoming increasingly integrated, Mongolia has gained considerable experience by cooperating with the European Union over the last 10 years. In 2015, we signed an economic partnership agreement with Japan. Now we are starting negotiations with the Republic of Korea and striving to partner with ASEAN as well as discussing partnership with APEC. In other words, it is necessary to be part of some kind of regional integration. By doing so, we will be able to turn our landlocked geographic location between two great powers into advantage and work with these two large markets. Therefore, we are also interested in the Eurasian Economic Union.

Agricultural issues are also very important. During the "Golden Autumn" event, Prime Minister Dmitry Medve-

dev stressed that this year Russia harvested 115 million tonnes of grain, which is the biggest harvest volume in the last 50 years. Mongolian Minister of Food, Agriculture and Light Industry P.Sergelen discussed cooperation in the agricultural sector with Minister of Agriculture of the Russian Federation Aleksandr Tkachyov when he participated in the same event. For example, there is a programme to recover livestock health. At least the income of herders will increase if the health of livestock is improved, and it would make it easier to implement many big goals, such as boosting export of meat. Unfortunately, Mongolia exported only four thousand tonnes of meat last year. Mongolia's meat exports will significantly increase if can provide heat treated meat to the Russian armed forces. The two ministers discussed the possibility of cooperation in areas of agricultural raw materials such as fur, leather and wool in addition to meat.

Today Russia domestically provides 100 percent of five out of eight key staple foods to ensure food safety. However, they still do not domestically meet the demand for meat, in particular, beef. Therefore, it appears that Russia has great interest in importing meat. Everything is possible if Mongolia adhere to the right policy. This great power handles all of its tariff and non-tariff issues through the Eurasian Economic Commission. Thus, we need to adjust to the general legal environment of this union. We need to closely cooperate with Kazakhstan, Uzbekistan, Belarus and Armenia. It has been seven months since I was appointed as the Ambassador to Russia. The Embassy of Mongolia in Russia also covers Belarus, Iran and Armenia. Currently, I have presented my credentials to Belarus. In the future, we will accelerate the works directed towards these countries.

**- Russia is looking to restore cooperation, investment and good relations with Mongolia. What are your thoughts on this?**

- Personally, I have already said that our countries have a warm connection with each other. But the main thing we need is a "one window policy" in public administration. Recently, the Ministry of Foreign Relations established a department responsible for economic cooperation. Likewise, we need to deal with Russia and China with an integrated policy in the infrastructure, environment, education, sports and humanities sectors. It is not enough to simply talk about friendship and fraternal relations; today we need to implement forward-looking policies. Our countries are eternal neighbours. In that sense, our countries have always been heading in the same direction over 95 years. We need to administer policies with continuity based on this fact.

**- What would you say about the future development of Russia?**

- Russia is a multi-ethnic federal state with a population of 146 million people. Russia's governmental organisations are stable. They do not politicise things and they approach human resource issues prudently. A strong public policy is the main basis for being a strong country. Space for workforce improvement, teamwork and foreign policy expansion ►

*The main work our embassy should carry out is reviving the old tradition in the humanities sector.*

► sion is important for any country. Although Russia maintains a strong position in the global organisations, it also wants to expand its membership in the Eurasian Economic Commission. Countries such as India and Iran expressed their interest in joining the Shanghai Cooperation Organisation. We have to emphasise having a smart approach to where the policy of this great power will be focused during this process.

Also due to the economic downturn, Russia is focusing on ensuring budget discipline, developing regions and addressing social issues in relation to the economic crisis. Clearly this position will not change in the future.

**- Russia decided to place a horse monument, a gift from Mongolia, at Poklonnaya Hill. I was very glad to hear this. We believe that it will contribute to cultural and historical relations between the young people of the two countries. What is your opinion on this?**

-President Ts.Elbgdorj gave sculptor A.Ochirbold's

to meet with the council to explain the sentiment behind the monument. Since the beginning of the World War II, Mongolia sent its best horses, a total of half a million horses, to support the fight against fascism under the motto "Everything for Victory." The Mongolian people also experienced five years of hardship together with the Russian people. We explained for over 20 minutes that this monument is a gift from the bottom of the Mongolian people's heart.

The famous film director Sergey Gerasimov and writer Boris Vasilyev supported us by saying, "The coldest winter in the last 100 years occurred in Russia in 1941. All the Siberian soldiers were wearing Mongolian sheepskin coats and felt boots to fight and win the Battle of Moscow under the command 'No retreat – behind us is Moscow'."

"We always remember our allies. Mongolia is our first ally. This nation dedicated everything they had to support the Soviet people," they noted. Then, there were tears in the eyes of old people participating in the meeting. Thus, we were able to get unanimous approval. Mayor of Moscow Sergey Sobyannin decreed to place the monument at Victory Park on July 9 of the next year in accordance with this decision.

**- Russians say that they were hardened through three wars, that one must have a patriotic spirit for the country as their motherland was defended at great expense. Do you feel this spirit in the people of Russia?**

- Every Russian family truly felt the tragedy of war. The Victory Day proceedings on May 9 show

this unforgettable grief. From morning until night, thousands of people hold pictures of their parents and relatives who died during the war. Even little children hold pictures of their great grandparents. Russian people went through the suffering of war, so they are very compassionate and kind-hearted people. I am proud of the Russian people. I started learning Russian in kindergarten, and then went on to study in a Russian secondary school and graduated from a Russian university. My piece of personal pride is that I was able to fluently possess this rich language. I am very grateful to my parents who gave me the opportunity to obtain such an education. Some Russian universities have invited me to make a speech about Mongolia. It would be a huge honour to give a speech and promote my country at these prestigious universities.

**- Is there anything else you would like to say on this occasion?**

- We are basically wrapping works to organise the 95th anniversary celebrations. Indeed it was a historical anniversary. ■



monument of Mongolian horses, named "On the Roads of War," as a present to Russia on behalf of the Mongolian people for the 70th anniversary of the Great Patriotic War in 2015. President Vladimir Putin received the gift with a lot of gratitude. This monument was kept in the backyard of our embassy. After my appointment to this position, I established a working group responsible for issues regarding the monument, and thanks to this, the Russian government made the decision to place the monument at Victory Park located at Poklonnaya Hill, a most sacred place in the hearts of the Russian people. Although we tried to place the monument within the two countries' friendship month, the Moscow administration said that it must go through many steps in authorisations and permissions. A total of 43 permissions are required. The last discussion on whether to grant the permission was discussed by the Commission for Monument Art of the Moscow City Duma on October 13, 2016. The government of Moscow said that it would be impossible to place the monument at Victory Park if the commission did not accept the meaning and quality of the monument. So, we had



Symbol of Friendship

Photo by B.Bayarjargal

# Monument of Mongolian war horses to be erected in Moscow

BY S.OTGON

Mongolians know very well about “Borisoglebskiy 11” Street right in the centre of Moscow, located near New Arbat Avenue. Borisoglebskiy 11 Street is the address of the Embassy of Mongolia in Moscow, and a bronze monument which depicts Mongolian horses pulling artillery will catch your eye when you enter the backyard of the embassy. The monument titled “On the Roads of War” was gifted by President Ts.Elbegdorj to the Russian Federation during his visit participating in the 70th anniversary of Victory Day.

The ceremony of the setting of the monument’s foundation stone at Poklonnaya Hill in Moscow was one of the many events organised within the framework of the 95th anniversary of the establishment of diplomatic relations between Russia and Mongolia. Andrey Kulik, Director of the First Asian Department of the Ministry of Foreign Affairs of Russia;

Sergey Mirzoyan, Chief Moscow Inspector for State Protection of Items of Cultural Heritage; D.Davaasuren, State Secretary of the Ministry of Foreign Relations of Mongolia; B.Delgermaa, Ambassador Extraordinary and Plenipotentiary of Mongolia to Russia; and other officials and embassy staff participated in this ceremony held on November 3.

After the war themed Russian and Mongolian songs as well as the national anthems of the two countries echoed alternately over Poklonnaya Hill, officials of the two sides made congratulatory speeches. “On last year’s Victory Day, the president of Mongolia presented this monument of Mongolian horses pulling artillery through rough roads against the whistling of bullets,” stated Andrey Kulik, who also noted that expanding relations with Mongolia is one of the foreign policy priorities for Russia.

Reciprocating the praise, Mongolian Ambassador to Russia B.Delgermaa stated: “I ▶

**During WWII, the Mongolian People’s Republic supplied the Soviet Union with horses. During the years of war, the people of Mongolia sent more than 500,000 horses. By 1943, one in five frontline horses were Mongolian.**



The famous Mongolian sculptor A.Ochirbold created the bronze monument depicting a pair of Mongolian horses pulling artillery at the initiative of ordinary Mongolian citizens and with the support of President Ts.Elbgdorj.

**“Usually, monuments are created for a person or people, but this work is unique in that it depicts ‘brothers’ of the human kind, which we often leave behind without mentioning. It is very touching and exciting,” said Igor Voskresensky, Chairman of the Commission for Monument Art of the Moscow City Duma.**

► would like to say that the people of Mongolia will forever remember the help of the Soviet people in protecting our country, territorial integrity and sovereignty, and honour the ultimate sacrifice made by the brave men and women at the Battles of the Khalkha River.” She also expressed deep gratitude to the Commission for Monument Art of the Moscow City Duma, which made the decision to place the monument at Poklonnaya Hill (a location sacred to the military history of Russia) on October 12 of this year with the support of the Russian Government and the Moscow administration.

“On the Roads of War” – the symbol of the friendship of our two countries – will be placed at Victory Park, the most respected and prestigious part of Poklonnaya Hill, during next year’s Victory Day as a reminder of the historical and loyal friendship between the two countries for generations to come.

We asked Andrey Kulik about his impression of the event after representatives of the two countries who attended the ceremony posed for a photo.

“The Russian people always remember and respect the historic tradition of our friendship strengthened through the Battles of the Khalkha River, the Manchuria hills and Lake Khasan,” he said. “The assistance the Mongolian people sent during World War II in the form of food, strong horses, warm clothing and military equipment was invaluable. Mongolia and Russia celebrated together the 75th anniversary of the victory at the Khalkha River in 2014, and we celebrated the 70th anniversary of V-E Day last year. This year, we celebrate the 95th anniversary of the establishment of diplomatic relations. Leaving a legacy of the shared history our two nations for the next generation is our responsibility.” ■

## Anniversary event

# Banquet celebrating friendship

A banquet to commemorate the 95th anniversary of the establishment of diplomatic relations between Russia and Mongolia was held at the Ritz Carlton hotel located on the famous Tverskaya Street in Moscow on November 3.

Mongolian Ambassador to Russia B. Delgermaa and Russian Deputy Minister of Foreign Affairs Mikhail Bogdanov delivered the opening speeches of the banquet on behalf of the two sides. More than 370 guests came to the reception, including members of the Mongolian Friendship Society of Russia such as the two-time Hero of the USSR and Mongolia Viktor Gorbatko; two-time Hero of the USSR and Mongolia Vladimir Dzhaniyev; as well as other countries' heads of permanent missions in Russia and representatives of the governors of Altai Republic, Krasnoyarsk and Krasnodar. In addition, many other notable guests attended: State Secretary of the Ministry of Foreign Relations of Mongolia D. Davaasuren; administrators of the Ministry of Foreign Relations, Ministry of Food, Agriculture and Light Industry and the Mongolian National Chamber of Commerce and Industry; Consul Generals in Ulan-Ude and Kyzyl; Chairman of the Government of Tuva Sholban Kara-ool; Director of the First Asian Department of the Ministry of Foreign Affairs of RF Andrey Kulik; Deputy Minister of the Interior of the RF Igor Zubov; President of the International Chess Federation Kirsan Ilyumzhinov; authorities of Russian ministries, agencies and other organisations and representatives of culture, education and business sectors.

Ambassador B. Delgermaa noted that the agreement on establishment of friendly relations between Mongolia and the Russian Soviet Federative Socialist Republic (RSFSR) signed on November 5, 1921 played important role in establishing and developing bilateral relations. She also pointed out in her speech that the people of Mongolia deeply appreciate the Soviet and Russian people's crucial role in strengthening the independence of Mongolia and that the two countries have had relations based on mutual trust and

friendship over the past 100 years as the two countries have no unresolved disputes or issues with each other.

During the banquet, a choir of Russian students from the Moscow State University of Railway Engineering sang the Mongolian folk song "My Good Mother" in Mongolian for the winners of contests organised within the "Friendship Month" campaign organised by the Ministry of Foreign Relations.



An exhibition of historical photography included photos such as the first Ambassador of Mongolia to Russia J. Davaa, who signed the historical agreement to establish friendly relations between the Mongolian People's Republic and the RSFSR, presenting the credentials to Mikhail Kalinin, Chairman of the Central Executive Committee of the All-Russian Congress of Soviets, on May 30, 1922. There was also a photo of Ambassador B. Delgermaa presenting her credentials to President Putin on April 20 of this year showcased at the banquet hall, reflecting the important stages of the relationship of the two countries. The exhibition also showcased photos of Mongolian national festivities, tradition and social development of modern Mongolia as well as the Mongolian saddle, bow and arrow, wrestling wear, silver belt and cup and souvenirs. In addition, Mongolian boys and girls wearing the traditional Mongolian costume welcomed and served the guests, showcasing and promoting the country. ■

Russians' thoughts on Mongolia

# We have a solid and reliable friend in Asia

We asked a few attendees at the reception of the banquet for a few words.

**Kalinin Vladimir Anatolievich**, Deputy Director of the First Asian Department  
Responsible for Mongolia of the Ministry of Foreign Affairs of the Russian Federation



-After returning from Hong Kong, where I was a Consul General, I was assigned to the department responsible for Mongolia, because I graduated from the Moscow State Institute of International Relations and studied Mongolian language. Also, I was in Mongolia during my first appointment in 1977-1981. As they say, the first diplomatic mission is the best trip for a diplomat, and it will always remain dear to me. I still remember Mongolia. I still think about Mongolia today. At that time, I had the opportunity to travel across the country.

Last year, I accompanied the Russian PM in his visit to Mongolia and saw how Mongolia has changed since those days 30 years ago. It is a beautiful country. Moreover, I would like to say that it was very pleasant to meet a very close friend of mine in Mongolia who was the former General Consul of Mongolia in Hong Kong. All this suggests that we should go back to the basics that have always been inherent in Russian-Mongolian relations. In those years, we would always hear the toast: "For the eternal, indestructible and strong-as-steel

friendship between the Russian and Mongolian people!"

We need to make more of such toasts today as loudly as we did in those days. I am particularly pleased that I returned to the department in charge of Mongolia at the precise time when our relations are going through a revival. Mongolia's new government wants to expand bilateral relations in all directions, and so does the Russian side. As said in today's speeches by Ambassador Delgermaa and the Deputy Minister of Foreign Affairs of the Russian Federation M. Bogdanov, our relations have no political issues at all. The main problem is economic issues. Of course, establishing mutually beneficial relations is a must in this market economy.

As for the latest developments related to the two joint ventures, it is just a process in a market economy. We still have another flagship joint venture, Ulaanbaatar Railway JSC. There are big plans for Ulaanbaatar Railway, including the plan to use the full capacity of Ulaanbaatar Railway for the realisation of the economic corridor which is now being discussed at the highest level. Therefore, we are very optimistic for the future of our relations. Today is the anniversary holiday. I am particularly pleased to know that we have a solid and reliable friend in Asia. That is Mongolia.

**V.A. Dzhanibekov**, two-time Hero of the Soviet Union, Hero of the Mongolian People's Republic, cosmonaut and member of the Board of Directors of the Mongolian Friendship Society in Russia:



-I think people come up with anniversary celebrations to evaluate results, to calm down and determine certain limits, to be grateful to be alive and together, and most importantly, to understand the many unresolved issues in common that faced us. For example, the biggest problem we have is this planet which we do not understand what it is turning into. We need bring our home under order.

As for the future of our relations, I think it is a good thing that we are not talking about some sort

of revolution, thank God! We have known each other for so long, but apparently, we had to go through these 20 years bound by a kind of uncomfortable freedom that took democracy for granted in order to really understand democracy and, most importantly, to evaluate further opportunities concerning whether to continue along this path. Therefore, Russia was able to stop at the right time, and I believe Mongolia was able to do so as well. We need to work together to build projects, trade and exchange culture to create something beautiful and decent in general for the future generations.

Concerning the friendship of our countries, I would say: "Maintain and multiply!" ▶

► **Vladimir Yevgenyevich Churov**, a member on the board of the Mongolian Friendship Society in Russia and Ambassador at Large of the Ministry of Foreign Affairs of the Russian Federation

- I am particularly pleased today to be present at this celebration, because exactly 55 years ago, our fathers and grandfathers celebrated the 40 year anniversary of the signing of the agreement between Mongolia and Soviet Russia, and in these celebrations was my grandfather, General Vladimir I. Brezhnev, who in 1921 was part of the expeditionary force with



Sukhbaatar, Choibalsan and Yanjmaa that helped defend the independence of a young Mongolian state. It is extremely important to me that our countries have always maintained a spirit of friendship and mutual assistance. There are not so many countries in the world that are connected by almost a thousand years of shared history. There were khans of the Golden Horde and White Horde

among my ancestors, who were direct descendants of Genghis Khan, and Mongolia has always been a kind of homeland for us although we are Russian.

I wish your country prosperity and wish that every part of your rich history is passed down. I also wish for more cultural exchange between our countries, being not just confined to different anniversary celebrations, but to cover all cultural sectors such as painting, theater and other arts. In fact we have borrowed many qualities from the steppe culture: open, hospitable character and courage to defend our nation. Even our languages have many common words that originated from Russian language and evolved into Mongolian or from Mongolian to Russian, and there are ancient Mongolian words that diffused into Russian language a long time ago.

Hence, the cultural exchange between our countries is as fruitful as ever. In what other capital city of the world, except in Moscow, is there a museum of nomadic culture, where there are all kinds of Mongolian yurts? So may God give you happiness, clear skies and fat cows!

The ceremony laying the foundation stone of the monument of Mongolian horses which will be placed at Poklonnaya Hill next year was held this morning. My grandfather was engaged in the supply of Mongolian horses for Soviet artillery during the interwar period. He was an artilleryman himself and was the commander of an artillery regiment before the war. In 1961, he was awarded the Order of the Red Banner of the Mongolian People's Republic "For participation in the protection of Republic." In addition to that, he was awarded many Soviet military orders. He was a man of Tatar roots. He was the great grandson of General Balbekov, and Balbekov was a descendant of Zhanibekhan, who in turn, if I am not mistaken, was a descendant of Genghis Khan. Similarly, I have Mongolian roots from my mother's side as well. When I come to Mongolia, it almost feels like home. It is a part of me. I also really like Mongolian cuisine, boiled beef and boiled mutton soup with noodles. My stomach craves it even though I am of course a full-blooded Russian. Several times I went to Mongolia, including in 2009 when I had the honour of accompanying President Medvedev and was present at the signing of the cooperation agreement on electoral institutions in the presence of our two presidents. We have good relations with the Election Commission of Mongolia. At that time, I was working as the Chairman of the Central Election Commission of the Russian Federation.

**Kirsan Nikolayevich Ilyumzhinov**, a Russian statesman, entrepreneur, the first President of the Republic of Kalmykia (1993-2005), the first Head of the Republic of Kalmykia (2005-2010), as well as the current President of the World Chess Federation (since 1995).

- **Kirsan Nikolaevich, you are attending the anniversary celebration event and we would like to hear about your impressions.**

- I would like to congratulate you on the 95th anniversary of establishment of diplomatic relations between the Soviet Union and Mongolia. The two countries, Mongolia and the Soviet Union, now Russia, are not just neighbors, but they are brothers. As the first president of the Republic of Kalmykia, I am pleased today to be at this event organised in the centre of Moscow in this historic building. There are many honourable guests, diplomats, heads of Russian federal agencies and services. All have come to sincerely congratulate our brothers



and sisters, and we believe that the stronger the relationship between the two peoples of Russia and Mongolia, the better it is for the development of both of our peoples. The Russian Federation is also home to the Mongolian people, or rather the Kalmyk people, who moved to the territory of Russia a

few centuries ago. I think that this event is very good and very necessary to strengthen our relations.

- **The Mongolian people are very grateful to you for your support of our chess players. How do you see the future of Mongolian chess players?**

- In fact, mental games like chess are considered traditional games of Mongolia. When we are in a yurt or when we attend the cattle, we always think. I am very pleased to revive our traditions, because chess was also a traditional type of activity for Mongolians and Kalmyks, more than just a sport.

In recent years, the World Chess Federation (FIDE) organised a lot of competitions in Mongolia. Several years ago, we held an international women's Grand Prix, international children's tournaments and many other international competitions in Mongolia. Last year, I went to the Asian children's tournament held in Mongolia. I must say that chess began to be taught in some schools, and chess players from Mongolia have begun playing in many international competitions. There are talented adults and children coming out, and some of them are budding. Hopefully, in the near future, the world champion can be a citizen of Mongolia. ■

Ambassador

# I.K. Azizov: *The “road map” of our future cooperation is the medium-term programme*



Iskander Kubarovich Azizov

Photo by B. Bayarjargal

*We sat down with Ambassador Extraordinary and Plenipotentiary of the Russian Federation to Mongolia Iskander Kubarovich Azizov.*

**- Hello Ambassador Azizov. This year we celebrate the 95th anniversary of the establishment of diplomatic relations between Mongolia and Russia. However, the historical relationship between the two countries is so rich that it goes well beyond the past century. Please briefly describe the significance of this historic anniversary. What measures will the Russian side organise in the framework of the celebration of this anniversary?**

- Nearly a hundred years ago, in November 1921, an agreement was signed on the establishment of friendly relations between Russia and Mongolia. This event marked the beginning of a new stage of cooperation between our two countries as two sovereign states. No country in the world recognised the Mongolian People's Republic, except the Russian SFSR. However, long-term efforts of Mongolia and our country, radical changes in the world since World War II and the firm will of the Mongolian people expressed through the

nationwide referendum prompted the international community to recognise Mongolia's independence as a sovereign state.

The Russian and Mongolian sides have developed a programme of the festivities dedicated to the anniversary, and it has been almost completely implemented. This included all kinds of exhibitions, competitions, conferences, presentations of Russian regions in Mongolia and Mongolian regions in Russia, festivals and concerts. The Days of Culture of St. Petersburg, the performance of the soloists of the St. Petersburg Chamber Opera, the visit by the head of the Republic of Tatarstan, a large delegation from Kazan and a concert by virtuosos of art were successfully held in Ulaanbaatar.

I would especially like to point out the joint concert “Eternal Friendship” with the participation of leading soloists of the Bolshoi Theatre and the State Opera and Ballet Academic Theatre of Mongolia, which opened the 56th Days of Russian-Mongolian friendship and cooperation.

Our Mongolian friends organised cultural events in Moscow, St. Petersburg, Novosibirsk, Irkutsk and Ulan-Ude.

**- You have worked for three years in Mongolia. What areas of relations and cooperation between our countries have you focused on, and what important works have been implemented during this period?**

- I try to focus on all areas of our cooperation: political, economic and humanities. Much has been done, but still more needs to be done. We have very tight political contacts at various levels, including at the highest level. In September 2014, Vladimir Putin visited Mongolia. In July 2016, Russian PM Dmitry Medvedev visited Ulaanbaatar and took part in the ASEM summit. In recent years, leaders in all branches of our country, such as the chairmen of the two chambers of the Federal Assembly, the head of the

- Security Council and the Minister of Foreign Affairs all visited Mongolia.

In April this year, during the visit by Sergey Lavrov, the medium-term programme of development of strategic partnership was signed, which has become the “road map” for our future cooperation. Its focus is infrastructure, first of all transport and especially rail, as well as energy and agriculture.

An important result of our joint work was the introduction of the visa-free scheme. This immediately gave rise to the development of small and medium-sized businesses in the border regions and created the necessary prerequisites for the development of tourism. I would like remark the following: every September, the students of our school under the embassy write an essay on the topic “How I spent my summer.” This year, the majority of Mongolian children, more than 500 students, wrote that they rested at Lake Baikal.

We are trying to focus on expanding cooperation in the humanities, promoting the Russian language and Russian education. I am glad that the authorities of Mongolia thoroughly understand this. The subcommittee of the intergovernmental committee responsible for issues related to education and science restored its operations. Russian language lessons were increased from two hours to three hours a week as an experiment at 40 schools in the capital city by the decision of the government of Mongolia. Nationwide, Russian language is studied as a foreign language in more than 650 schools. We have increased the number Mongolian citizens who can study in Russian universities funded by state budget. A quote of approximately 485 students were approved to study in Russian universities this academic year, including the quotas allocated through inter-agency cooperation.

**- Together we went through wars and battles, supporting each other like brothers. Not only the citizens of our countries, but also the global community should never forget the price of victory in World War II. Today, however, attempts to distort these events are occurring. What do you think about this?**

- Our fathers and grandfathers fought shoulder to shoulder at Khalkhyn Gol and when the Great Patriotic War came, Mongolia was one of the first countries to extend a helping hand to the Soviet Union, providing great financial support to the front. The victory brought hope for a peaceful life for the coming generations, and as you know, the results of the Second World War were enshrined in all core international treaties. It must be noted that at the Yalta conference and in corresponding agreement between Stalin, Franklin Roosevelt and Winston Churchill signed on February 11, 1945, Moscow included the demand that the sovereignty of the Mongolian People's Republic be recognised in its conditions to enter the war against Imperial Japan, which was set even before its own priorities.

Today, in some countries, even in those nations which suffered huge losses, attempts to distort the historical truth and revise these results are taking place and that is very regrettable. There are attempts by those who fought against the Allies or collaborated with the Nazis to be raised to the ranks of national heroes and the heroes of the national liberation movements. Distorted facts about World War II are often presented to the younger generation in the West. We will oppose this in every possible way together. I take this opportunity to thank our Mongolian partners for their support in the UN General Assembly resolution proposed by the Russian side regarding “Combating the glorification of Nazism, neo-Nazism and other forms of practices that contribute to fuelling contemporary forms of racism, racial discrimination, xenophobia and related intolerance.”

**- Today there has been almost no improvement in economic and trade cooperation between Mongolia and Russia. What do you think is the reason or this? For example, exports of agricultural goods and products originating from Mongolia going to Russia, traditionally supplied in bulk, have been steadily declining. What opportunities are there to improve this situation?**

- Things are not so simple. In value terms, the turnover really decreased on a background of price stagnation and decline of the basic goods of mutual trade. At the same time, according to data for 2015, the supply of meat and meat products from Mongolia to Russia increased in comparison with the year 2014 by 5.2 percent and other goods, including textile and leather products, by 75.7 percent. Moreover, the total Mongolian exports to Russia increased by 24.9 percent, so we really should not say there has been “a steady decline in recent years.” On the contrary, statistics show that the efforts of both of our countries are giving positive results for the development and expansion of economic cooperation. The recent trip by Russian specialists to the meat-processing enterprises of Mongolia showed generally favourable results.

Mongolian imports from Russia showed decline in almost all parameters: petroleum products, electricity, machinery and equipment and food products. As a result, it significantly reduced the negative balance of the Russian-Mongolian trade, which Mongolia has long considered one of the largest bilateral trade issues. I do not understand why it is not perceived as a feature, instead of a problem. It is as if there is a possibility to easily replace the supply of fuel and lubricants from the Angarsk refinery, which is the closest and most convenient for Mongolia, or whether there are calculations that the products of the oil refinery proposed to be built in Darkhan, Choir or ►

***We have increased the number Mongolian citizens who can study in Russian universities funded by state budget.***

- Sainshand will be cheaper for Mongolian customers than the Russian products. Reduced procurement from Russia can be related to the general difficult financial and economic situation of Mongolia.

The use of Mongolia's transit potential will remain one of the sectors of cooperation between our two countries. So, we set a goal to increase the volume of transit freight up to 20 million tonnes by 2020. We also have broad possibilities to cooperate in the energy sector. Russia is ready to increase the supply of electricity, to assist construction projects of new plants and the modernisation and expansion of existing power plants. However, it is necessary to consider environmental factors so as not to harm the ecosystem of the Lake Baikal basin.

- At the beginning of 2016, the State Duma of the Russian Federation approved a bill on the ratification of the agreement on the settlement of financial obligations of Mongolia to Russia, which has created the possibility to restore bilateral investment cooperation that has been stagnant for some time. What impact will this have on trade turnover and investment of our two countries?

- Removing obstacles to bilateral cooperation is an advantage in itself.

The debt issue was deterring financial and investment cooperation. Resolving this factor opens the way for the development of cooperation in the financial sphere.

- The Russian-Mongolian joint enterprises Erdenet and Mongolrostsvetmet were completely transferred into the possession of Mongolia. Major joint mining projects ended, and we addressed the issue of debt. We hope that economic relations between our two countries will now head in a more active direction. What are your thoughts on this matter?

- Russian shareholders decided to sell their stakes in the joint venture Erdenet and Mongolrostsvetmet to a Mongolian company. The deal was concluded, and now they have become fully Mongolian entities not only legally, but also in terms of the structure of the equity. We need to look forward and find new projects and opportunities for cooperation, for which there are lots of opportunities. Russia is interested in the supply of agricultural and industrial equipment, including energy equipment. We are also interested in further increasing imports of Mongolian meat and meat products, agricultural products, products made of cashmere and wool. Good opportunities still exist in the construction

of new thermal power plants and rehabilitation of old plants with the involvement of our country.

- During the meeting of the heads of state of Russia, Mongolia and China in Tashkent in June of this year, the programme to create an economic corridor was approved within the framework to support political, economic and infrastructural integration. How do you assess the programme, and how would you predict the implementation and results of the projects in this programme?

- The economic corridor programme is an important part of cooperation between Russia, Mongolia and China that takes into account the desire of the three countries for integrating the initiatives of the Eurasian Economic Union, the Silk Road Economic Belt and Mongolia's "Steppe Route" initiative. The programme is aimed at expanding tripartite cooperation, increasing trade turnover, facilitating cross-border transport and developing infrastructure through implementation of specific joint projects.

The programme for the creation of the Economic Corridor includes 32 projects in various areas: transport infrastructure, modernisation of border crossing points, energy cooperation, trade, customs, inspection and quarantine, environmental protection and ecology, scientific, technical and humanitarian cooperation, education, agriculture, medicine and health care.

All three countries still have serious tasks to determine the order of implementation, details of planning and implementing in practice. At this stage, speaking about any tangible result is too early. However, it is very important that the three parties came to an agreement and agreed on specific areas of cooperation at the highest level.

- You are an expert in international relations and an orientalist who speaks English and Chinese. How would you define future trends of development of Russia and China, our eternal neighbours?

- As you know, Russian-Chinese relations are at an unprecedentedly high level today. This applies to practically all areas of cooperation: foreign policy, economic, cultural, scientific and military links. The most striking example of our strategic partnership with China is the activity of the two countries within the framework of the SCO and BRICS. As is often said in Ulaanbaatar, Russia and China are eternal neighbours of Mongolia. The Russian Federation is increasingly being developed as a genuine Euro-Asian power with great responsibility in the world, and China is becoming one of the major pillars of the future world order. Both powers are for establishing a more just and democratic world for all nations and peoples, large or small. ■

*We are also interested in further increasing imports of Mongolian meat and meat products, agricultural products, products made of cashmere and wool.*

## Forum

# New historical relations marked in snowy Novosibirsk

BY D.BEKHBAYAR

They were elated. You could see in their eyes the nostalgia of their time as university students in Russia. I was pleased to see such travelling Mongolians enjoying the Russian food, speaking and singing fluently just like a Russian native. To them, the feeling of the few days we spent in Novosibirsk felt as though they have come back home.

Winter has come in Novosibirsk, the administrative centre of the Siberian Federal District, one of eight federal districts in Russia. Trees have donned their white winter uniform, and the people have started to layer up. "Although it is cold outside, it is warm in our hearts," said Mongolian MP B.Enkh-Amgalan, who longs for the close relations our two countries had in the past and to write a new chapter in relations today.

The city of Novosibirsk hosted the 2016 Russian-Mongolian Cooperation economic forum on October 27-30. This event was organised on the occasion of the 95th anniversary of the establishment of diplomatic relations between the two countries. The group of delegates visiting included more than 200 people representing Mongolia's public-private sector and culture and sports figures, led by the Vice Chair of the Mongolia-Russia Parliamentary Group, B.Enkh-Amgalan.

It was a major event that has not taken place in the last 25 years of relations between the two countries. More specifically, the group of delegates included Mongolian MPs B.Sarangerel, J.Bat-Erdene and D.Gantulga; Deputy Minister of Education, Culture, Science and Sports Yo.Otgonbayar; Deputy Minister of Food, Agriculture and Light Industry J.Saule; officials from the Ministry of Foreign Relations; Governors of Khuvsgul, Zavkhan, Khovd, Uvs and Bayan-Ulgii provinces; directors of universities and colleges; and

academics and businessmen.

From the Russian side, Member of the Federation Council of the Federal Assembly of the Russian Federation and the First Deputy Chairman of the Federation Council Committee on Economic Policy, Sergei Vyacheslavovich Kalashnikov, came to attend the forum. Novosibirsk city administration officials were with the Mongolians for four days. The way the



event was organised showed how much effort the city administration put forth. Even Siberian businessmen were interested in cooperating with Mongolia and were willing to establish joint ventures.

In general, both Mongolia and its northern neighbour want to take bilateral relations to higher levels and boost trade turnover. "We need to create new, mutually beneficial economic conditions that will complement and enrich each other instead of continuing with old economic ways and relations," said Sergei Kalashnikov.

During the forum, the idea of cooperating under new partnership relations instead of brotherhood relationships was one of the most talked-about subjects. Moreover, medium-term cooperation programmes and

- strategic relations agreements were established. The number of tourists going to Russia also increased dramatically after Mongolian citizens were permitted to travel to Russia without a visa. Currently, high-level policy initiatives to implement regional projects such as the China-Mongolia-Russia economic corridor are on-going.

Mongolian Speaker of Parliament M.Enkhbold tasked B.Enkh-Amgalan with taking concrete steps towards renewed partnership on his visit to Novosibirsk. The delegates who came along with him believe he has fulfilled that assignment.

**To them, the feeling of the few days we spent in Novosibirsk felt as though they have come back home.**

“This forum that brought together public and private institutions and business and science industries was held successfully despite having only a short period for preparations. Novosibirsk was of course not chosen randomly to host the forum, for it is the scientific centre of Russia,” said Mongolian Ambassador to Russia B.Delgermaa. “As a region with a developed scientific industry, it is a place possible to develop cooperation and businesses. I am confident that the forum will show results.”

B.Enkh-Amgalan, Vice Chairman of Mongolia-Russia Parliamentary Group, and Sergei Kalashnikov, First Deputy Chairman of the Federation Council Committee on Economic Policy, signed a 20-clause memorandum of understanding during the forum.

“It is a memorandum of understanding to cooperate in many sectors including science, industry, economy, business, agriculture, culture and education,” noted Enkh-Amgalan. “The works will actualise because the two sides have mutual interests. In addition, we will discuss further issues concerning customs in order to develop and accelerate business relations. We have agreed to write the issues down and resolve them step by step. The city administration of Novosibirsk has great interest in cooperating with and restoring economic and business relations with Mongolia. There are also many opportunities in Russia for Mongolia.”

In addition to the political and business events, the Siberians admired the Mongolian cultural performances. Russian and Mongolian dancers performed together in the “Steppe Winds” concert, which truly captured the atmosphere of intimate relations between the two countries. Moreover, sports competitions were organised between Mongolian and Russian athletes in a 10,000-seat complex. The seats of the sports complex were filled as Honoured Athlete and Hero of Labour N.Tuvshinbayar led the Mongolian athletes, while the Russian team included Olympic and other world-renowned athletes. In addition, 25 legendary Russian Olympic medallists came to Novosibirsk to watch the sports contest as members of the audience. This all shows the attention Russia is paying to the friendly relations between our countries, and it began in snowy Novosibirsk. We will report on forum participants’ thoughts on the event in the coming issues. ■



## Historical individual

# Russian woman with a Mongolian heart

BY A.SEVJID

“One time I saw some Mongolians constructing a kindergarten building. It wasn't a great site to look at, and that is when and why I came up with the idea to establish a children's fund. During my involvement in the fund, we managed to build over 50 kindergartens,” said Anastasia Ivanovna Tsedenbal Filatova in an interview with Russian newspaper Komsomolskaya Pravda in October 1995.

Although Mongolia declared its independence in 1924, its development lagged half century behind the times. Though Mongolians were eager to commit themselves to the development of their country, most did not know what to do or where to start.

In 1947, Yu.Tsedenbal, Marshal Kh.Choibalsan's right hand man and Deputy Minister of the government of Mongolia, and his wife Anastasia Ivanovna Tsedenbal Filatova arrived in Mongolia. Her arrival brought Mongolia a little closer to modern development. For a young Russian woman in a foreign country, her first few years were spent in loneliness. However, she did not want to spend her time drowning in such solitude. She, together with her husband, chose to think about what she could do for Mongolia's development and envisioned a brighter future. In 1948, she gave birth to their first son, who tragically passed away three days after birth. Naturally, this caused unfathomable sorrow for the foreign bride. A year later they welcomed their son Vladislav into the world, who filled their sorrow with happiness. From then on, she decided to devote herself to the children and youth of Mongolia. Of course, we should not downplay the roles other figures played in Mongolia's development, but Anastasia's contribution to the youth of Mongolia cannot be understated.

Filatova initiated and established the very first children's fund in Asia, a landmark for the continent and Mongolia. With the help of this organisation, kindergartens as well as educational, cultural health

care complexes were built in cities such as Ulaanbaatar, Darkhan, Erdenet and in other 18 provinces between 1972-1984.

In addition to these, she facilitated the constructions of a classic art theatre, which became a turning point in Mongolia's opera and ballet that enabled Mongolia to reach out internationally and compete on the global stage.



Due to a major flood in Ulaanbaatar in 1966, 30,000 residents in Yarmag had only two shops at their service. Filatova also noticed child mortality in that area was rising rapidly, which is why she proposed construction of a 120-bed hospital for children in Yarmag to the government and planning commission. Her initiative was quickly realised, and the hospital was commissioned soon after. She also initiated and demanded that city's 280-bed general hospital, whose building was intended to be used as military training facility, be renovated. The hospital was then re-commissioned with the latest necessary medical equipment from Russia. Her efforts are still praised in Mongolia. She was an ordinary woman who devoted her heart to her work and never thought Mongolia as a foreign country. ▶

**Filatova established the Nairamdal children's camp in Bayangol valley.**

► She adamantly believed that a country's future depends on education of young people. During a visit by Soviet leader L.I. Brezhnev in 1974 for the 50th anniversary of the People's Revolution, Filatova asked the Soviet leader what present he brought for the young



This statue of Filatova was erected in 2006 at the initiative of the Japanese Grand Sumo Champion D.Dagvadorj in front of the children's camp she founded.

citizens of Mongolia. Her question was answered with the financing of the construction of the Wedding Ceremony Palace and Young Technicians Centre (now a joint Mongolian-Indian school). Filatova's works did not end there. She also contributed to the buildings of the

Children's Palace, a milk factory, hospitals, orphanages and health care complexes that were built between 1974-1982.

Being able to go to the "Artec" children's camp in Russia was a dream come true for many children. However, Filatova thought Mongolian children should have their own Artec and established the Nairamdal children's camp in Bayangol valley. The centre was financed by the Mongolia's Children's Fund. Today, Nairamdal receives about 30,000 foreign children divided over 40 tours annually and organises about 10 national and international events each year. Filatova described the opening of Nairamdal, which took place on July 19, 1978, as the happiest moment of her life. Her devotion to the future citizens of Mongolia is praised to this day. There is no other female public figure or wife of a political leader in history who contributed so much to a nation's development than Anastasia Ivanovna Tsedenbal Filatova, say historians.

About her husband, Filatova said: "My husband of 44 years, Yumjaa Tsedenbal was a man of his words and deeds. He was generous and humane. He was a real Mongolian man. As a woman, it was a great fortune for me to be his wife, bear him children and spend my life with him. Tsedenbal did not hold any resentment towards his people and country. I believe he watches over them from heaven. History is great. Genghis Khan and Tsedenbal are the greatest leaders of Mongolia."

Young Mongolians must always remember the courage and devotion of Anastasia Ivanovna Tsedenbal Filatova. ■

## Celebrating the 100th anniversary of the birth of Yu.Tsedenbal



This year marks 100 years since the birth of the former Chairman of the Presidium of the Great People's Khural of Mongolia, President of the Council of Ministers of the MPR, the Hero of Mongolia and Labour Hero of Mongolia, Marshal Yumjaagiin Tsedenbal. This anniversary was widely celebrated across Mongolia.

On the day of his birth, on September 17, a tribute was paid to Yu.Tsedenbal's grave, with flowers laid at his monument. A gala and concert was organised at the Sukhbaatar Square, and a national wrestling competition was held at the Wrestlers' Palace.

A number of events were organised as part of the anniversary celebration, including an exhibition "Glory Road" in the National Museum of Mongolia and the "100 years Yu. Tsedenbal - Life Moments" photo exhibition in the exhibition hall of the Gamma Art Gallery.

In addition, the administration of his birthplace of Uvs province organised key celebrations related to his anniversary. For example, many works were organised in Davst soum of Uvs province, including the erecting monument in his honour. On one side of

the shining monument it says "Statesman and public figure, Hero of the Mongolian People's Republic, Hero of Labour, Marshal of the Mongolian People's Republic Yu.Tsedenbal was born in a place called 'Tsagaan Buraa' on September 17, 1916. This shining monument was dedicated to the 100th anniversary of his birth. September 17, 2016." On the other side it says "The fire burning in Genghis Khan's chimney must not be allowed to be extinguished. Yumjaagiin Tsedenbal" in the old Uyghur script.

Yu.Tsedenbal's son S.Zorig, grand-daughter Anastasia Filatova and daughter-in-law Dariimaa came from Russia to participate in the commemoration of the 100th anniversary of birth. His younger brother Yu.Javzan also came from Ulaanbaatar, receiving much appreciation by the people of Uvs province.

In 44 years of leading the state, Yumjaagiin Tsedenbal established the first domestic food and light industries, laid the foundations of the higher education system and eliminated illiteracy. During his reign, Mongolia's population grew from 740,000 to 2 million people. ■

## Space and science

# The dream of reaching the stars

BY M.BILGUUN

The myriad stars shining in the sky entailed a mysterious and mythical universe for generations of people. But the myths transformed into reality starting from the 20th century. At this time, the world had become a battleground of an ideological rivalry between the socialist and the capitalist camps. The playing field reached beyond the limitations of the earth's surface and was carried over into space. Although the Cold War was in full effect between the Soviet Union and the USA, this process opened up entirely new areas in the development of space exploration. Astronomy became an important field in science and continues to develop rapidly today. However, the scientists and experts of the former Soviet Union and Russia have made major contributions to space exploration and were responsible for many of the "firsts" in space exploration.

## Space Pioneers

Dogs made a valuable contribution to the historical evolution of humankind. In 1957, the Soviet Union launched the Sputnik 2 spacecraft into Earth's orbit. At the time, sending a human into space was too risky, so a dog named Laika was selected to become the occupant of Sputnik 2. Although the spacecraft was successfully launched into the orbit, Laika, the first dog in space, died in space after four days.

The Soviet Union was the first country to fulfil mankind's desire to see the Earth from space. On April 12, 1961, the Soviet Union launched the Vostok 1 spacecraft. It was one of the most risky steps in the history of science. Yuri Gagarin was chosen to take on this incredible risk, and the cosmonaut spent 108 hours in space. He crossed into outer space bearing mankind's self-confidence, desire and aspiration to fly into space.

The Soviet Union proved that space exploration is a

sector where gender equality exists. On June 16, 1963, the Soviet Union launched the Vostok 6 spacecraft into space, making cosmonaut Valentina Tereshkova the first woman in space. She completed 48 orbits around the Earth in her three days in space, which beat the previous record of 36 held by the US. Tereshkova paved the way for many other female cosmonauts, such as Svetlana Savitskaya. She is still an example of endurance and bravery for women throughout the world to this day.



## Friendship cemented in space

Mongolia is one of the former socialist states that had its share of contributions to space exploration. The first Mongolian to leave the planet was the son of a herder, J.Gurragchaa. He flew to space March 22, 1981 with Russian cosmonaut Vladimir Dzhanibekov aboard the Soyuz 39 spacecraft. They stayed in space for seven days, 20 hours and 42 minutes, and completed 124 orbits. With this mission, J.Gurragchaa was not only the first Mongolian, but also the second Asian and 101st

**They stayed in space for seven days, 20 hours and 42 minutes, and completed 124 orbits.**

► person to fly to space. This mission which included a Mongolian person further strengthened the friendship between the Soviet Union and Mongolia, as well as made significant contributions to Mongolia's science sector. Even today Mongolia is paying close attention to space exploration and is currently preparing to send its first satellite into orbit in 2017.

### Together for peace

Competitors in the Space Race during the Cold War, Russia and America are now working together towards unity, the well-being of the mankind and scientific progress. Russia cooperated with NASA to successfully launch Soyuz MS-02 spacecraft on October 19, 2016.

Soyuz MS-02 has successfully landed on earth after its two-day mission. The crew included the commander of the spaceflight Sergey Ryzhikov, Flight Engineer 1 Andrei Borisenko and Flight Engineer 2 Robert S. Kimbrough, who represented the US and NASA.

Today, space exploration is an important sector that strives for global unity and cooperation. ■



**J. Gurragchaa, cosmonaut and Hero of Mongolia and the Soviet Union, and two-time Hero of the Soviet Union and Hero of Mongolia, cosmonaut V.A. Dzhaniyev.**

## Brothers bonded together by peace and friendship



**Hero of Mongolia, President of the Friendship Society of Mongolia, cosmonaut and Major General J. Gurragchaa**

The people of Mongolia and Russia have always favoured peaceful relations. The peaceful relations were formed even before our People's Revolution. One manifestation of this fact is the "peace stick games." During the time of the Mongolian state headed by Bogd

Khan, our countries organised these games, especially in the border areas. After completion of the games, they broke the stick in half and each side took away half the stick for storage. At the next year's meeting, the sides joined the broken pieces of the stick in celebration. It was such a wonderful tradition. The historical relations of the two counties took another step forward in 1981. The international programme "Intercosmos" was adopted in the mid-1960s. Mongolia was one of the participants of this programme.

Mongolia actively participated in the international programme. 20 years of research culminated in the joint space flight of the two countries in 1981. For a whole week, a major research project on board the spacecraft Salyut was conducted. Mongolian civil flight into space was an important event with multilateral value, and it had a positive impact on promoting Mongolia to the international community. It opened the gateway to space exploration for scientific organisations of Mongolia. Space is an important industry that unites countries and fosters mutual understanding.

Today, countries cooperate in the field of space research, despite the fact that they have different forms of government and economy. The entire world is focusing on space exploration. The friendships between countries get much stronger in space. Relations between Mongolia and Russia also significantly extended in space.

Peaceful, friendly relations between our two countries have always been maintained. I am sure that in the future our relations will bloom now more than ever. ■

## People's Diplomacy

# Bridges non-political

BY O. TSETSEG

The name V.A.Babushkin comes to mind when we think of the Mongolian Friendship Society of Russia, which is now led by the retired Colonel of the Russian Air Force. Now almost 70 years old, Vladimir Babushkin has had a close relationship with Mongolians for over four decades, especially with his Air Force Academy classmate J.Gurragchaa, the first Mongolian in space and a Hero of the Soviet Union and Mongolia.

Since every Mongolian was a member of the Soviet-Mongolian Friendship Society during the socialist regime, people who lived during that time know well about the organisation. Back in those days, the Soviet-Mongolian Friendship Society was a large organisation comprising 37 branches and 2,000 units in 37 federal and autonomous states of the Soviet Union. Established on May 14, 1958, the society was led by Marshal of the Soviet Union Semyon Budyonny and cosmonaut Viktor Gorbatko, whom many Mongolians know of. The first head of the friendship society was the former, Marshal Semyon Budyonny, the legendary commander of the 1st Cavalry Army and three-time Hero of the Soviet Union. Budyonny went on to dedicate his efforts to strengthening the friendship between Russia and Mongolia and became a role model for his generation.

Viktor Gorbatko, who went to space three times and was one of the cosmonauts in Yuri Gagarin's team, is a big reason why many famous Soviet cosmonauts became active members of the Russian-Mongolian Friendship Society. During the 40 years when the society was under the leadership of Major General Viktor Gorbatko – a Hero of three countries: the USSR, Mongolia and Vietnam – Babushkin became his right hand man and worked as the executive secretary, vice president and first vice president of the Mongolian Friendship Society. This society organised various works designed to pass down the history of the two countries' friendship to the next generation and support multilateral cooperation.

The current Mongolian Friendship Society of Russia led by Babushkin is the succession of the Soviet-Mongolian Friendship Society, and its modern history is also quite connected to space exploration. Cosmonauts Vladimir Dzhanibekov, two-time Hero of the Soviet Union and Hero of Mongolia, and Vladimir Lyakhov, Colonel of the Soviet Air Force and two-time Hero of the Soviet Union, are board members of the Mongolian Friendship Society of Russia. As for the Mongolian counterpart of this organisation, the Russian-Mongolian Friendship Society, Hero of Mongolia and cosmonaut J.Gurragchaa is currently the president. This year, they celebrated the 35th anniversary of the launch of the Soyuz 39, the first Soviet-Mongolian manned space flight.



*Government of Mongolia awarded the Russian-Mongolian Friendship Society with the Order of Sukhbaatar, the highest honour of the Mongolian state, twice: once in 1975 and again in 1983 for its immeasurable contributions to strengthening and developing Mongolian-Russian friendship and cooperation.*

Furthermore, it should be noted that veterans of the Battles of Khalkhyn Gol and WWII Y.N.Zavidonov, V.V.Smironov and N.D.Kravets have done much to strengthen the reputation of this friendship society. In addition, the Russian-Mongolian Friendship Society maintains stable operations thanks to the efforts of the members of Russia's Federal Council and State Duma; leaders of major regional and industrial structures; socially responsible business representatives; Mongolist researchers; and the mutual understanding of numerous individual Mongolians and Russians.

"Even during the 1990s when the status of official relations between our countries was significantly weakened, diplomatic relations between the people of the two countries were maintained. Mongolia and Russia are eternal neighbours that share a 3,500km border," said Babushkin. "When I went to Choibalsan city on the anniversary of the victory at the Battles of Khalkhyn Gol, people were telling me 'Knowing Russian is great, and we are teaching the language to our children' and surrounded me for some pictures. The most valuable thing is that we still miss each other and our people's warm hearts for each other remains."

The government of Mongolia has awarded Babushkin with a Gold Star Medal, Order of the Red Banner of Labour and Friendship Medal in appreciation of his work and efforts over the years. Moreover, President Ts.Elbegdorj presented a memorial wristwatch with the president's name engraved. ■



Historical individual

## Georgy Zhukov and the people of Mongolia

BY G.DORJ

The events that occurred in the eastern border of Mongolia in 1939 are known by a few names, such as the Battles of Khalkhyn Gol or the Nomonhan Incident. But in memories of Mongolians, it is remembered as the “War of Khalkyn Gol.” Khalkhyn Gol, or the Khalkha River, was the river around which the battles took and after which they are named.

The shining star of this war was young commander Georgy Zhukov. He developed the strategy and tactics to lead the Soviet and Mongolian soldiers in this conflict as it was a unique operation in which the new Soviet air force dominated the skies.

Georgy Zhukov was appointed as the commander of the Soviet 57th Corps in Mongolia during a turbulent time when cross-border provocations by Imperial Japan were happening and the attacks of the Soviet and Mongolian soldiers were unsuccessful.

Although the scope of and duration of the Battles of

Khalkhyn Gol may not be that big compared to what else happened at the time, it was an important strategic event in the history of the world. Marshal Georgy Zhukov paved the way for his brilliant career from Khalkhyn Gol.

Historians value Zhukov as one of the few people that developed military operations into an art and achieved objectives with minimum casualties. He took drastic, clear-cut steps at the Battles of Khalkhyn Gol and forced the Japanese army to retreat after the battles of Bayantsagaan. Soon after, he assaulted the Japanese 6th Army at the east bank of Khalkhyn Gol, and with the decisive Soviet-Mongolian victory, Japanese plans to build railways along the eastern border of Mongolia in order to transport weaponry via rail to the Soviet border and advance inland into Soviet territory was scrapped, transferring their forces to Southeast Asia. Hence, the Battles of Khalkhyn Gol played a crucial role in eliminating the threat from eastern side of the Soviet Union.

The people of Mongolia still revere Marshal Georgy Zhukov to this day. The first monument in his honour was erected in Mongolia instead of the Soviet Union. The House Museum of Georgy Zhukov was opened in 1970 in Ulaanbaatar on the 40th anniversary of victory at the Battles of Khalkhyn Gol. Some exhibits from the Central Museum of the Russian Ministry of Defence and the Mongolian Military Museum were brought to create the museum’s exhibition, and Marshal Zhukov’s daughter gave some personal belongings of her father. Two years after that, a three-metre tall monument was erected beside the museum.

Zhukov’s monument in the Bayanzurkh District in Ulaanbaatar is one of the historical memorials that senior officials of the Russian Federation surely visit when they come to Mongolia. It was in this house, now a museum, that Zhukov lived with his family in 1939-1940.

It is the only museum dedicated to Zhukov outside of Russia. The building of the museum was in restoration as it was built in 1930, so the Russian Embassy carried out renovations, and the museum was re-opened in February 2007. Regular visitors of the museum include students and cadets in military school.

In 2016, we commemorate the 120th anniversary of the birth of four-time Hero of the Soviet Union, Hero of the Mongolian People’s Republic and honorary citizen of Ulaanbaatar, Georgy Konstantinovich Zhukov. Within the framework of the anniversary, a remembrance ceremony to honour the Marshal was held on December 1. Russian Ambassador to Mongolia I.K. Azizov, Belarusian Ambassador to Mongolia S.V. Chepurnoy, Deputy Minister of Defence of Mongolia T.Dulamdorj, Vice Chairman of the General Staff of the Mongolian Armed Forces Major General R.Sukhbat and military and air squads of Russia, China, Republic of Korea and Turkey attended the ceremony. ■



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### Cross-border relations

# The starting point of economic relations

BY G.DAVAADORJ

Russian-Mongolian relations near the border have a long tradition. The "Treaty of Nerchinsk" was approved in 1689 for the first time to regulate trade relations between Mongolia and Russia. Also in the early 1990s, due to a lack of hard currency and the almost complete cessation of economic relations between the countries, border provinces of Mongolia traded with the Siberian region of Russia almost on a bartering basis.

Various factors caused by historical and contemporary social and economic conditions connecting the border republics, regions and territories of Russia with cities and provinces of Mongolia affected this relationship. The length of the Russian-Mongolian border is around 3500 km, and citizens living in the border areas of the two countries have much in common in terms of language, culture, traditions and way of life. Both countries have conducted open market policies that support the independence of the regions which offers the possibility of direct contact between neighbouring administrative units of the two countries.

In this respect, cross-border trade should be the basis for the development of economic relations between the two countries. Cross-border trade currently accounts for 70 percent of the trade turnover between Russia and Mongolia, with the Irkutsk region accounting for 55 percent of the turnover, the Buryat Republic for 10 percent, the Chita region 1.1 percent and Altai Krai 3 percent. Mongolian provinces also actively cooperate with the Republic of Tuva, Novosibirsk and Omsk

regions of the Russian Federation.

Moreover, the legal framework of cross-border cooperation between Russia and Mongolia are reflected in the following two main documents: the "Agreement on border crossings and simplified communication via the Russian-Mongolian state border" (1993) and the "Agreement on cooperation of border provinces of Mongolia and the republics, regions of the Russian Federation" (2000).

The loosening of visa requirements between Russia and Mongolia in September 2014 led to major changes in trade relations between the two countries. Only two months after the adoption of this decision, the number of citizens who crossed the border through checkpoints of Kyakhta and Altanbulag doubled. By mid-2015, the number of citizens who crossed the border reached 373,000, which turned out to be 218,000 more than the same period in 2014.

Here is an interesting fact: the Ministry of Economy of the Republic of Buryatia has reported that the reformed visa rules and the increase in customer traffic from Mongolia sharply intensified the republic's trade scope in 2015. So, for the duration of the visa-free scheme, Buryatia surged to the top of the list in the Siberian Federal District in terms of turnover growth for the year. Trade turnover of Buryatia in 2015 reached RUB 122 billion, which was a RUB 20.5 billion increase from 2014. Mongolian customers also contributed to the 20 percent increase in the number of people employed in wholesale and retail trade in Buryatia. ►

Despite positive trends, there are quite a few issues that still need to be solved.



► Despite positive trends, there are quite a few issues that still need to be solved. In particular, a weak legal framework for the regulation of cross-border trade between Russia and Mongolia prevents the establishment of freer trade flows. Also, analysts say that liberalisation of trade, capital, mutual support activities and improving the efficiency of joint ventures is necessary.

### Unused opportunities in tourism

Although tourism is a service industry, it has its own products and raw materials. In this regard, our countries have inexhaustible resources. Russia and Mongolia is a paradise for tourists. A large variety of natural landscapes in Russia and the pristine nature, unique culture and way of life of the nomads in Mongolia are the ready raw materials for ready to be used as high-quality tourism products that does not exist elsewhere.

There are a lot of places to visit in the vast expanses of Russia which store the "collection of miracles." Nobody regrets a trip on the Trans-Siberian Railway. However, the flow of Mongolian tourists heading to Russia is mostly ends in the Buryatia and Irkutsk regions. Mongolians mainly visit the sacred Itgelt Hamba monastery, rest on the shores of Lake Baikal and visit Ulan-Ude on the way back to do a little shopping. This is the main route of Mongolian tourists in Russia.

The number of Russian tourists visiting Mongolia is even less. Despite the possibility to travel visa-free, the flow of tourists from Russia has not changed significantly. Mostly well-off residents of Irkutsk, Chita and Buryatia come to travel in Mongolia. For instance, people from Irkutsk travel along the Tunkinsky district of Buryatia in the direction of Lake Khuvsgul to hunt, fish and travel by car, on horseback or on foot.

For Russians, a trip to Mongolia is more expensive than a trip to Europe at the moment. The main reason is the cost of airfare. Economists unanimously agree that we need to liberalise the policy in the field of civil aviation to allow foreign airlines to operate in the Mongolian market in order to successfully attract foreign tourists. Reducing the cost of tickets is the key

to attracting more tourists. Even Ulaanbaatar Railway should administer an open policy with the same objective.

The next important step is to promote Mongolia's tourism destinations to Russian tourists. With the exception of travel agencies in Ulan-Ude, Russian tour operators offering Mongolian routes are few in number. In some large Siberian cities, there are tour operators offering trips to Mongolia, but in major economic centres of Russia such as Moscow, St. Petersburg, Kazan, there are barely any.

The Mongolian side has much to do in order to attract Russian tourists to the country. Firstly, it popular tourist destinations need to be promoted. Modern Russians, especially young people, have very little idea about Mongolia.

It is necessary to diversify the tourist routes and offer tourists more choices. In particular, infrastructure that provides all the necessary amenities for tourists along the major routes and destinations is needed. There are many places to showcase other than the Gobi, Khangai region, Terelj, Khuvsgul and Kharkhorin. In particular, the Aglag Buteel Monastery in the Khangai zone located near Ulaanbaatar, Gobi Gurvansaikhan National Park, Terkhiin Tsagaan Lake, Ikh Gazryn Chuluu and Baga Gazryn Chuluu Nature Reserves, Hermen Tzav, Khongor Sand Dune and so much more. If tourists want to experience the authentic nomadic lifestyle, training can be organised for them on how to take care of cattle, process dairy and other activities that are sure to interest modern tourists. The skills they learn from nomadic herders could be a most prideful thing to boast when the tourists return home.

Another option could be the organisation of Mongolian cuisine festivals, which will offer a variety of Mongolian dishes in order to give Russians a taste of Mongolia. In addition, we need to increase the number of cultural and other activities to promote Mongolia. Naadam cannot be the only cultural event we rely on to attract tourists. In general, sound policies and skilled management to improve the competitiveness of the tourism industry is what is lacking. ■

**There are a lot of places to visit in the vast expanses of Russia which store the "collection of miracles."**

Economic cooperation

# From recession to strategic partnership



BY G.DAVAA

Today, Russia and Mongolia are at the threshold of a strategic economic partnership.

Russian and Mongolian authorities, business circles, scientists and researchers all agree that current Mongolian-Russian economic relations are far below potential and that only a negligible part of the opportunities for cooperation in many sectors are being utilised.

After the collapse of socialism, the economy of Mongolia, which was dependent on loans and aid from the USSR and other socialist countries, lost its benefactor. The Soviet-Mongolian economic relationship, where one nurtured the other while the nurtured delivered raw materials to the nurturer, fell sharply, unable to stand the market test.

During that difficult time, only three joint Mongolian-Russian enterprises (Erdenet Mining Corporation, Ulaanbaatar Railway JSC and Mongolroostsvetmet LLC)

resisted the waves of market reforms and remained as witnesses of the former historic cooperation between the two countries. If you look from today's perspective, these "three pillars" successfully stood the tough times of the 90s, and thus, saved not only themselves from collapse, but the whole economy of Mongolia. Undoubtedly, their contribution to the economy of the country is invaluable. As noted at the time by President Vladimir Putin, the three companies have become an example of a significant, successful experience of cooperation between the two countries in the mining and railroad industries.

The Russian side sold its shares in the two large mining companies to the Mongolian side in 2016, so now Ulaanbaatar Railway JSC remains as the only joint venture between the two countries. The two countries ►

- ▶ have much work to do in the railway sector in the future. In particular, there is a need to eliminate technical and technological lag and upgrade the railway to ensure the development of transit traffic between Asia and Europe in order to improve regional integration.

In addition to the Ulaanbaatar Declaration (2000), Moscow Declaration (2006) and the Declaration on Strategic Partnership Development (2009), there are about 130 intergovernmental and inter-agency treaties and agreements between Russia and Mongolia. The change in the visa scheme which was discussed for many years can be considered a decisive step taken in the field of economic cooperation in recent years. However, it made changes only to commerce near the border.

The times demand new forms of cooperation from us. Failing to exploit opportunities and options offered by the international market will be an unwise choice.

Today, Russia and Mongolia are at the threshold of a strategic economic partnership. In such a situation, economic cooperation between the two states has opportunities for development in several areas.

### The Far East agenda

Russia is confidently pursuing a policy directed eastward given its current situation in international relations. Expanding economic relations with the countries of Asia and the Asia-Pacific region and ensuring the development of its Far East region are important for the state in terms of economy and security. In this regard, Asian countries are presented with an opportunity for profitable cooperation with Russia regardless of their size. China was the first one to recognise and take advantage of this opportunity. Hence, dozens of treaties and agreements concerning billions of dollars were signed between Russia and China.

Mongolia will only benefit from Russia's eastward pivot. The "Programme of Socio-economic Development of the Far East and the Baikal Region until 2025" was approved in 2013 by the Russian Government. Mongolia could develop multilateral cooperation with Russia in the framework of this programme which allocates USD 100-110 billion annually.

Russian researchers studying the Far East consider Mongolia an integral part of the "Eastern Policy" of Russia. Although this issue is currently being discussed on the level of researchers, sooner or later appropriate and strategic arrangements will be made.

### What is stopping us?

Another promising field promising for future economic relations is the export of agricultural products. There is a historical fact that 60 percent of the Russian

Army's food needs during WWI were supplied by the Mongolian livestock meat. It is also said that in the 80s, residents of Moscow ate Mongolian meat for a whole month. Therefore, the Russian people are quite familiar with the taste of Mongolian meat.

Russia meets its domestic demand for meat in large part with beef from the distant Latin America. Mongolia could become a supplier of environmentally friendly, low-cost meat to the huge market of Russia during this time when Western countries have slapped economic sanctions against Russia. Boosting the meat trade between the two countries would enable Russia to diversify its meat imports, and Mongolia's agricultural income would rise, which is something the herders would certainly be glad about. However, the biggest obstacle in supplying agricultural products from Mongolia to Russia has been and still is the issue of veterinary and sanitary requirements. This needs to be addressed jointly.

The new government of Mongolia reflected livestock improvement objectives in its platform, and concrete steps have been taken. In particular, the Minister of Food, Agriculture and Light Industry, P.Sergelen, agreed on cooperation in the implementation of the Mongolian "national livestock recovery programme" with Minister of Agriculture of the Russian Federation A.N. Tkachev during a meeting held in October of this year. The parties also agreed on the preparation of veterinary specialists of Mongolia with Russian assistance.

Another big task for the government of Mongolia is domestic production of vaccines for cattle. The Ministry of Food, Agriculture and Light Industry of Mongolia plans to start work on the reconstruction of the state-owned enterprise "Biokombinat" by accepting USD 25 million in financing from the government of Hungary in 2017. The ministry also submit a bill on animal and livestock health to parliament soon.

In the absence of an established mechanism for the implementation of decisions made at the state level in terms of economic relations between the two countries, many treaties and agreements remain unfulfilled. Since trade relations cannot be expanded only by the predominance of imports of petroleum products and food, we need to seek new opportunities and fields for cooperation.

The revitalisation of intergovernmental commissions that play a major role in the organisation of economic relations between Russia and Mongolia and the implementation of bilateral treaties and agreements are top priority. ■

**Russian researchers studying the Far East consider Mongolia an integral part of the "Eastern Policy" of Russia.**

## Statistics

## Mongolia's foreign trade and overview of the last four years of trade between Mongolia and Russia

### Changes in border traffic since the visa-free travel agreement entered force on November 14, 2014

	2014	2015	First half of 2016
Transport and vehicles crossing Mongolia-Buryatia border	71,385	189,54	133550
The total number of individuals transported	186,038	403,709	226,429
Foreign trade turnover between Mongolia and the Republic of Buryatia (USD thousand)	33,564.9	32,220.0	15,869.0
- import	27,753.2	26109.1	13,244.7
- export	5,811.7	6,110.8	2,625.2

Source: Ministry of Foreign Relations of Mongolia

### Macro-economic indicators and foreign trade

Staple import goods, USD million (in first 10 months of each year)

Type of goods	2015 Jan-Oct	2016 Jan-Oct	Percentage share in imports from Jan-Oct 2016
Mineral products	786.0	561.3	20.3
Vehicles, mechanical equipment, TVs, electronics, voice recorders, spare parts	630.0	559.6	20.2
Automotive, air and water transport vehicles, spare parts	302.5	388.4	14.0
Food products	269.0	260.8	9.4
Chemical and chemical industry products	226.6	220.6	8.0
Base metals and metal products	333.1	183.7	6.6
Plastics, rubber and related products	121.0	115.9	4.2

Source: National Statistical Office

### Macro-economic indicators and foreign trade

Staple export products, USD million (in the first 10 months of each year)

Stable products	2015 Jan-Oct		2016* Jan-Oct		2016* Jan-Oct 2015 Jan-Oct		Percentage share of imports from Jan-Oct 2016
	Copper concentrate, million tonnes	Price sum, USD million	amount	Price sum, USD million	amount	Price sum, USD million	
Copper concentrate, million tonnes	1.2	1,889.5	1.3	1,394.3	110.3	73.8	37.4
Coal, million tonnes	11.6	468.5	18.7	609.6	161.7	130.1	16.4
Unprocessed or semi-processed gold, tonnes	9.5	356.6	11.0	444.9	115.6	124.8	11.9
Crude oil, million barrels	6.6	327.8	6.6	270.2	99.8	82.4	7.3
Iron ore and concentrate, million tonnes	4.0	187.4	5.0	200.4	125.6	107.0	5.4
Zinc ore and concentrate, thousand tonnes	82.9	100.4	106.1	119.2	128.0	118.8	3.2

Source: National Statistical Office

## Russia's foreign trade turnover with Mongolia (first 3 quarters of 2016) USD million

Turnover	Total	In:	
		Export	Import
Total foreign trade	331,195.6	201,609.7	129,586.0
with Mongolia	661.9	635.6	26.3
Percentage share	0.2%	0.31%	0.02%

Source: Federal Customs Service of Russia

## Foreign trade turnover of the Siberian Federal District with Mongolia (first 3 quarters of 2016) (USD thousand)

Turnover	Total	Үүнээс:	
		Export	Import
Total	22,571,462.4	18,479,382.1	4,092,080.3
with Mongolia	181,656.2	174,938.1	6,718.1
Percentage share	0.8%	0.95%	0.16%

Source: Ministry of Foreign Relations of Mongolia

## Mongolia-Russia trade figures for 2014-2016 (USD million)

	Turnover	2013	2014	2015
Russia, Mongolia	Total	1,623.6	1,610.9	1,097.9
	-export	1,561.9	1,549.3	1,021.0
	-import	61.8	61.6	76.9
Irkutsk Oblast	Total	318.9	143.2	55.5
	-export	291.4	140.5	53.8
	-import	27.5	2.7	1.7
Kemerovo Oblast	Share	19.6	8.8	5.0
	Total	50.0	242.4	146.1
	-export	49.4	240.8	145.6
Krasnoyarsk Krai	-import	0.6	1.6	0.5
	Share	3.1	15.0	13.3
	Total	5.7	13.7	14.8
Krasnoyarsk Krai	-export	5.4	13.1	14.4
	-import	0.3	0.6	0.4
	Share	0.3	0.8	1.3

Source: Ministry of Foreign Relations of Mongolia

## Development

# Brothers

BY A.SEVJID

**I**t was the winter of 1983 when Andreev Nikolai Vitalyevich was sent on a mission to leave Russia in order to work at Erdenet Mining Corporation and live in Mongolia along with his wife and 3-year-old daughter. He and his family are one of the many Russian families that contributed to the development and great changes in Mongolia. When he first arrived in Erdenet, the city was a rather humble town that had only a few buildings – a sports centre, cultural center, market and town hall. He reminisced about how there was no trace of cars or even motorcycles on the roads.

It was amazing to hear him say that he dedicated 25 years of his life to the development of Erdenet city. Since the factory had already been functioning for five years and mining operations were at full capacity, he spent most of his years as a maintenance man at the copper concentrate plant even though he majored in mechanical engineering.

“Twenty-five years is almost half of my entire life. I used to take my annual leave and spend my vacation in Russia every year,” he said. “But it felt as though I had come back home when I returned to Mongolia. My contract with the company will be up next March, and I will return to Russia. It’s actually difficult to imagine life in Russia because I’m quite used to life here,” he added with a slight bit of sadness.

As for me, I saw him as a great man who was just like a soldier on a mission that took him to a foreign country with a completely different language and culture away from his family and friends. Even though endured some difficult times, he respectfully completed his duty and stayed true to the mission. While living in Mongolia, the thing that amazed him the most is that although development of Erdenet city started much later than Ulaanbaatar and Darkhan, it was able to catch up to the same level of development.

Development is an inevitable topic in 95 years of diplomatic relations between Mongolia and Russia, and was the reason for my short visit to Erdenet city. Many of the city’s children certainly grew up hearing their parents saying: “All these are a favour made possible by our Russian brothers.” I better understood why we see the Russian people as “brothers” by talking to Mr. Vitalyevich. There’s this Mongolian proverb which goes “the older brother teaches and the little ones listen.” According to the expectations of the period, one Russian worker had to teach two Mongolian workers and then work together. Its basic intention was to balance the work force in the future. Thanks to this, Mongolian workers make up around 70 percent of Erdenet Mining Corporation. It is obvious from whom they learned their skills. It is not enough to see development as only construction and buildings. Apart from material good, the Russian people’s contributions taught us to learn by following the global trend, walking ahead of others and maturing into creative and passionate people.

After World War II, great developments to reconstruct the country took place throughout Russia. In order to restore the ruined



territories and become one of the leading countries in the world, Russia succeeded in developing their sectors of science, education, and agriculture, among others. Along with all these changes, Russia was given the responsibility of helping and supporting their neighbour Mongolia and to guide them on the path of socialism, as they were the most influential factor for Mongolians. Aware of this fact, they started great exchanges of education and culture, sending their most skilled engineers, scholars and doctors to Mongolia and giving a chance to the Mongolian youth to study in their universities.

During the years of friendship, Ulaanbaatar was called “the white fairy of Asia” and Darkhan, the second largest city of Mongolia, was also developing at a rapid pace. In May 1960, the first construction factory was established in Ulaanbaatar with the financial and technical aid of the Soviet Union, and the factory was commissioned the next year. The factory started to produce construction materials for 17 apartment buildings, each one housing 60 households, amounting to precisely 35 thousand square metres of living space per year. Moreover, Soviet-Mongolian construction workers jointly built dozens of roads and construction works such as the Altanbulag-Ulaanbaatar, Selenge, Orkhon and Khuvsgul waterways and the Nalaikh railroad, and created new opportunities for the development of the crucial transport sector.

As our senior construction workers say, “for people who were transitioning from a nomadic to sedentary culture, we were taught starting from the basics, such as laying bricks, mixing clay and application of mortar, to the most professional tasks one has to learn.” The head of the Soviet Union at the time, L.I. Brezhnev, was quite affectionate towards Mongolia, and he ordered various construction projects, such as establishment of the 3rd and 4th districts of Ulaanbaatar, the buildings of the Mongolian Labour Union, Cultural Center and the Central Cultural Palace as a gift. The major implementation works of generations of development plans for Ulaanbaatar city, which was developed in the Soviet Union, took place in between 1960-1990. As a result, the residential districts known as 40 myangat and 50 myangat, which define Peace Avenue, was built. Many other residential complexes and city districts were commissioned. The Russian side was responsible for the workforce and investment necessary to build these residential districts. In addition, the best engineers and construction workers were invited to construct the building of Mongolia’s first five-star hotel, the Ulaanbaatar Hotel. As a result, about 40 major construction organisations, 26 construction materials plants and more than 20 design, training and research institutes were operating by 1989.

There are more than 1,100 buildings and structures urban and rural areas which were built by grants from the Russian people. Thus, the foundations of our country’s construction sector were set in the years when our Russian brothers were leading the path of development. ■

Leader

# How was Putin successful in combating corruption?

BY KH.BATSUURI (Economist)

“Fighting against corruption is not just a temporary campaign, but a policy that must be implemented consistently over the long run,” said Vladimir Putin in 2012 after winning the presidential election. Putin's secret to success and meaning can be extrapolated from that one short sentence. Since he was elected President for the first time in 2000, he understood that the main obstacle hindering

corruption well enough to begin the anti-corruption campaign from top. Although the downfall of top oligarchs of corruption and bribery, such as Berezovsky, Gusinsky and Khodorkovsky, is not that interesting anymore, it should be noted that it was the starting point of Putin's success and Russia's development. What about Ulyukaev and Zakharchenko? Yes, the body and tail will be out of commission if the head is cut off – a simple tactic.

Recently, Russian Minister of Economic Development Alexei Ulyukaev was charged with extorting a two-million-dollar bribe, and it is a reminder that there is no mercy for any high official that wants to engage in bribery. On September 9, 2016, investigators found an enormous sum of money equal to a total of USD 124 million in the car and home of the Russian Interior Ministry's Main Directorate of Economic Security and Countering Corruption, police Colonel Dmitry Zakharchenko, and arrested him. On the one hand, it shows how extensively corruption penetrated Russian society, but on the other hand, it clearly showed that there is a strong mechanism in place for addressing corruption anywhere and bringing down anyone under the law. Not surprisingly, the corrupt officials Ulyukaev and Zakharchenko both had offshore accounts. Ulyukaev had an offshore company in his wife and son's name called Ronnieville Ltd registered in the British Virgin Islands, while Zakharchenko had offshore accounts registered in his close relatives' names in Swiss and several other banks, including Rothschild Bank and Dresdner Bank. Significant amounts of transactions were made by these accounts.

Today, corruption has sharply decreased in Russia, particularly among high-level officials and the elite. The developments and changes made in the Russian socio-economy over the last 16 years, such as poverty falling from 28 percent to 11 percent and GDP per capita growing by 11 times, are definitely related to the contributions by the anti-corruption campaign. Putin's campaign proves that corruption needs to be taken down from the top. It is the only way to see results.

**Fix legal loopholes, make appropriate changes consistently**

Putin has been fixing loopholes in laws and regularly making appropriate changes depending on the results of the fight against corruption. In particular, a federal law adopted in May 2013 "to Prohibit Several Categories of Persons



Seeing from the experiences of other countries, corruption must be fought from the top down.

Russian development is the net of corruption dragging the country down and the oligarchs who are weaving the net. Therefore, he started a gradual but unyielding fight against them. There are three important characteristics that made Putin's anti-corruption policy successful:

1. Starting the fight against corruption from the top
2. Fixing loopholes in legislation and regularly making appropriate changes
3. Keeping wealth where it should be under its legitimate owner

**If you want to eliminate corruption, start at the top**

Seeing from the experiences of other countries, corruption must be fought from the top down to achieve results, instead of dealing with small cases. The difference between Putin and our politicians, who only make empty promises to fight corruption, is that Putin understood

► from Opening and Maintaining Bank Accounts (Deposits), Keeping Cash and Securities in Foreign Banks Outside the Territory of the Russian Federation and Possessing or Using Foreign Financial Instruments" had great results. This law is an operation directed at sifting out the Russian oligarchs who infiltrated government on one hand, but on the other hand, it also has the objective of bringing back the huge amount of wealth that leaked out. With the approval of Federal Law No.79-FZ, many well-known people brought back their hidden assets. For example, the godfather of corruption in Russia, Anatoly Chubais, had no choice other than to repatriate his assets hidden in Switzerland, while First Deputy Prime Minister Igor Shuvalov had to do the same with his offshore money tucked away in the British Virgin Islands.

A total of 166 members of the Federal Council, most notably one of Russia's richest men Nikolai Olshansky, as well as 15 members of the State Duma brought home their assets from abroad upon the approval of the law. However, some of the members of the upper house, such as Guriev, Molchanov, Bazhanov and Ananyev, decided it was better to quit politics than retrieve their assets. In addition to them, several higher-up officials, such as the administration of Chukotka Autonomous Okrug, world famous oligarch Roman Abramovich and Deputy Communications Minister Dennis Sverdlov, all resigned. Seeing from this example, the higher-ups and oligarchs of Russia assessed Federal Law No.79-FZ in accordance with their own interests. The implementation of this law proves that laws do not have to be liked by everyone, and they especially must not be approved within the interest of oligarchs. This law made a serious contribution to bringing home large amounts of money, cleansing the civil service, igniting patriotism and strengthening the people's trust in the government.

### **Wealth being where it should be under its legitimate owner is just**

The third characteristic of Putin's anti-corruption campaign is that in addition to punishing the corrupt, it brings the assets owned by corrupt officials back where it legitimately should be. If state money was hidden abroad in offshore accounts, that means the wealth is not in the place where it should be. It also means that the wealth must go back to the rightful owner, in case some cunning individual swindled a state-owned enterprise or someone else's wealth. It should be mentioned that thanks to this campaign, Russia was able to take back Lukoil from extortionists. Today, more than 80 percent of the top companies in Russia are state-owned, and it is a result of Putin's policy to keep property in the hands of the legitimate owner. The above-mentioned Federal Law No.79-FZ was also a tool in implementing this policy. "We must repatriate all the wealth embezzled both externally and domestically," said Vladimir Putin during a meeting of the Russian Presidential Anti-Corruption Council held on January 26, 2016, indicating the start of a new stage in Putin's anti-corruption campaign.

The issues within the domestic legal environment are relatively easier to resolve. For example, 588 million of

the 15.5 billion roubles to be returned by court order after corruption trials was returned, which is modest but still a development that will further expand. We must pay close attention to the word "foreign" which Putin said, because Russian extortionists and oligarchs have taken huge amounts of national wealth abroad. According to a recent study, approximately USD 800 billion, wealth equivalent to 60 percent of Russia's current GDP, is hidden offshore, with the huge amount of assets being owned by a small number of people known as the Russian elite. Federal Law No.79-FZ was a timely action and was able to repatriate a huge amount of assets from abroad. It is a mistake for those who think they can get away with corruption by resigning from civil servant positions. Although we do not know the next stage of Putin's fight against corruption, it definitely will not leave space for corruption or for the corrupt officials.

### **Conclusion and remarks**

There was a factor that made Putin's fight against corruption successful, bringing welcome change and progress to Russia's socio-economy. I did not want to use the Transparency International index here, the so-called international corruption standard, because this institution sometimes approaches issues with an unrealistic attitude and from a political view of point. Corruption has devastating effects as it eats a country from the inside and gradually leads to extinction, so there certainly is a necessity to eliminate it. However, on the other hand, we must also remember that reckless campaigns against corruption take down politicians, ruin states and lead a country to cataclysm. Putin knows well that there are many internal and external forces trying to make a play on this risk. It is true that there are many "hostiles" standing against Putin and Russia's growth and development on the international level.

### **Putin and Russia**

Although Russia's economic performance declined and did not achieve expected results in the last two years due to global circumstances and sanctions against Russia by the Western states, remarkable socio-economic changes and progress were made in the first 13 of the 16 years in which Putin was in office, 12 as President and four as Prime Minister. If we compare 1999, the year before Putin's election to president, to Russia's peak growth year of 2013: GDP rose from USD 195 billion to USD 2.2 trillion, which is an increase of 11.4 times; Government debt that was 78 percent of GDP was reduced to just 8 percent; GDP per capita rose USD 14,800 from USD 1,320, another 11-fold increase; and in addition to these amazing performances in the economy, some difficult socio-political issues were resolved, bringing Russia back on the global stage as a leading power. These undeniably successful achievements ►

**Today, more than 80 percent of the top companies in Russia are state-owned, and it is a result of Putin's policy to keep property in the hands of the legitimate owner.**

► and results are thanks to the relentless effort and earnest heart for his country and people by the talented and wise leader Vladimir Putin. Although the US and EU sanctions against Russia and sharp decline in the price of oil has caused great difficulty and pressure on the economy, it provided Russia with the opportunity to evaluate its economic dependency on Western countries and was an impetus to making major changes to its socio-economic system and development policies.

Cautious, but adamant, policy against the corruption that was slowing Russia down led Putin to success, but we must remember that total victory has not come yet, and the long journey is still continuing. Corruption is only one part of Putin's wide-scale fight. Putin has already shown that he is a great leader, gifted politician and distinguished fighter. He is a global person, as not only Russia, but many countries around the world and their people bear hope in him. Yes, we can trust in him, and there is little doubt about his success. ■

## Railway

# D. Jigjidnyamaa: *Ulaanbaatar Railway is a living history of Mongolian-Russian friendship*



*We had a conversation with D. Jigjidnyamaa, head of the Mongolian-Russian joint stock company Ulaanbaatar Railway, on the current and future development of the railway which has benefited the economy of Mongolia tremendously.*

- This year marks the 95th anniversary of the establishment of diplomatic relations between Mongolia and the Russia. It can be said that Ulaanbaatar Railway is a living example of the Mongolian-Russian friendly relations. In this regard, we ask you to share thoughts on the occasion?

- The Russian Federation is not only our great neighbour, who first recognised the independence of Mongolia, but also a country that has made invaluable contributions to the development of our country. A clear and vivid example of this is Ulaanbaatar Railway. It is impossible to imagine any country's development without railways, whose role is fulfilled by the Ulaanbaatar Railway Mongolian-Russian joint stock company. Ulaanbaatar Railway is respectably continuing this mission to date. We must cherish this historical example of the Mongolian-Russian relations. I will take this opportunity to express our deepest appreciation to current and former Russian colleagues of Ulaanbaatar Railway on behalf of the workers of all generations.

- Please tell us about the history of Ulaanbaatar Railway JSC.

- The first talks about the construction of a railway connecting the MPR and the USSR were conducted in 1946, and work on the construction of the railway started the next year. The history of Ulaanbaatar Railway started from the date of signing of the agreement "On the Establishment of the Soviet-Mongolian joint stock company Ulaanbaatar Railway" between the two governments on June 6, 1949. During the last 70 years, Ulaanbaatar Railway's network has greatly expanded, and the equipment, technology and infrastructure have also developed and strengthened. Today, the railway comprises about 80 stations spanning a total length of 1815 km, with 15,000 railroad workers as a part of the big family of the Mongolian-Russian Ulaanbaatar Railway JSC. It is worth emphasising that the Russian people not only built this railroad that has played a special role in the progress and development of our country, but also made an invaluable contribution to strengthening the material and technical base of Ulaanbaatar Railway and education and training of domestic personnel in Mongolia. I am fully confident that ►

► Ulaanbaatar Railway, which maintains the cherished tradition of Mongolian-Russian friendship, will continue to serve as a bright example of the deepening development of bilateral relations.

**- Many people say that Mongolia's rail network can become the main transport corridor connecting Asia and Europe. What is the state of cargo flows and transit through the territory of Mongolia?**

- Ulaanbaatar Railway JSC has the shortest rail corridor connecting Asia and Europe, which is a major advantage of ours. Yet, the flow of transit freight through the territory of Mongolia does not meet the expected volume. Today, transit transportation accounts for 23 percent of revenues and 20.3 percent of the total turnover of Ulaanbaatar Railway. Two million tonnes of cargo passes through Mongolia, and it is mostly wood and wooden products from Russia to China.

Calculations of the transit transport are carried out according to the tariffs of the member countries of the Organisation for Cooperation of Railways (OSJD). As for Mongolia, it is important to pay attention to the usage of an intelligent, flexible tariff policy in order to improve the quality of services and ensure that conditions of transit passage through Mongolian territory is quick and efficient in order to increase freight volume. We have asked the Russian side to declare a reduced rate, as the flow of transit traffic exerts its influence not only the rates of our country, but also the conveyance rates of neighbouring countries. To support transit transportation, we also provide certain discounts to China and Russia that are lower than international tariffs. Recently, the Committee of Development and Innovation of China has decided to split containerised cargo transported to Russia and European countries into three parts by regions, including passing through the territory of Mongolia from the central part of China, which shows that it is possible to increase transit through state policy. We pay special attention to transit transportation as it plays a significant role in increasing the flow of foreign exchange receipts to Mongolia. In 2016, 140 container trains passed through the territory of Mongolia, and now we are working towards the ambitious goal of bringing that number up to 2,000 trains.

**- As the volume of transit freight traffic through Ulaanbaatar Railway increases, it becomes necessary to bolster the capacity of the railway. What steps have you taken in this area? Would you also comment on the issue of constructing twin tracks?**

- There is a calculation on the infrastructural transport capacity of Ulaanbaatar Railway that said it can handle 25 million tonnes of cargo per year. Today, Ulaanbaatar Railway transports 20 million tonnes of cargo per year. This means that there is an additional 5 million tonnes of spare capacity. However, we will need even more than 5 million tonnes of additional capacity if the economy recovers with the rise in prices of the mining products on the global market. In this regard, we have to perform a lot of work increase freight and road capacity, also to carry out major repairs.

There is no need for a second track for now. In another way, there is no such volume of cargo for transportation. Investors will make decisions on the basis of reliable cargo volume. There is information that the trade turnover of Russia

and European countries with China reaches USD 650 billion per year. If we can bring the trade turnover, which is mostly carried out via the maritime transport, transit transportation will increase dramatically.

**- You became the head of the Ulaanbaatar Railway somewhat recently. What pressing matters have you been focusing on since your appointment?**

- One of the pressing issues that hindered normal, sustainable activities was the excise duty on imported diesel fuel for the use of Ulaanbaatar Railway. On this issue, the parliamentary resolution "On exemption from excise duty on imported diesel fuel by Ulaanbaatar Railway from January 1, 2017" was approved. However, the issue still has not been resolved, and the question still remains on the excise debts amounting to MNT 31.4 billion accumulated in 2016. I have been paying particular attention to this issue. Recently, along with railway issues, the matter was submitted to the Standing Committee on the Economy. The committee developed and approved a draft resolution on the issue and decided to submit the matter to parliament by majority vote. A positive solution to this problem will greatly help Ulaanbaatar Railway's normal activities without financial burden in 2017.

**- How do you see the future of Ulaanbaatar Railway?**

- Ulaanbaatar Railway is a joint venture company between the two countries and has the shortest rail corridor connecting Asia and Europe. Ulaanbaatar Railway has a huge opportunity to make profit from this advantage. There is a good possibility to develop transit transport and domestic transport of goods. It is unlikely that a stronger competitor than Ulaanbaatar Railway will emerge in the next 50 years. To become a strong competitor in the market, Ulaanbaatar Railway has long-term comprehensive works on technical modernisation, improving its competitive capacity and expansion of its rail network.

Ulaanbaatar Railway has finished developing a long-term programme to improve its freight capacity and conduct technical modernisation until 2030, and we are ready to present this programme to the management board. This long-term development programme reflects plans to increase the capacity in phases to 100 million tonnes of cargo per year.

**- Do you believe it necessary to reform the current organisational structure of Ulaanbaatar Railway JSC?**

- It's been nearly 70 years since the establishment of the joint stock company by the two governments. During this period, the entire social system changed radically, and a considerable amount of time has passed since transitioning to a free market economy. In this regard, I think that the time to change the organisational structure of Ulaanbaatar Railway in accordance with current market conditions has come. In short, it is time to become a modern company. This proposal will be presented to the management board.

A working group appointed by the government of Mongolia on amending the Mongolian-Russian intergovernmental agreement of 1949 is working and presented its proposals to the Russian side. ■

***Ulaanbaatar Railway JSC has the shortest rail corridor connecting Asia and Europe, which is a major advantage of ours.***

## Economic corridor

# At the doorstep of a century



BY TS.ELBEGSAIKHAN

**H**alf a year ago in Tashkent, the capital of Uzbekistan, the presidents of Russia, China and Mongolia announced a major piece of news for Eurasia: the three signed an agreement to establish a Russia-Mongolia-China economic corridor during a meeting of the heads of member states of the Shanghai Cooperation Organisation. Within the scope of the undertaking, the Mongolian side agreed to carry out 32 projects in nine areas. Mongolians had long awaited this decision as the issue of establishing such a corridor saw real progress after many years of discussion.

Trade volume between Russia and China has been continually growing for the past decade. As of the first half of this year, the two countries conducted trade equivalent to USD 6.1 billion, which is a 9.8 percent increase compared to the same period last year. Until 2014, total trade turnover between the two countries had been increasing by an annual average of 17.8 percent. For a small, landlocked country with an underdeveloped economy, nestled in the middle of these two world powers, the benefits of greater participation in regional and global trade is obvious. Unfortunately, its two neighbours, despite historical relations, are bypassing Mongolia to trade with each other, but not for lack of wanting.

Infrastructure is the reason why not even one tenth of one percent of these trades pass through Mongolia.

There are no highways, capacity at the border is weak, and on top of high tariffs, the railways do not have the capacity to freight large amounts of cargo. Thirteen of the 32 aforementioned projects related to the establishment of the corridor involve transportation infrastructure. The trade figures above are likely to increase with these projects are successful. There is an estimate that the distance from Europe to Asian sea ports will shorten by 2,700 km, freight transport by 45 hours and passenger transport by 34 hours, if only the Asian Highway 3 (AH3) project is successfully implemented. Furthermore, if Mongolia's main railway line is upgraded to twin lines and get electrified, its current capacity will triple.

During the trilateral meeting, Mongolian President Ts.Elbegdorj put forth a proposal to establish a joint investment centre for the implementation of these projects, an idea which Putin supported. Currently, work on the matter is in the initial stages. The Mongolian side also proposed that the centre be established in Ulaanbaatar. Firstly, this location is right in the middle, and it is considered the most suitable place to establish it because the majority of the developmental works will take place in Mongolia. Secondly, Mongolia was the one to propose this initiative initially.

## Common interests

China has built highways and rails connecting Beijing, Tianjin, Hebei Province, Inner Mongolia and three north-eastern provinces bordering Mongolia and Russia along the economic corridor within the framework of this huge infrastructure project.

Similarly, in 2009, the Russian government approved the "Strategy for the Socio-Economic Development of the Far East, the Republic of Buryatia, Zabaykalsk Krai and Irkutsk Oblast in the period up to 2025." The Far East and Baikal Region Development Fund and the Ministry of Development of the Russian Far East have been established in accordance with this strategy, signifying its level of importance.

As for Mongolia, it has the "Steppe Road" project, whose goal is in line with the broader national goals of actively participating in global trade, having access to the sea, reducing land transportation costs and increasing turnover. The AH3 highway project is the beginning. Chinggis Land Development Group was selected as the contractor for this project aimed at connecting East Asia with the European market via the shortest route possible. The company will cooperate with a Russia firm (Dalstroy-mehanizatsiya) in carrying out the developmental works on the Russian territory.

The motivation behind these three projects is essentially the same: to support the countries' economies and international trade by expanding regional infrastructural network and accelerating economic integration. Although the countries can implement their own respective projects individually, it would be much faster if they combined efforts. The establishment ►

Infrastructure is the reason why not even one tenth of one percent of these trades pass through Mongolia.

► of unified regional infrastructure connecting Asia and Europe is right at the junction of interests, as Mongolia's two neighbours want to expand foreign trade and Mongolia wants to embrace regional integration.

On November 3, D.Davaasuren, State Secretary of the Mongolian Ministry of Foreign Affairs, met with E.N. Popov, Director of the Department of Asia, Africa and Latin America of Russia's Ministry of Economic Development, to discuss key issues concerning bilateral trade and economic ties. The two emphasised the importance of the programme to establish the Russia-Mongolia-China Economic Corridor for stimulating commercial ties between the two countries.

They also agreed on the need to establish an investment centre in Ulaanbaatar for conducting

feasibility studies for tri-partite projects, and that a meeting on the matter should be held soon.

Over the past 95 years, the people of Russia and Mongolia have shared a rich history of revolution, war and victory, railway development, industrialisation and development. A century of diplomatic relations between the two countries is upon us. As for the economic relations of the two nations in the next 100 years, the economic corridor will become the solid link tying the two countries, starting a new chapter in its shared history. If these projects are economically justified and we begin to see its benefits for international trade, there are sure to be more projects in the future, especially considering that at the beginning of the discussions, nearly 200 projects were on the table. ■

## Science

# Skolkovo: Russia's Silicon Valley

BY S. OTGONTSETSEG

**T**he world's first technology park started in the United States and later turned into the birthplace of breakthrough technologies - Silicon Valley. It all began in the 1950s when Stanford University decided to use 32 square kilometres of area it owned in order to get out of financial difficulties. Although the land was the property of the university, they did not have the right to sell it, so they decided to establish the Stanford Industrial Park on this land, with the condition to rent the land only to tech companies. Since then, graduates of Stanford have had no fear of being unemployed and the university has had no lack of skilled personnel.

According to many researchers, the accumulation of talented people in one place in proximity to research centres resulted in the emergence of tech giants such as Google and Apple. Silicon Valley boasts the highest concentration of tech companies in the world. In 2015, Matt Marx, an Associate Professor at MIT's Sloan School of Management, presented the results of one of his research papers, in which he concluded that the reason why the technological boom occurred in this place is related to legislation. Specifically, California is the only state in the US where non-compete agreements are void. A non-compete clause is a clause in an employment contract under which one party (usually the employee) agrees not to enter into or start a similar profession or trade in competition against another party (usually the employer). If an employee signs



The first Russian driverless bus Matryoshka

such an agreement and breaches it, he or she will be taken to court. However, by rejecting this limitation, California has become the hub that attracts the talents seeking the freedom to choose their job.

## Russia's elevator of reform

Today, there are more than 700 technological parks worldwide, and it is said that Russia is one of the countries that followed the US in integrating its technoparks with the ecosystem of innovative businesses on the national level. The Skolkovo team, responsible for implementing this goal, studied the experiences of countries such as Singapore, South Korea and China when establishing the technology park in order to become a strong competitor armed with their knowledge and experience. Within the Skolkovo project, five clusters were created, with each one developing innovative projects in information, biomedical, energy efficiency, nuclear and space technology, respectively.

In early 2010, then-President Dmitry Medvedev first ►

► announced the project. He saw Skolkovo as “the largest testing ground for the new economic policy” and the prototype of a future city in similar fashion to Silicon Valley in the US.

It is stated on the Skolkovo website that “The Skolkovo Innovation Center was conceived as an elevator for the Russian economy. Russia needs an innovative elevator for modernisation and technological development of the economy, and Russian science should be integrated into the global economy.” Dmitry Medvedev defined the objectives more clearly by saying: “to develop new methods and technologies and to create the conditions to commercialise results.”

Theoretically, Skolkovo should become a complex that will stop the outflow of Russia’s best minds and bring top-notch foreign and domestic experts and professionals. In order to create a favourable environment at Skolkovo that will ensure employees work and live here along with their families for a long time, integrated services such as various forms of discounts on customs fees, taxes and visas as well as housing will be provided.

### Future smart city

The day our magazine visited Skolkovo coincided with the national holiday Russian Unity Day, so we did not get to experience the rhythm of daily life in the new city. The new city is quite far from Moscow, in the middle of a rather village-like environment near a forest and lake. We saw two or three uniquely shaped buildings, and the buildings being built near them were residential apartments and kindergartens. Alexander Zolotarev, Senior Foreign Relations Manager at the Skolkovo Institute of Science and Technology, explained to us that the two uniquely shaped buildings were named Hypercube and Matryoshka.

The construction of the new city being built in Mozhaysk district of Moscow will cover roughly 400 hectares and is currently only in the initial stages. The city is planned to have a population of 15,000, with 7,000 people working at the Skolkovo Innovation Center. It is estimated that factories, service buildings, offices and residential apartments will be built on about two million square metres of area and that by 2020, 35,000 people will be working the Innovation Center.

They plan to make work, schools, kindergartens, shops, hospitals and service areas very close to another, such that people can usually walk or ride bicycles to get around. The building will be compact instead of multi-storey, but it will be “smart” and spacious, with many services inside so that the residents of Skolkovo can live actively despite busy schedules.

### A multicultural environment

A dozen football fields can easily fit on the Skolkovo technopark, which covers nearly 100,000 square metres. Alexander drove and showed us around the Skolkovo project for a bit, and afterwards, he took us to the seven-storey Hypercube. It was the first building built here, and it definitely matched its name. Corporate managers of major global companies that partner with Skolkovo, representatives of start-ups involved in the project and employees of the technopark work inside the Hypercube. Participants attending events organised here can witness the development of Russia’s innovative environment, and how ecosystems are being created and are increasing.

Although the Hypercube was almost empty due to the holiday, several foreign and domestic experts doing their work could be seen. The walls of the corridor and halls are retractable so the space can be enlarged or shrunk. A large area for public events can be transformed into small classrooms in a matter of minutes. The halls can be divided into several small rooms or can be expanded to a much bigger hall. We saw some mats on the floor of a room behind a glass wall and thought that the employees also practiced yoga or something. However, it was a drone testing and experiment laboratory, so the mats were used to prevent damage to falling drones. There was a human head mannequin inside another laboratory room which had skin almost similar to a real human face. In these times when technology is rapidly advancing, robots that look almost human by outward appearance, which can mimic human expressions or read TV news in many languages, are being created. Although the droids at Skolkovo have not yet reached the levels of Japanese and Chinese droids, they have certainly had their own successes in developing artificial intelligence and robotics. For example, Promobot LLC signed an agreement to sell 35 service robots at Skolkovo only 35 hours after introducing its third-generation service robots. Lots of inventions for the good of society are being made here. For instance, an artificial micro-kidney experiment was successful, and the first Russian driverless bus “Matryoshka” was also designed here.

Although it has been only six years since the establishment of the Skolkovo technopark, Skoltech (the Skolkovo Institute of Science and Technology) has already opened, and many start-up have received investments and grants. Skoltech, established in 2011, is a place where tech start-ups are being born, and the institution itself is also a start-up at the same time. Skoltech recruits the best young minds based on special requirements, and the professors emphasise motivating students through tech start-ups and instilling innovative activity habits in them. The main criterion to living and working in the Innovation Center is English language skills. The Center is not only a place for technological development and innovation, but also a unique world where a multi-ethnic culture and traditions mix as scientists and professionals from every corner of the world work under the same roof. ■



**“Russia was a country with highly developed higher education institutions and academia, and it will continue to be so in the future.”**

*The President of the Skolkovo Foundation Viktor Vekselberg.*

# The joint venture of Rosneft and Sod Mongol Group receives Century International Quality ERA award



*Executive Director of Mongolian-Russian joint venture Mergevan LLC Viktor Lobanov receiving an award. The objective of the company is to provide consumers with high quality fuel meeting the requirements and norms of international aviation.*

## Reference:

NK Rosneft OJSC established the 50-50 joint venture Mergevan LLC at Chinggis Khaan International Airport in 2009 in cooperation with their Mongolian partner Sod Mongol Group through its subsidiary RN-Aero LLC, with its main line of work being supplying aviation fuel based on modern production facilities.

Mergevan LLC, a joint venture owned on a parity basis by RN-Aero (a subsidiary of Rosneft) and Mongolia's Sod Mongol Group, received the Century International Quality ERA award at the XVIII Century International Quality Era Convention in Geneva held on March 20 of this year. The International Selection Committee selected Mergevan LLC as a company with a high level of services provided.

The main criteria for selecting the winners included aspects such as quality, steady growth, customer satisfaction, professional excellence, innovation and leadership. The Century International Quality ERA Convention gathers representatives of international businesses each year to evaluate the quality of services provided. This year, companies from 74 countries took part in the ceremony.

## Business

# S.V. Opanasenko:

## *A crisis does not affect people's appetite*

BY G.DAVAADORJ

**W**e sat down with Sergey Vasilyevich Opanasenko, President of Serj International LLC. In the 1990s, he worked as a sales representative of the Russian Federation in Mongolia. He owns a chain of restaurants and cafes (Milaya, Korchma, Batko Opanas, Izbushka, Gzhel and Asia), and is a foreign trade specialist. Sergey lives with his wife and two children.

**- To get started, please tell us about your company?**

Our company was established in 2000, with the first restaurant opening that same year. It was called Korchma (meaning Tavern) and continues to operate under this name. Actually, our main goal was to open a chain of restaurants and cafes that would operate successfully and stay in the catering market of Mongolia, and we did. In this sense, our company is one of the oldest in the market. Our work is not easy, because as a service organisation, we work with people, for people.

From the beginning, our motto was "work hard and serve at the highest level." Therefore, we invest our hearts into the work in order to be liked by the customers. Our main goal is not to reap profits, but to take care of customers and employees. We pay special attention to the interior, so that customers can feel an authentic Ukrainian atmosphere. When it is both delicious and beautiful, people want to come again and tell their friends about us.

*Of course there are some difficulties such as the economic downturn, when people are limited financially.*

Of course there are some difficulties such as the economic downturn, when people are limited financially. No matter how cheap it is, dining at a restaurant will always be more expensive than cooking at home, but it has not particularly affected our strategy. A crisis does not affect people's appetite. In any case, our main customers are the residents of Ulaanbaatar.

**- How strong was the competition in the early 2000s?**

I must say that it was more competitive than today because people saw how well we were doing, so they started to imitate us and opened similar restaurants. Some people who worked for our company left and opened up their own restaurants, but they could not withstand



the competition and soon closed down. Our policy was directed at attracting customers, and we closely monitored the quality and freshness of the products we served, so we were able to strengthen our position.

**- Today, how would you characterise the competitive environment in the catering market in Mongolia?**

There is a lot of competition. There are many restaurants serving Korean, Chinese, Turkish, Italian, French, Indian and, of course, Mongolian cuisine. We also tried to adapt to Asian restaurants and opened the restaurant "Asia," which serves Korean and Chinese cuisine. However, it was a challenge to retain cooks. We soon abandoned the idea of competing with Asian cuisine and realised that the Asian and Ukrainian should restaurants should be separate.

**- So what are the differences between the Mongolian, Russian and Western markets?**

Previously, the main difference was the main dishes consisted of meat and dairy products in Mongolia, but now, dining in Paris and Ulaanbaatar is not much of different anymore as everyone likes to eat delicious ▶

► food. The only difference in Mongolia is you have to pay more attention to meat dishes.

**- In recent years, many foreign fast food chains have opened in Mongolia like mushrooms after rain. Is your strategy changing under these conditions?**

Competing with everyone is pointless. However, as competition is getting stronger, we have to make sure we maintain discipline by highlighting our features more and improving the quality of our service. Fast food has its own features and develops more in countries like the US where everyone tries to eat faster. However, if you want to eat well and talk with friends in a cosy atmosphere, then come to us.

**- What would you say about Mongolian chefs?**

Mongolian chefs have a certain characteristic. For instance, making borscht needs an entire flowchart. The trouble with Mongolian chefs is that they try to make things easier, and as a result, the borscht they make becomes a rather different dish. Thus, the quality suffers. Therefore, our foreign chefs teach them first and then they monitor them.

**- Does your company have branches outside of the city?**

No. Darkhan and Erdenet have invited us. We were even invited to open our restaurants in Japan, South Korea and China. Unfortunately, we have neither the time nor the strength for this. When our chain is evolving here, it would be difficult to waste our labour in other places. However, we may open branches outside of Ulaanbaatar if we believe the development of our chains in the city has reached a certain level.

**- What do you think about the features of the tax environment in Mongolia? Are there any difficulties?**

In this regard, Mongolia is a unique country. Firstly, there is open repression. In Mongolia, you feel free, unlike some cities in Russia, where there are still "remnants" of the nineties. You can focus on your work. We are not pressured by taxes. We have good relations with the tax authority, and our company is a solid taxpayer. In my opinion, regular payment of taxes is more important than the size of taxes paid. Therefore, we administer a policy to attract more customers during low revenue cycles.

**- How are the relations with the specialised inspection authorities?**

In general, normal. There have been attempts to solicit bribes, but this is the wrong way because the more you give, the more they want from you. Therefore, when any inspection results in unfavourable comments, we try to resolve the violation as quickly as possible. We try to have good relations with inspectors without violating any laws and regulations that must be respected.

**- Mongolian entrepreneurs always say that politics prevents them from doing business. Does the current political situation somehow affect your work?**

We are friends with everyone who likes to eat well. Both Democrats and Communists, the left and right; they all love delicious food. For example, President

Ts.Elbegdorj came to us. We are independent from politics and try not to interfere with it. Although earlier someone tried to drag me in politics, as a person who is engaged in business, it is taboo because politics is never pure and honest.

**- How favourable is business environment in Mongolia?**

For any company, difficulties are inevitable. The business environment is same for any company as it does not discriminate by being too favourable or unfavourable for one entity. I think business and the state must have a mutual understanding. The state need taxes and companies need revenue. The government sees what is happening and realises that if they raise taxes, then businesses will not grow. So here we need a policy that strikes the balance between tax revenue and supporting business. So I think that in this regard, Mongolia is relatively good.

**- The reason I ask is because most foreign investors say that Mongolia is difficult as the government always changes the rules of the game.**

I would not say that the rules change drastically. Depending on who comes to power, the whole top of the power, and even middle management gets reshuffled. After each change of power comes the new boss, who has to be explained all the details. This, of course, is difficult, but there has been no dramatic impact on our business.

**Let's talk about another topic. It is known that Mongolian-Russian economic relations are not at a satisfactory level. As an entrepreneur, surely you have some thoughts on the matter?**

I worked as sales representatives of Russia in Mongolia in the 1990s, when everything collapsed, and nothing new was being built. The two countries plunged into internal problems. Russia had no time to pay attention to Mongolia. As a result, our economic relations sharply declined. I believe that it was wrong to leave the Mongolian market. Nowadays, there are no such strong contacts in any sector of our countries. Only the Erdenet, Mongolrostsvetmet and Ulaanbaatar Railway remain. Moreover, Russia has sold its stake in Erdenet and Mongolrostsvetmet to Mongolia. I do not understand why. It would be better if they worked together.

Of course, today we need to restore cooperation in various fields. For example, we can cooperate in the fields of energy and mining. Mongolia is rich in coal deposits, but it is not profitable to export it raw. In this regard, Russia and Mongolia can work more effectively. I hope that further cooperation will steadily grow.

There are a lot of Russian businessmen who want to start their own business in Mongolia. However, first of all, there is a lack of information, and secondly, both Mongolia and Russia are in the midst of a crisis. Perhaps after a year or two the situation will change, because Mongolia is our good neighbour, with whom we have the traditional good-neighbourly relations. ■

*The state need taxes and companies need revenue.*

## Fine arts

# The Russian school in Mongolian art

BY J.BAYAR

**T**he Mongolian people have amazing national art they can be proud of. Mongolian art is praised around the world for the piercing sound of its folk songs and skilful moves of traditional dancing. Even the classical art is impressive. However, it was the Russians who instilled all this value. Before the socialist revolution, traditional art was just showcased around households and spread to other provinces at best. But the chance to introduce our

world arts and classical music theory in Russia. One of such honourable people is National Artist of Mongolia Ts.Namsraijav. He was one of the first Mongolians to study conducting at the P.I. Tchaikovsky Moscow State Conservatory. After graduating, he established the Symphony Orchestra in 1957, which was the official start of modern Mongolian classical arts. In addition to him, exceptional Mongolian talents such S.Gonchigsumlaa, L.Murdorj, D.Lunsansharav, D.Myasuren and B.Jamiyandagva all attained their education in the Soviet Union.

The foundations of the current State Opera and Ballet Academic Theatre was established in 1963, which was a special event not just for Mongolia but for the whole of Asia, because it was the first professional classical art theatre to be established on the continent. Of course, the Soviet Union made invaluable contributions. Dance choreographer N.Kuznetsova established the first class of Mongolian dance in the 1940s while Yakov Romanovsky trained skilled dancers such as D.Bolkhuu, Ts.Dashdulam, B.Gurbazar and talented choreographers such as Ts.Sevjid and G.Dolgorsuren. Later, his apprentices became the pillars of Mongolian dance art.

The same goes for variety entertainment. At the same time when variety entertainment was developing in the Soviet Union, young Mongolians were also becoming more interested in the genre. Many people from that generation note that Soviet experts truly made their contribution in the development of variety entertainment in Mongolia. The best example of this is the Bayan Mongol ensemble. In 1968, a jazz philharmonic ensemble was established under the State Committee on Radio and Television, which later became the basis for the Bayan Mongol ensemble. The ensemble was the beginning of variety entertainment in Mongolia, and also served as a guiding compass to many bands and singers born later on.

Although a new era has come, Mongolia's art industry has preserved its old traditions. Every university that teaches art courses still reflect the Russian school in their curricula, which have been administered for decades. Many modern Mongolian prodigies went through this exact schooling method to reach success, as the artists themselves have said. ■



unique traditional art to the world came with the arrival of Russian experts. In other words, Mongolia was able to start a new chapter in the development of its folk art with their help. It gave birth to the Mongolian style based on the Russian school.

**The foundations of the current State Opera and Ballet Academic Theatre was established in 1963.**

Russia's contribution was made not only to Mongolia's traditional art but also classical genres of art, including opera, ballet, drama and even dance. V.Bagsheyev, a famous Soviet dancer from the ensemble of the legendary folk dance ensemble named after the choreographer Igor Moiseyev, taught a variety of dance techniques at the Mongolian National Folk Song and Dance Ensemble for 13 years. As a result, lots of great dance choreographers and skilled dancers were produced in Mongolia. It is one example of the Soviet Union sending its best experts and specialists.

In addition, many of our best young people studied

## Nostalgia



**B.Sergelen**, *ballet dancer*

I graduated from the Perm State Ballet School majoring in ballet and also from the Faculty of Management in the Cultural Sector of the Moscow Socio-Economic Institute majoring in social management. Starting from the middle of last century, Mongolian artists began to learn the art of ballet, which is one of the greatest achievements of mankind.

Soviet specialists set the foundations of classical art and the development of academic education in the field of contemporary culture of Mongolia. Thanks to them, Mongolian artists assimilated knowledge about the features, ethics, aesthetics, value to society and the essence of this art form.

In a span of half a century, Mongolia confidently took its place in the world of classical art, which has a 500-year history. Today, Mongolian artists are still learning from Russian colleagues and continuing the successful cooperation in the area of culture.



**G.Ariunbaatar**, *opera singer, State Honoured Actor of Mongolia, recipient of the Order of Genghis Khan*

The establishment of the fully operational State Opera and Ballet Academic Theatre in the 1960s was a major step in the development of classical art in Mongolia. Of course, Soviet specialists made a huge contribution. Since then, the so-called “golden age” of classical art of Mongolia was seen domestically as well as abroad. I am very proud that I am the successor to those people. I consider Russia my second home, because my life and work are connected with the Mariinsky Theatre, the Buryat Opera and Ballet Theatre, as well as other academic theatres in Russia. I think my efforts made at least some small contribution to the development of classical art in our country.

Russian audiences warmly accept my performances. Every time I meet with them, my heart fills with joy, as if I was greeted by my grandparents.



**A.Dolgor**, *National Artist of Mongolia*

I studied for seven years at the Sverdlovsk Institute of Arts. I am always amazed by the patience and knowledge of Soviet teachers. Thanks to them, the number of skilled personnel in every sector of Mongolia increased, including the artistic field. In addition to me, composers and artists such as Kh.Bilegjargal, B.Sharav, N.Jantsannorov and conductor N.Tuulaihuu all studied in the Soviet Union. Today, I teach at the Mongolian State University of Art and Culture. I rely on the



knowledge I gained from my Soviet teachers in combination with my own experience in accordance with the features of Mongolian students. But the essence is still the Soviet system of education. I am always proud of the fact that I graduated in Russia. Thanks to the education I obtained in Russia, I dedicated 30 years of my life to opera and about 10 years to teaching. To conclude, I want to note that all the Mongolian graduates of Soviet universities have made an invaluable contribution to the prosperity of our country.

## Mongolian studies

# Mongolia is no foreign country to me

BY O.TSETSEG

*We sat down with Dr. Aleksandr Zheleznyakov – a Senior Researcher at the Institute of Oriental Studies of the Russian Academy of the Sciences (RAS), Head of the Center of Political Science and Political Sociology at the Institute of Sociology of RAS and Cultural Ambassador of Mongolia in Russia – to talk about Mongolian studies in Russia.*



**- It is said that Russia is the cradle abroad when it comes to Mongolian studies. Please tell us briefly about the current state of Mongolian studies in Russia. How many Mongolists are in Russia today? What policy does the state have in regard to the development of Mongolian studies and professional training in this area?**

- Indeed, Russia was the first country in Europe in which the academic study of Mongolia, Mongolian language, literature and history began. Almost two centuries ago, in 1833, much earlier than other universities and academies of sciences of various countries of Europe and America, Kazan University's Department of Mongolian language was established, and the pioneer programme was associated with the names, first and foremost, Isaac Jacob Schmidt and Jozef Kowalewski. In 1855, the department moved to St. Petersburg University.

As for today, St. Petersburg State University and the Institute of Oriental Manuscripts of the RAS

still recognise St. Petersburg as the global capital of Mongolian philology. The main assembly of Mongolian manuscripts, block-prints and large collections of folklore from the middle of the 19th century are still kept there. A well-known and a major centre of Mongolian studies is also Moscow, where research is conducted primarily in the areas of modern history, sociology, cultural anthropology and political science – for the most part in joint projects with Mongolian researchers. Centres of modern Mongolian studies are developing in Ulan-Ude, Kyzyl, Elista, Irkutsk, Chita, Vladivostok, Novosibirsk, Barnaul and other cities of Russia. The increased interest in the study of Mongolia by the youth has become more common. As such, universities' budget allocation towards Mongolian studies departments is increasing year by year. We can say with certainty that the number of Mongolists in Russia is at the highest in history.

**- The General Secretary of the International Association for Mongol Studies, D.Tumurtogoo, said in an interview to the press: "In recent years, Mongolia has become open, so interest in Mongolia is falling. In recent years, research and studies are being conducted only on the success of Genghis Khan and how he reached Europe with his cavalry." What do you think about this statement? Is it true in your experience?**

- In some extent, the academic is telling the truth. Externally, it looks like interest in Mongolia has in fact declined. However, this impression arises when observers compare the degree of attention to two different subjects. The first subject is Mongolia in the tangle of sharp geopolitical contradictions as part of the Soviet bloc. The reason why so much attention was given to Mongolia in that period was due to the urgent problems of the bipolar world order of the Cold War as well as the Sino-Soviet split in the socialist camp. The second subject is the current non-aligned Mongolia. This country, of course, will not attract much attention related to political intentions and considerations.

**- Did you participate in the 11th International Congress of Mongolists organised in August of this year in Ulaanbaatar? If so, what were your impressions? How significant is this congress?**

- I participated as a full-time speaker in the last six International Congresses of Mongolists, and each one left very good impressions with me. Every conference is a significant step in understanding the place and role of ►

► Mongolia in the world and to the surrounding neighbours. In particular, introducing the international scientific community to the most interesting facts and events in the Mongolian world is very important. Characteristically, the last Congress was held just after the ASEM forum in Ulaanbaatar, so it produced a synergistic effect on the perception of the impact of these two events in the world. Starting from the 6th Congress, which took place in 1992, I devoted most of my reports to issues of Mongolian civilisation. At the 11th Congress in August of this year, I addressed the section "Study of International Relations of Mongolia" with the report "Mongolian civilisation in the architecture of the modern world." I was very pleased to discover in the section that there was a considerable increase in the number of researchers who have dedicated their work to the civilisational issues and, in particular, the positioning of Mongolia in the world.

**- In 2012 the president of Mongolia issued a decree "On the creation of a fund to support Mongolian studies" and the government approved the "National Programme for the Development of Mongolian Studies." Did this have an impact on the activities of Mongolists, and in particular, on Mongolian studies in Russia, or has it remained unnoticed?**

- I know that the support fund for Mongolian studies allocated funds for the publication of the rare manuscripts stored in St. Petersburg known as the Mongolian chronicles of the 17th century "Shar Tuuj" (Yellow Tale). The daughter of the famous Russian Mongolist and academic Ts.Damdinsuren, Prof. Tsendina Anna Damdinovna, prepared the manuscript for publication. We also received the support of Mongolia (most likely under the Mongolian studies fund and the Development Programme for Mongolian Studies) in organising the international scientific conference "Russia-Mongolia: History, Challenges of the 21st Century and Perspectives" in commemoration of the 95th anniversary of the establishment of diplomatic relations between Russia and Mongolia in Moscow in October of this year. The Institute of History and Archaeology of the Mongolian Academy of Sciences collaborated with the Institute of Oriental Studies and the Institute of Sociology of the RAS in co-organising this conference. Of course, I am mentioning only the cases that I myself know of.

**- What kind of policy should Mongolia implement to ensure the sustained development of Mongolian studies at the international level?**

- I think that the Mongolian side is moving in the right direction by creating a fund and a national programme to support Mongolian studies. It would be advisable to expand the activities of the funds and programmes for the most vulnerable areas. Mongolian studies is developing dynamically, and in some cases, in great scope in countries such as Japan, Korea, China and Taiwan, so the support from Mongolia to centres of Mongolian studies in these countries can be limited by a certain objective. However, more attention needs to be paid to declining centres of Mongolian studies in some European and other countries.

Some very positive results can be achieved if the fund for Mongolian studies pays more attention to young and senior academics of those countries.

**- Please tell our readers about yourself and your work in Mongolian studies.**

- I have been working in the area of Mongolian studies since graduating from the Mongolian Language and Literature Department of the National University of Mongolia in 1975. In the beginning, I worked at the History of the Mongolian Working Class sector of the Mongolian Academy of Sciences (1975-1981). My first teachers were Doctor of Historical Sciences B.Tudev and doctoral candidate of historical sciences A.Maamuu. Then I went on to study at the graduate school of the Institute of International Labour Movement of the Russian Academy of Sciences of the USSR, where in 1985 I defended my thesis on the topic "The most important stages in the social development of Mongolia and the working class". After finishing graduate school, I was involved in the work that published a 12-volume collection of Vladimir Lenin in Mongolian while working at the "Progress" publishing house for several years. It was a very interesting time as I was working with a large team consisting of Moscow editors and famous Mongolian scholars and translators who came from Ulaanbaatar. Our task was quite important because we had to develop and improve the Mongolian translation of scientific terms of the late 19th and early 20th century in European philosophical thought. Since 1989, I have been working at the Institute of Oriental Studies of the RAS and the Institute of Comparative Politics of the RAS. In 2009, I defended a doctoral dissertation of political science on the theme "Socio-historical determination of political processes in Mongolian society." I have authored over one hundred scientific papers, including several individual and collective monographs. For many years, I have worked toward the ambitious goal to theoretically justify the possibility of developing an atlas of Mongolian civilisation. In my opinion, the world of Inner Asia, of which Mongolia is the core, is a civilisation that stands on par with other global civilisations that any person in any country learns about in secondary school.

**- As an orientalist and as a man who has made great contributions to the field of Mongolian studies, you have probably come to Mongolia more than once. How do you assess Mongolia and Mongolians, seeing from a foreigner's point of view?**

- I can answer this question bluntly. Mongolia and the Mongolian people are not a foreign country or foreign people to me. Although I am a Russian citizen, I am proud of my Mongolian roots as my father is Mongolian. I feel that I cannot see things from an outsider's perspective because I have colleagues, friends and relatives in Mongolia. ■

*For many years, I have worked toward the ambitious goal to theoretically justify the possibility of developing an atlas of Mongolian civilisation.*



From the left to right: Vice President of the Mongolian Association of Graduates of Soviet and Russian Universities; Vice President of the Mongolian Friendship Society; State Honoured Teacher of Mongolia D.Tsogzolmaa; Minister-Counsellor of the Embassy of the Russian Federation in Mongolia I.N. Arzhaev; and the fourth Secretary General of the International Coordination Council Of Russian Educational Institutions Alumni A.V. Dobrovolsky

Friendship and cooperation month

## Sixty thousand Mongolians trained in Russia

BY S.OTGONTSETSEG

The Fourth Asian Meeting of National Associations of Graduates of Soviet and Russian Universities was held on October 4-8 in Ulaanbaatar within the framework of the historical 95th anniversary of the establishment of diplomatic relations between Mongolia and Russia. The two countries have an annual tradition of organising a month-long campaign, and this meeting was the first of the several events organised for the 56th annual campaign.

In early October, more than 100 individuals who graduated in Russia – from Russia, China, Vietnam, Nepal, Indonesia and Mongolia – participated in a theory-and-practice conference under the topic “Demand for higher education in Russia and future cooperation issues in the education sector” which was held at the Russian Centre of Science and Culture within the context of this meeting.

D.Tsogzolmaa, Vice President of the Mongolian Association of Graduates of Soviet and Russian Universities, gave a speech on “Russia’s role in preparing Mongolia’s national workforce and its current state and prospects.”

“The first 15 Mongolian students were sent to study at the Communist University of the Toilers of the East (KUTV) by the decision of the Mongolian government just after the People’s Revolution in August 1921. This was the start of cultural and education exchange among the two countries. Since then, many students from Mongolia as well as other countries began to study in Soviet universities, and more than 400 Mongolian professionals graduated in Russia just between 1922 and 1926,” noted D.Tsogzolmaa during her speech.

The number of Mongolians who graduated in Russia or the former Soviet Union exceed 60,000, with two-thirds of them still alive. In addition, almost 60 percent of Mongolian academics and about 50 percent of engineers and technical professionals are alumni of Russian or Soviet universities. Currently, about 4,000 Mongolian students are studying in 126 Russian universities and colleges. Hence, the tremendous contribution of the Russian education system to the formation of Mongolia’s workforce and to the development of the country’s education sector is something many Mongolians hold in high regard. ■

**60 percent of Mongolian academics and about 50 percent of engineers and technical professionals are alumni of Russian or Soviet universities**

**"Mongolian Economy" magazine question**

## What has education in Russia given you?

**N.Enkhbold**, *Mongolia MP and the Chairman of the Parliamentary Standing Committee on State Structure*



- I studied for five years at the Moscow State University of Printing Arts and one year at the Higher Party School. Therefore, a certain period of my life is connected with the Soviet Union. During my student years in the USSR, I met my wife and started a family there. I have many memories good memories associated with the Russian people.

As is known, the Russian people made great contributions to Mongolia. Researchers who came to Mongolia at the beginning of the last century believed that the Mongolian people were on the verge of extinction. Due to fate and the socio-political situation at the time, the Mongolian people stayed close to Russia for many years and met with the countries of Eastern Europe through the Russian people. In the short historical period from the 1950s to the 1990s, Mongolia became one of the fastest developing countries in the world. Of course, the Soviet Union had its own geo-political interests, but I believe that the interests of our countries

overlapped in many ways, which in the end was beneficial to Mongolia to a large extent.

Russian-Mongolian relations have a centuries-old tradition, so the future destiny of the two countries will depend on each other to a certain extent. Cooperation with Russia is reflected as a top priority in the current concept of Mongolia's national security as well as foreign policy. As a result of various surveys conducted among the population, 70 percent of those asked the question "who is the main partner of Mongolia?" answered "Russia." Previously, our countries had brotherly relations. And today, we cooperate according to the principles of equality and mutual respect. The time for effective forms concerning bilateral relations has come. Having good relations with neighboring countries is a prerequisite for the development of our country. Our relations were like this in the past, and I am confident that it will strengthen further in the future.

**D.Regdel**, *President of the Mongolian Academy of Sciences*



- In Mongolia, modern science has been developing for 95 years, but the most significant period lasted for 30 years. During this time, the Soviet scientists carried out the function of management in research institutions of our country. As a result of this cooperation, since the 1950s, Mongolian researchers began to get academic degrees, and research laboratories were set up in the main sectors of society. Thus, by 1961, Mongolia had a sufficient number of scientists in order to create several research institutes. All of them were educated in the Soviet Union.

At the time, the state believed that the development of scientific organisations was necessary for the prosperity of the country and established the Mongolian Academy of Sciences with five scientific institutes as socialism developed intensely. Since then,

the scientific atmosphere in our country developed rapidly. With the establishment of research institutes, support from the Soviet scientists increased. The priority areas were implementing through exchange of equal numbers of scientists. In this case, the receiving party was responsible for the necessary expenses. Through these programmes, the qualification of Mongolian scientists was considered as one of the best in Asia in the beginning of the 1990s. Today, the quantity and quality of scientific works of our scientists ranks 19th in Asia. In short, we display a good performance on the basics of theoretical research which is on par with the scientific community of the world. Therefore, the fact that Mongolia has its place in the world of science is thanks to Russian scientists. In the future, Mongolia should intensify scientific cooperation with Russia.

**P.Tsagaan**, *President of the Mongolian Alumni Association of the Moscow State Institute of International Relations and former Chief of Staff of the President's Office*



- Russia made an enormous contribution to the acquisition of Mongolian independence in the early 20th century, which was lost centuries ago. Relations between our peoples are not limited to the 95th anniversary of diplomatic relations. Russians and Mongolians overcame a great many successes and sorrows together in the 20th century. Russian people have always supported our people: the Russian Empire helped us in 1911 when the Bogd Khanate was proclaimed in Mongolia, and Communist Russia supported us in 1921 during the People's Revolution. In the last century, the two nations experimented with communism and fell victim to political repression. The Mongol-Soviet soldiers fought side by side in the Battles of Khalkhyn Gol in 1939, and entered WWII against Imperial Japan with the Soviets in 1945. During the World War II, Mongolian people made important contributions the USSR, providing material assistance to the Red Army.

Also, a lot of talented Mongolians who were exemplary in the socio-political, cultural, scientific and educational fields received their higher education in the Soviet Union. On the one hand, it is because of the situation at the time, when the people of Mongolia got acquainted with the outside world through the Russian language, which in short, was the key to knowledge.

I studied at the Moscow State Institute of

International Relations between 1980-1985. All my conscious works and achievements for the development of my country originate from the knowledge I obtained at this university. Among the graduates of my alma mater are prime ministers, ministers and ambassadors from around the world. One of the first of six Mongolian graduates is a well-known scientist, Mongolist, Labour Hero of Mongolia and Academic Sh.Bira, who to this day leads an active life.

So, I am always proud of my university. Mongolian graduates of the university participated in celebration of the 70th anniversary of the university with large a delegation consisting of 30 people. We also organised an event that marked the 70th anniversary of the arrival of the first Mongolian students at this prestigious university with the support of Russian Ambassador to Mongolia I.K. Azizov.

This anniversary is an excellent opportunity to assess the past and plan for the future. In the next century, we still have to strengthen the positive aspects of cooperation between our two countries and not repeat the mistakes of the past.

In relation to the 95th anniversary of establishing diplomatic relations between Russia and Mongolia, I would like to thank those people who have made great contribution to the friendship and cooperation between our peoples.

**G.Chuluunbat**, *Broadcaster at the "Lavain Egshig" radio station*



I worked as a specialist at international radio station "Voice of Russia" in 1972-1979 and again in 1987-1992. During this time, this radio broadcasted a variety of pedagogical, educational and specialised radio shows for the Mongolian people. Mongolian youth to pursued higher education and specialisation, and then participated in the creative works of this country. Today, this tradition continues and will continue on well into the future.

Initially, the radio station "Voice of Russia" began broadcasting in three languages, and later expanded to 76 languages with the same number of editorials. Mongolian editors

always ranked first in translation quality, skill and discipline. Participation in such a large number of revisions and preparation of broadcasts required a fairly rigid schedule. The Mongolian language editorial was never late, did not require any additional of time and our programmes were always high quality. Therefore, Mongolian specialists were always respected. As a result, the editorial has received a State Order signed by Mikhail Gorbachev by the decision of the Presidium of the Supreme Soviet. For me, this award is a tribute not only to the Mongolian editorial, but the Mongolian people.

**M.Oyunchimeg**, *CEO of the Mongolian National Chamber of Commerce and Industry*



- I was brought up during the time of friendship of the people of socialist Mongolia and Russia. I am proud that I graduated from the 23rd Russian school, where all the teachers were Russian and training was based only on Soviet standards. Learning the Russian language is amazing. Knowledge of the Russian language from a young age allowed me to become familiar with the world of literature and history, which would in turn have a great impact on my self-education. After graduating from high school, I studied for five years at the Moscow Institute of Foreign Languages. The best time of my life is connected with student life in Russia. Therefore,

the Russian people are really close to my heart. Mongolians learned the kindness and generosity of the Russian people from Soviet specialists who worked in Mongolia.

Within the framework of business cooperation, the MNCCI has a close relationship with the Russian Chamber of Commerce and also with its branches in Russian regions. The first tripartite meeting of the chambers of commerce of Russia, Mongolia and China was organised 13 years ago at the initiative of the Mongolian side. Since then, we have a stable form of cooperation at the level of the national chambers of commerce as well as regional ones.

**Dr. B.Naranbaatar**, *Associate Professor at the Department of Journalism and Mass Communication of the National University of Mongolia*



- I obtained higher education in Russia. I fell in love with Russian science and could not leave the country for 10 years, when I defended my doctoral degree. The role, achievement and position of Russian scientists were always immensely valued at in any scientific sector. Just like how they say "You can find Mongolian blood in any Russian," if you look deeper into the theoretical framework, the concept, the dynamics of development and major achievements in science, Russian roots exist there. In particular, in the era of information technology and communications, everything is linked to the Internet and the word

of the times is "globalisation," but Russian scientific thought always remained dignified. Russian scientific thought is usually focused on the essence of the human mind and the foundation of various problems, which allows the academic level of study and practice of general areas of science to be maintained. The Western type of scientific development and achievements are aimed at improving and upgrading the real aspects of human life and teaches major success stories through a variety of cases, but the Russian system of education gives a person the base philosophy and way of thinking.

**O.Buyankhishig**, *student at the College of Mining of the National University of Science and Technology MISiS*



- It is my fifth year of university in Moscow. Russians approach the Mongolian people with more respect. The older generation that witnessed World War II treats the Mongolian people very warmly. In general, the Russian people are very kind and faithful to their friendship. However, the younger generation has little understanding of Mongolia.

The fact that I'm in Russia and especially in Moscow gives me a lot of advantages.

For example, outside the classroom, I can develop myself by participating in a variety of forums, conferences and study groups without paying anything. In Mongolia, not everyone can afford to attend concerts of classical art and art galleries. In Moscow, I can do it cheaply or even for free, which gives me the opportunity to develop fully. In my opinion, this many opportunities and new ideas encourages young people to lead an active lifestyle and seek new ideas. ■