

draft #1

FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO THE NGO FORUM
HAIROU, CHINA
SEPTEMBER 6, 1995

• Thank you, Supatra, and thank you, Irene, for your kind comments and your leadership in this extraordinary, and historic, enterprise.

I would like to thank all of you for the many contributions you make to improving the lives of women and their families around the world. And I want you to know that the United States strongly supports the efforts of NGOs and that we worked very hard to ensure the participation of NGOs in this forum.

I am proud that our government recognizes the important role that NGOs play in policy, planning, development, implementation and monitoring programs that advance the progress of women.

• I have come here, to the outskirts of town, to salute you for your dedication to a cause greater than all of us -- the cause of equality, opportunity, and peace for all women. I know that many women from NGOs who wanted to be here were ~~not allowed to attend~~. I know that, for many of you who did come, getting here was not easy. Many of you had to bear great expense to travel here. Many of you have had to endure ~~less than ideal~~ conditions upon arriving. *severe frustrations in ~~arriving~~ here*

But here you are. And I can tell you that, even though you may not be physically present in Beijing during these 10 days, your wisdom, experience, energy and ideas are on full display. Thanks to your resourcefulness, your tenacity, your sense of purpose, and your spirit, you are playing an important role in this conference, and you will play an important role in its aftermath as well.

• The Women's Conference and your participation here is about what women all around the world live with, talk about, and worry over, whatever our life experience. This Conference is about making sure women, their children and their families have the opportunity of education, health care, jobs, political participation and lives free of violence.

• NGOs are vital to the progress of a civil society. They have been responsible for charting real advances for women and children over the years. Often, you are the ones leading governments down the path to economic, social, and political

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progress, even in the face of government hostility over the role you play.

You are also the ones who hold governments to the commitments they make -- and that will be true at this conference as well. I know you will help us move from words to deeds, from rhetoric to action.

- Look at the work that NGOs do in so many areas: human rights, the environment, culture, religion, law, politics, philanthropy, academic life, community affairs, to name a few. But most of all, you work to protect human dignity and promote the potential of every human being who graces our Earth.

- I know something about the work of NGOs because during my own life I have been involved with children's advocacy organizations and others devoted to social justice. And during my trip through South Asia I witnessed firsthand the dedication of NGOs bringing microcredit to rural women so they could create income for themselves and their families, fighting maternal mortality and promoting children's survival, and educating girls in the face of organized opposition.

- I know that today the women's conference is engaged in a special celebration of girls. The theme is: "Investing in Today's Girls, Tomorrow's Women and the Future." We know that educating girls is the single most effective means of improving their status in society today and tomorrow. Investments in girls and women are investments in their communities and the prosperity of their nations.

When I attended the Summit on Social Development in Copenhagen earlier this year, I was privileged to announce a US AID grant to enhance educational opportunities for girls and women who live in poverty throughout Africa, Asia and Latin America.

Today, women organized in NGOs, *a member of an* are leading this effort.

In conclusion
~~Before I leave, I would like to show you a postcard I received a few days ago. [hold it up] It was sent to me by a member of Church Women United in my country, and on it is a prayer offered every day at noon, all around the world, for the success of this conference.~~ *from an American NGO, Church Women United.*

being
~~The prayer goes like this:~~ *read from*

O God, Creator of the heavens and earth, we pray for all who gather in Beijing. Bless them. Help them and us to see one another through eyes enlightened by understanding and compassion. Release us from prejudice so we can receive the stories of our sisters with respect and attention. Open our

ears to the cries of a suffering world and the healing
melodies of peace. Empower us to be instruments in bringing
about Your justice and equality everywhere.

Thank you for all you do.

###

"A Celebration of Girls," September 6

A series of workshops and panel discussions hosted by UNICEF

"International Youth Day," September 11

A series of panel discussion featuring the Youth on Official Government delegations

United States Delegation Talking Points

"Youth, after all, own the future: they have a right therefore to own the actions of Beijing. This time, in Beijing, the world's youth will be there, and they will be watching those who hold the future in their hands." -Secretary-General Gertrude Mongella

- More than 50% of the world's population is under the age of 25, and by the year 2000, more than half of the world's population will be under the age of 20. More than 80% of the world's young people live in developing countries.
- Many of the issues that will be addressed in Beijing -- access to education, employment and health, HIV/AIDS and STDs, domestic violence, the role of the mass media -- have a differential impact on girls and young women.
- Beijing can act as the vehicle through which the women leaders of the world share their insights and experiences with their younger counterparts. It will be an opportunity to mobilize and inspire a new generation of women and men. Beijing will also be an unprecedented forum for the world's youth to express their needs, concerns, and perspectives and to offer strategies and solutions.
- The US Government has demonstrated extraordinary leadership by including young women on their official delegation and by proposing a number of significant amendments pertaining to youth. An unprecedented 85 other young women and men representing 62 countries have been appointed to their Official delegations, and over 3500 youth participated in the NGO Forum.
- The US is working to ensure that young women are indeed "active and effective" participants in the preparation, participation and follow-up to the Conference. In negotiating the Platform for Action, the US called for "special measures [to be] taken to ensure that young women have the life skills necessary for active and effective participation in all levels of social, cultural, political, and economic leadership." [Global Framework, para. 42] The US will continue its work on the section on the Girl Child.
- Today's youth will be tomorrow's leaders; many are already taking leadership roles in their communities, schools, and in the workplace. The spirit, energy, and determination of today's youth have made important contributions to the Conference dialogue. The US Delegation Youth Team is dedicated to the notion that the needs, concerns, perspectives, and ideas of today's young women and girls are best represented by the young people themselves. The US is increasingly recognizing the important role that youth-led organizations play in addressing the needs of girls and young women and in offering innovative strategies and solution.

A Celebration of Girls



This special event will provide a forum for awareness raising, articulation of concerns on the situation, needs and opportunities for girls, with a focus on girls' education. Through information sharing and exchange on successful initiatives, in both government and non-governmental sectors, this event will promote alliance-building for generating commitment and actions for girls.

The Programme will be divided into three sessions: 1000-1300; 1330-1500; and 1500-1815.

0930-1000 **Setting the context:** Audio-visual presentation and photo-display

1000-1300 **Session 1**

1000-1015 Song by girls from China and presentation of flowers to dignitaries along with the pinning of buttons by girls.

1015-1030 Welcome and opening remarks, Ms. Carol Bellamy
Executive Director, UNICEF

→ 1030-1130 **Panel Discussion:** **Education: Priority action for girls**

Chair: Ms. Carol Bellamy

Speakers:

H.R.M. Queen Fabiola, Belgium

H.R.H. Princess Basma Bint Talal, Jordan

H.E. Begum Khaleda Zia, Prime Minister of Bangladesh

H.E. Ms. Spesiosa Wandira-Kazibwe, Vice President of Uganda

Mrs. Ruth de Cardoso, First Lady of Brazil

H.E. Ms. Cristina Alberdi, Minister of Social Affairs, Spain

Mme. Chen Muhua, Vice-Chairperson, Standing Committee of National Peoples Congress, China

Ms. Gertrude Mongella, Secretary General, FWCW

1130-1135 Song /video (FAWE: "I want to go to school")

1135-1230 **Speak up:** **Growing up as a Girl**

Chair: Ms. Karin Sham Poo, Deputy Executive Director, UNICEF

In this session, adult women will relate their experience on growing up as girls. Girls and young women will respond. The session will focus on obstacles the adult women faced with emphasis on social and cultural discriminatory values, attitudes and practices; factors that contributed to their empowerment; and successful strategies used to overcome the obstacles.

Speakers:

Adults:

H.E. Ms. Cecilia Lopez, Minister of Environment, Colombia

Ms. Aida Gindy, Former UNICEF Regional Director

Ms. Patricia Licuanan, Chair, Commission on the Status of Women

Ms. Bella Abzug, President, Women's Environment & Development Organisation

Ms. Ela Bhatt, Founder President, Self Employed Women's Association, India

Girls:

6 girls to be identified in consultation with DAW, Girls Inc., Ms. Foundation, WEDO, FEMNET and Asian Women's Human Right Council

There will be a simultaneous mime/nonverbal presentation of the issues by SISTREN, Kingston, Jamaica

1230-1300 Audience participation and feedback



1330-1500

Session II

1330-1400

Presentation on Meena:

An animated film series on girls in South Asia

Facilitator:

Ms. Ruth Hayward, Deputy Regional Director, UNICEF, Kathmandu

1400-1500

Discussion:

Visions For Equality - Youth as agents of change

(organised jointly with the United Nations Department for the Advancement of Women (DAW))

Facilitators:

Ms. Sreelakshmi Gururaja, UNICEF, New York

Ms. Sherril Whittington, DAW, New York

Young women will share their vision for the future and there will be a simultaneous mime/nonverbal presentation of the issues by GABRIELA, Manila, Philippines.

1500-1815

Session III

1500-1600

Testimonials:

Girls and women: Bridges to Peace

(organised jointly with UNIFEM/AFWIC)

Chair:

Ms. Noeleen Heyzer, Director, UNIFEM

Keynote Speaker:

Nobel Laureate, Ms. Rigoberta Menchu, Guatemala

Testimonials to be provided by young women from Liberia, Rwanda, Sudan, Somalia, Sarajevo, Afghanistan

1600-1645

Panel:

I. The Way Forward: Commitments for Action

Chair:

Ms. Pratima Kale, Regional Director, UNICEF, Bangkok

Discussants:

Representatives from partner organizations

- Ms. Ivanka Corti, Chair, CEDAW Committee

- Ms. Akila Belembaogo, Chair, Committee on the Rights of the Child

- Ms. Gwendolyn Baker, U.S. Committee for UNICEF

1645-1745

Panel:

II. The Way Forward: Alliances for action

Chair:

Ms. Misrak Elias, Senior Adviser, Gender & Development, UNICEF, New York

Discussants:

Representatives from non-governmental organisations

Networking for advocacy:

Ms. Njoki Wainaina, FEMNET- African Women's Development and Communication Network

Alliance-building for girls:

Ms. Mary Purcell, Working Group on Girls, NGO Committee for UNICEF

Ending harmful traditional practices:

Ms. Berhane Ras-Work, Inter-African Committee on Traditional Practices Affecting the Health of Women and Children

Involving established international NGOs for girls:

Ms. Razia Ismail, World Young Women's Christian Association

1745-1800

Highlights of the Day - Ms. Misrak Elias

1800-1815

Celebration:

Our Rights as Girls

Girls and young women will participate and express their rights with visual aids/songs

Please Note: Schedule and speakers are subject to change.



FIRST LADY HILLARY RODHAM CLINTON
DEPARTURE STATEMENT
ULAAMBAATAR, MONGOLIA
SEPTEMBER 8, 1995

I leave Mongolia this morning with new appreciation and respect for this beautiful land and its people.

Although my stay here was brief, I have learned much about Mongolia's unique culture, rich history, and great promise as a democratic society. And I am deeply impressed that, whatever hardship has come with rapid change, the government and people of Mongolia have continued to show courage, determination, and hope on the road to democracy.

The purpose of my visit was to convey America's strong support for Mongolian democracy, independence, and prosperity. I hope all of the people of Mongolia know that the United States will continue to support you as you build a free and democratic nation.

I am especially grateful to President Ochirbat and Mrs. Tsevelmaa and to Prime Minister Jasrai for treating me so generously and graciously; to all those in the Mongolian government whose efforts made my stay so enjoyable; to Ambassador and Mrs. Johnson for their energy and wisdom in representing the United States in Mongolia, and to the staff members who helped arrange my visit; to the faculty and students of the National University of Mongolia, for giving me the opportunity to visit their campus; to leading women of Mongolia, who spent time with me sharing their experiences and ideas about issues concerning women, children, and families; to the family who so kindly hosted me in their Ger; and to the Center for Street Children, which I visited and whose work is crucial to saving the lives and futures of some of Mongolia's neediest children.

Finally, let me convey my personal thanks to the people of Mongolia. Being here has been a wonderful experience for me, in large part because of the warmth and hospitality of the people here. I return to the United States not only with greater appreciation of the friendship that exists between our nations, but with very special memories of the places and people I visited.

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Mark Halperin
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FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO MONGOLIAN WOMEN
ULAAMBATAR, MONGOLIA
SEPTEMBER 7, 1995

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Thank you very much. It is a great honor for me to join you here today and I want to convey very special greetings from the President and the people of the United States. I will long remember your warm hospitality.

I hope, too, that in the years ahead more Americans will be able to travel here to learn first-hand about your hospitality, your rich history, the great beauty of your country and the respect you show for your natural surroundings, the pride you have in your children, and the value you place on their education.

I have come here to express in very strong terms America's support for Mongolian democracy, ~~and~~ independence. And I think it is wonderfully appropriate for us to be meeting at a university, because the opportunity for citizens to pursue an education is so essential to the growth and success of any democracy. **I AM ESPECIALLY PLEASED TO SEE THAT MANY OF MONGOLIAN UNIVERSITY STUDENTS ARE WOMEN.**

I believe there can be no better symbol of the growing friendship between our two nations than the kinds of investments we are willing to make in the education of our young people, who embody so much promise for the future.

As you may know, I spent the past few ^{days} before coming to Mongolia at the United Nations Fourth World Conference on Women in Beijing. The purpose of the conference was to bring together women and men from around the world who are dedicated to advancing the interests of women, children, and families.

About 185 nations, including Mongolia, sent delegates who are focusing their energies on the issues that matter most to women and their families: access to education, health care, jobs and credit, safety from violence in and out of their homes, and the chance to participate fully in the political life of their countries.

I mention this because so many of the ideals and values at work at the UN conference are the ideals and values at work in this new democracy.

I also am very excited to learn the extent to which women have played a role in the transition to democracy here in

BEFORE COMING HERE, I MET WITH A GROUP OF MONGOLIAN WOMEN - SEVERAL OF WHOM, INCLUDING YOUR COUNTRY'S FIRST LADY - WE HAD A DETAILED DISCUSSION ON ISSUES FACING ALL OF US - PARTICIPATED IN THE BEIJING CONFERENCE. FAMILIES, EDUCATION, HEALTH.

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history
Exhibit

CLINTON RECORDS WOMEN'S DIV

Mongolia, and the valued role they play in all aspects of civic life.

I was told a story this morning that reflects the prominence and reverence accorded women in Mongolian culture, as well as the solidarity that your people have shown in the last five years.

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It is the story of Chinggis Khan's mother, who lectured the young man and his brothers about the importance of staying united. To make her point, she showed them how easily one arrow could be broken; but how hard it is to break five arrows when they are held together.

And I think that story is a useful reminder that all democracies must stand together at a time of such momentous change around the world.

It is at once a time of great hope, as we see dictatorships and tyrannies giving way to more open and tolerant societies. A time when a new respect is emerging in many countries for human rights, free elections and free markets.

Yet it is a time, also, of growing competition, scarcer resources and unpredictability about the future. So along with a wave of democracy, we also see the resurfacing of ugly ethnic, tribal, and religious conflict and the violence that often accompanies those rivalries.

In the face of this rapid change, there may be a tendency to assume that issues such as education, health care, economic opportunity, and personal freedom have little to do with the economic and social progress of a nation.

The whole point of the conference in China -- and what we are learning in country after country around the world, including here in Mongolia -- is that investing in human beings and their potential to improve their own lives and the lives of their families is as important to a nation's progress as investments in the marketplace.

Along with access to schooling, health care and jobs, men and women must be permitted to take part in the decisions that will affect their futures.

It takes courage on the part of many people to build a democracy, and we have seen that from India to South Africa to Mongolia.

There are some who claim that freedom and democracy are Western concepts and that Asians prefer authoritarian rule.

THAT HAVE LITTLE ADVANCE TO ASIAN REALITY?

I say: Let them come to Mongolia.

This country has transformed itself from a one-party communist dictatorship into a pluralistic political system. You have done so quietly and very seriously. Although it is not widely known in my country, the Mongolian people yearned so strongly for democracy that a movement began with demonstrations in sub-zero temperatures and culminated with the resignation of the Politburo, the legalization of other parties, and the writing of a new Constitution.

Clearly, the Mongolian people take the privileges of democracy seriously. Your voting rate -- about 90 percent of the population, many who must travel great distances to cast their ballots, is higher than many older, longer democracies, including my own.

There are some who claim that new democracies cannot survive economic hardship and struggle, and that as a country makes the transition from a planned economy to a market economy, it cannot afford democracy.

I say: Let them come to Mongolia, where the government and people are both moving toward political and economic reform, economic freedom and political freedom.

Your nation is an inspiration to millions around the world who see the strides you are making in free-market reforms, the creation of an independent judiciary, laws that respect human rights and private property, and the doors you have opened to welcome free enterprise and foreign investment. . . . All in a very, very short time.

The kind of quiet, yet determined transition to an open society that is witnessed here, reminds us that democracy is neither exported nor imported but everywhere home-grown.

We also know that, whatever progress we make, the creation of a democratic society presents many challenges. There are inevitable tensions that arise from dramatic change; there are economic and social obstacles that must be addressed.

Here in Mongolia, you face many of these problems. But you have demonstrated in recent years great resolve in meeting the challenges you face.

I am here to tell you, on behalf of the President and the American people, that as you travel down the road to democracy, the United States will stand by you.

I am very proud that our support has included activities funded by the United States Agency for International Development designed to strengthen parliament, the judiciary and non-

governmental organizations -- including several representing the views and interests of Mongolian women.

We all recognize that NGOs are key elements in the development and sustenance of a civil society in any country. And they are crucial to the effectiveness and success of any democracy.

Over the past five years, our bilateral assistance to Mongolia has exceeded 50 million dollars. And we will continue to show our strong support because we are convinced it is a good investment for America as well as for your country.

From the outset of Mongolia's democratic transition, the United States has recognized a unique linkage between democracy and energy.

We appreciate the particular importance of energy assistance in your capital, particular during the coldest months (which here, I believe, can last much of the year!).

In 1992, we made a pledge to provide \$35 million in U.S. aid to the Government of Mongolia's energy sector. For four winters, this support has helped keep the heat and lights on in Ulaambaatar.

We intend to fulfill the remainder of this pledge in the coming year.

We also understand the Mongolian government's concern for this coming winter. Because the situation is so serious, I am happy to announce a new pledge of \$3.5 million in additional emergency support to get Mongolia through this winter before help is available from other donors.

It is our hope that this additional support will allow the Government of Mongolia to focus on further developing the country's market economy and democratic transition.

Today I am also pleased to announce that our government, through USAID, has decided to provide UNICEF with \$1 million to support improvement in children's health.

It is our hope that this support will help Mongolia halt and reverse the ground lost in providing for children's health in recent years. This is a particularly urgent issue in Mongolia because more than half of the population is under age 25.

These investments represent America's belief in the great potential of the Mongolian people and the importance of free and open societies around the world.

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~~THESE ARE NOT THE ONLY AREAS~~ OF SUPPORT ~~TO~~ YOUR TRANSITION.
FOR
PEACE CORPS VOLUNTEERS ARE TEACHING ENGLISH; OUR MILITARY
HUMANITARIAN PROGRAM HAS ~~BEEN~~ ^{create} BEEN ACTIVE HERE, AND
OUR ~~TECHNICAL~~ ^{USAR} ASSISTANCE HAS BEEN USED TO SUPPORT SMALL BUSINESSES.

GOV. OF MONGOLIA / INDEPENDENT AND
MONGOLIA IS IN OIL
SOURCES
MONGOLIA - FOR MAINTAINING
AND STABILITY IN ASIA AND THE WORLD

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I hope that the values we share and our common belief in the democratic ideal will draw us even closer together as our countries move, with confidence and strength, into the 21st century.

My stay in Mongolia, though far too brief, has truly been uplifting. Thank you for sharing this time with me and allowing me to have this conversation with you today.

[Mongolian farewell, if we can figure out what it is]



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BAYAR LALAA

FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR
ULAAMBAATAR, MONGOLIA
SEPTEMBER 7, 1995

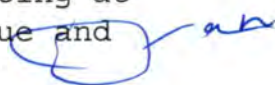
Sain Bayn Uu [Sign-bine-oo, which means hello]

And thank you [student body president] very much for that kind introduction. Thank you, Mrs. Tesvelmaa [Se-vell-mah], for your warm welcome and hospitality; Ambassador Johnson, thank you for your energetic and wise representation of our nation in Mongolia.

Professor Dorj [DORG], faculty, students, and other guests, thank you for inviting me here today. It is a great honor to be with you, and I want you to know that I bring with me very special greetings from the President and the people of the United States.

I hope that in the years ahead more Americans will be able to travel here and experience first-hand the great beauty of your country, the vitality and strength of the Mongolian people, as well as the respect you show for your natural surroundings, the pride you have in your children, and the value you place on their education.

In America we have had the opportunity recently to learn more about the rich culture and long history of Mongolia through the most important exhibit of Mongolian art ever to be shown in the United States. The exhibit, called "Mongolia: The Legacy of Chinggis Khan", opened at the Asian Art Museum of San Francisco in July, and will travel to several other cities, including our nation's capital.

I have come here to express in very strong terms America's support for Mongolian democracy, independence, and prosperity. And I think it is wonderfully appropriate for us to be meeting at a university, because the opportunity for citizens to pursue and education is so essential to the growth and success of any democracy. 

I also am very pleased to learn that so many women are

students here. In many parts of the world, women are not afforded the opportunity of higher education, or even the chance to acquire basic literacy. Mongolia is a wonderful exception.

As you may know, I spent the past few days before coming to Mongolia at the United Nations Fourth World Conference on Women in Beijing. The purpose of the conference was to bring together women and men from around the world who are dedicated to advancing the interests of women, children, and families.

About 185 nations, including Mongolia, sent delegates who are focusing their energies on the issues that matter most to women and their families: access to education, health care, jobs and credit, safety from violence in and out of their homes, and the chance to participate fully in the political life of their countries.

I mention this because so many of the ideals and values at work at the UN conference are the ideals and values at work in your new democracy.

Earlier today, I had a chance to meet with a group of Mongolian women, several of whom, including your First Lady, participated in the women's conference. And I think we are all aware that no matter what country we live in, as women we share many of the same aspirations and concerns.

we We are living in a time of great hope around the world, *it is* as we see dictatorships and tyrannies giving way to more open and tolerant societies. *is* And new respect emerging in many places for human rights, free elections and free markets.

Yet it is also a time of growing global competition, scarcer resources and unpredictability about the future. So along with a wave of democracy, we also see the resurfacing of ugly ethnic, tribal and religious conflict and the violence that often accompanies those rivalries.

In the face of this rapid change, there may be a tendency to assume that issues such as education, health care, economic opportunity and personal freedom have little to do with the economic and social progress of a nation.

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Along with access to schooling, health care and jobs, men and women must be permitted to take part in the decisions that will affect their futures.

It takes courage on the part of many people to build a democracy, and we have seen that from India to South Africa to Mongolia.

There are some who claim that freedom and democracy are Western concepts and that Asians prefer authoritarian rule.

I say: Let them come to Mongolia.

This country has transformed itself from a one-party communist dictatorship into a pluralistic political system. You have done so with quiet and courageous determination. Although it is not widely known in my country, the Mongolian people yearned so strongly for democracy that a movement began with demonstrations in sub-zero temperatures and culminated with the resignation of the Politburo, the legalization of other parties, and the writing of a new Constitution.

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Today I am also pleased to announce that our government, through USAID, has decided to provide UNICEF with \$1 million to support improvement in children's health.

It is our hope that this support will help Mongolia make up the ground lost in providing for children's health in recent years. This is a particularly urgent issue in Mongolia because more than half of the population is under 25.

We also are involved in other activities in support of democracy and economic progress. Peace Corps volunteers are teaching English to students in Mongolia. Our military's humanitarian program has been active here -- I believe that some American military personnel helped build the school for gifted math and science students in Ulaambaatar. And assistance from our Department of Agriculture has been used to promote small business.

I believe that the values that our nations share, and our common belief in the ideals of freedom and democracy, will draw us even closer in the years ahead.

I heard a story earlier today that struck me for two reasons: It reflects the prominence and respect accorded women in Mongolian culture.

It also reflects the solidarity of the Mongolian people over these last five years, and the importance of building solidarity among like-minded nations and peoples.

It is the story of Chinggis Khan's mother, who lectured the young Temujin [Tuh-moo-gin] and his brothers about the importance

welcome free enterprise and foreign investment All in a very, very short time.

At the same time, we know that the creation of any democratic society requires patience, perserverance, optimism and the willingness to make difficult choices.

Here in Mongolia, you have experienced the hope, and the pain, that comes with rapid change. And you have shown great resolve in recent years in facing the obstacles you have encountered on the road to democracy.

I am here to tell you, on behalf of the President of the United States and the American people, that the United States will stand by you as you continue your democratic journey.

I am proud to say that our support thus far has included activities funded by the United States Agency for International Development designed to strengthen parliament, the judiciary and non-governmental organizations -- including several representing the views and interests of Mongolian women.

We all recognize that NGOs are key elements in the development and sustenance of a civil society in any country. And they are crucial to the effectiveness and success of any democracy.

We will continue to show our support because we are convinced that a democratic, independent and prosperous Mongolia is in our own interests -- to maintain peace and stability in Asia and throughout the world.

From the outset of Mongolia's transition to democracy, the United States has recognized the vital connection between democracy and energy.

We appreciate the particular importance of energy assistance in your capital, particular during the coldest months (which I know can last for quite some time here).

In 1992, we pledged to provide \$35 million in U.S. aid to the Government of Mongolia's energy sector. For four winters, this support has helped keep the heat on, and the lights on, in Ulaambaatar.

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At a time of such momentous change around the world -- a time of excitement as well as uncertainty -- we

On the eve of a new century, and a new millennium, democracies must stand together. And I am very confident that we will be moving together along the path to a stronger, healthier, and more prosperous future in the years and decades ahead.

Thank you very much.

###

MONGOLIA: POLITICAL OVERVIEW

Mongolia is a "good news" story that is virtually unknown in the United States. The country has transformed itself from a one-party communist dictatorship into a pluralist political system very seriously and quietly. It has done so without bloodshed, with much public debate, and with very little recognition. The political change has also been carried out at a time of acute economic distress, as the country has faced the loss of Soviet aid and the need to create the mechanism of a market economy.

When one considers the amount of change that the Mongolian system has absorbed in the space of just over five years, the peacefulness with which it has been achieved is truly striking. Elections have been free and internationally monitored. A new constitution was drafted in 1992, and is being respected. There are no political prisoners. Freedom of religion is respected, and there are now several hundred foreign missionaries working in the country. People travel freely in and out of the country. While the government still has an excessively large influence over broadcast and print media, dozens of small newspapers representing a wide spectrum of political and social views are now being published.

The most contentious issue over the past few months has involved the election law. In the 1992 elections, which were held under a law that the opposition helped to draft, the fragmentation of opposition parties led to a very odd result. Although the opposition parties polled 43% of the total vote, they ended up with only 10% of the seats in the unicameral legislature. They have pushed for reform of the election law to create a mixed proportional and majoritarian system. President Ochirbat successfully mediated in this sensitive problem, and the parties have now agreed to amend the election law when the legislature reconvenes in October.

The political system also has been wrestling with a strike by teachers. Erosion of teachers' living standards over the past five years caused large numbers of the country's teachers to go on strike in April. As of August, the strike remained unsettled. The teachers demanded that their pay be tripled, something that would of course touch off similar demands by health workers and just about every other civil servant, and in turn spark an explosion of inflation. With elections coming up in 1996, the government does not feel that it can ignore the teachers, but it does not have much money to offer them, either.

TO: MRS. CLINTON

9/7/95

TO: EAP - Winston Lord

FROM: EAP/CM - ~~Jeffrey Bader~~^{no}
VISIT TO

SUBJECT: Your ^{YOUR} Conversations with the First Lady: Mongolia

The following points are for your use in ^{YOUR} discussing the ~~First Lady's~~ upcoming trip to Mongolia and US-Mongolia relations.

- o I visited Mongolia last February--Ulaanbaatar is the ^{NORTHERN MOST} coldest capital in the world. The country is an extraordinarily beautiful place, and the Mongolians are a very friendly and warm people. The Mongolians are fantastic hosts. Everybody who goes to Mongolia returns pleased with their trip. I'm sure you'll enjoy your visit. ^{AND PROBABLY}
- o If you superimposed the map of Mongolia on a map of the U.S., Mongolia would stretch from New York to Denver, and from Dallas to Minneapolis.
- o With only 2.3 million people, however, its population is almost the same as that of the state of Arkansas.
- o Mongolia has 26.8 million head of livestock (Mongolians only count horses, cows, sheep, goats, camels, and yaks.) This means that humans are outnumbered 11 to 1 by livestock.
- o More than half the population is under the age of 25.
- o Mongolia is one of the most pristine countries in Asia. Lake ⁰Husgul is the geologic twin of Russia's Lake Baikal, ^{but} ~~clear and clean as Lake Tahoe.~~
- o This July, the most important exhibit of Mongolian art ever to be shown in the United States -- "Mongolia: The Legacy of Chinggis Khan" -- opened at the Asian Art Museum in San Francisco.
- o This exhibit will go from San Francisco to Denver, then open at the National Geographic in Washington in the spring of 1996.
- o Mongolian history has several very prominent and revered women. For example:
 - Chinggis Khan's mother Oeolun, who lectured the young Temujin (Chinggis Khan's name as a youth) and his brothers about the importance of staying united by showing them how easily one arrow could be broken, but how hard it is to break five arrows held together;
 - Borto, Chinggis Khan's principal wife and trusted adviser;
 - Chahi, empress under Kubilai Khan;

- o More recently, Mongolian women have enjoyed a status much higher than that of most other women in Asia. 43 percent of all university graduates are women, and women make up 70 percent of the doctors, 26 percent of lawyers, and 55 percent of teachers. Literacy of women is as high as it is for men.
- o Mongolia is the site of the world's first discoveries of dinosaur eggs. These were found by the American Museum of Natural History expeditions in the 1920s. We are proud to note that the American Museum has been continuing its explorations over the past several years and has made important new discoveries in each of its work seasons.

Mongolian Foreign Policy/Politics/Economics

- o Mongolia is a landlocked country, wedged between Russia and China.
- o It has had a rough time in the last few centuries, under the thumb of either Russia or China. From the 1920s until 1990, Mongolia was a de facto Soviet republic.
- o The Mongolians have an almost paranoid fear of Chinese and Russian encroachment and domination, due in large measure to their history.
- o The Mongolians see the United States, Japan, other nations and international organizations, as key relationships that help balance the influence of China and Russia. As a result, relations with the U.S., Japan, Germany, and South Korea have been expanded. A broad spectrum of countries and institutions provide assistance to Mongolia's economic and political reforms. Mongolia is seeking membership in the Asia-Pacific Economic Cooperation forum, and the ASEAN Regional (security) Forum.

Mongolian Politics/Economics

- o Overview: Mongolia is a good news story that is virtually unknown in the U.S. The country has transformed itself from a one-party communist dictatorship into a pluralist political system very seriously and quietly. It has done so without bloodshed, with much political debate, and with very little recognition. The political change has also been carried out at a time of acute economic distress, as the country faced the loss of Soviet aid and the need to create the mechanism of a market economy.
- o Politics: In late 1989, Mongolians rose up to demand a democratic government, and an end to the communist system and Soviet domination.

- o Demonstrations which began in sub-zero weather culminated with the resignation of the Communist Party Politburo, legalization of other political parties, pluralistic elections, and the writing of a new constitution.
- o In the intervening years, Mongolia has made tremendous progress in its democratic and free-market reforms -- three democratic elections, an independent judiciary, laws respecting human rights and private property, the welcoming of free enterprise and foreign investment. This transition is even more remarkable and courageous when you consider that it's been peaceful, no bloodshed, and done despite severe economic hardships. In my talks with Mongolians, I've been struck by their common commitment to democracy and a free market.
- o There are no political prisoners, and the country's record on basic human rights is also excellent.
- o Economy: When the Soviets left, they took with them assistance and support worth about a third of GDP. The country was not alone in suffering the end of Soviet assistance, but the impact was particularly severe for Mongolia since 90 percent of its trade was with the Soviet Union.
- o The economy went into freefall. Output declined, the balance of payments deteriorated, and inflation grew rapidly, reaching a rate of almost 400 percent annually. The social safety net began to fall apart.
- o The economy rebounded this year and last with some modest, but positive growth in the economy. Unemployment has reached a four-year low, and inflation is on a downward course. Most observers are fairly optimistic about prospects for the economy.
- o Export earnings come from some minerals -- copper, gold, hopefully they'll strike some large oil reserves -- and cashmere, with a little tourism, primarily from Japan.

US-Mongolia Relations

- o We established relations in 1987, and opened an Embassy the following year. The original staff was three Americans and a telex machine. The first telegram ever sent to the Embassy was delivered to the Soviet Embassy. The local telegraph office didn't believe the U.S. Embassy was there.
- o Relations accelerated dramatically following the peaceful democratic changes that began in the spring of 1990. The Secretary Baker twice visited Mongolia, in 1990 and 1991. The first ever visit by a Mongolian President to the White House was in January 1991. You will be the most senior U.S. official to have visited Mongolia in fifty years.

- o We have excellent relations with the Mongolian government and people.
- o Our principal national interests in Mongolia is to see the democratic and free-market reforms succeed, and to promote U.S. trade and investment with Mongolia. We support a democratic, prosperous, and independent Mongolia.
- o Our assistance is directed toward democratization -- this includes assistance to women NGOs and leaders --, for the power plants -- without which there would be no reform at all -- and for economic reform.
- o Our strong verbal support for Mongolia's democracy, however is running up against the realities of our declining foreign assistance budget. We pledged thirteen million dollars at the 1994 Tokyo donors' conference, and were able to give only \$10.6 million. Your announcement of additional aid will ~~help~~ *more than* bridge this gap, *but future aid will be less.*
- o We have also sought to promote American investment and trade in Mongolia, although we are starting from a modest level.
- o In October 1994, the United States and Mongolia signed a Bilateral Investment Treaty -- the first with a post-communist country in Asia. The treaty has been ratified by the Mongolian parliament, but is still pending action by the U.S. Senate. There is no controversy about the treaty, but our process takes longer.
- o American investment in Mongolia is concentrated in four main areas: oil exploration, cashmere, copper, and uranium. In addition, the U.S. market is the ultimate destination for the textiles produced by a Canadian venture which directly or indirectly employs over a thousand workers.
- o Oil: Two small U.S. oil companies -- Nescor and Soco, headquartered in Texas -- are the only oil companies working in Mongolia at this time.
- o Cashmere: Amicale Industries opened a state of the art cashmere scouting and dehairing plant in April 1995.
- o Copper: Mongolia has one of the world's largest open-pit copper and molybdenum mines at Erdenet, which is run by a joint Russian-Mongolian operation. Nescor has created a joint venture for an investment of \$6-\$8 million for a copper leaching plant that will extract pure copper from the waste at the mine.
- o Uranium: Although world uranium prices are depressed, two American firms have established joint ventures there.

Democracy Speech

I am ~~delighted~~ proud that my government has been able to support democracy in Mongolia. Over the past several years, for example, USAID has funded activities aimed at strengthening parliament, the judiciary and non-governmental organizations -- including several representing the views and interests of Mongolian women. ~~we~~ we all recognize that NGOs are key elements in the civil society of any country and important if democracy is to ~~succeed~~ to be effective and successful.

Statement on emergency aid for energy (for the meeting with the President)

~~& the~~ The US government has been concerned about the ~~state~~ state of the energy sector in Mongolia.

The ~~strong~~ extreme cold of the winters here make adequate energy supplies for heating -- especially in Ulaan Bator -- a matter of life and death.

While progress in reforming and revitalizing energy production has been made over the last several years, there is clearly still much to

to and I know that energy security is still far from certain as you approach another winter.

I am happy to tell you that therefore, my government has decided to provide Mongolia an additional \$3.5 million to help ensure that energy and adequate heating is available during the coming cold season. This emergency assistance is on top of our commitment to support energy security in Mongolia.

Child Health

Mongolia has ~~long~~ ^{for some time} ~~exhibited~~ enjoyed benefited from an effective health care, including for children.

But in recent years, economic stress has led to a decline in the availability of health services, including such essential services as inoculations for children. ~~too~~ These difficulties have led to a worsening in the health status of many Mongolians.

The United States has programs throughout the world aimed at ~~strengthening~~ ^{improving} the health of children.

We wish at this time to help Mongolia halt and reverse the ground lost ~~in~~ in providing for children's health.

through USAID,
Therefore, my government, / has decided to provide UNICEF \$1 million to support / children's health. / improvements in

a country makes the difficult
transition ~~to a market~~
from a planned economy
to a market economy,
it cannot afford democracy
(or there must be political
control).

I say let them come to
Mongolia. Where the government
and people are moving faster
toward political & economic
reform, economic ~~freedom~~^{freedom}
& political freedom.

~~There are some~~

There are some who claim that freedom and democracy are Western concepts and that Asians prefer authoritarian rule.

I say let them come to Mongolia where ~~the people~~ 90% of the people, have often travelling great distances, to ~~so~~ cast their votes. What your leaders and people have —

The Mongolian people have demonstrated that the yearning for liberty is a universal impulse.

There are some who say that ~~matter~~ as

ANNOUNCEMENTS

\$3.5 Emergency Energy Assistance

In 1992 Secretary Baker made a pledge to provide \$35 million in U.S. Government aid to the Government of Mongolia's energy sector, which was on the verge of collapse. For four winters, this support has assisted in keeping the heat and the lights on in Ulaanbaatar. We intend to fulfil the remainder of this pledge in the coming year.

We have heard the Government of Mongolia's concern for this coming winter. We see the gravity of the situation and show our support with a new pledge of \$3.5 million in additional emergency support to get Mongolia through this coming winter before help is available from other donors. We hope that this additional support will allow the Government of Mongolia to focus on further developing their market economy and democratic transition.

Clearance:

AA/ANE:MCarpenter (draft)

EAP/CM:PNeureiter (draft)

\$1 million in Child Health Assistance

UNICEF grant

(Global will provide language tomorrow so I can finalize this.)

ANE/EA:CDowney:8/31/95:7-4517

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ENERGY ISSUES

The world's coldest capital city -- where the radiators are turned on in September and kept going until the following May -- depends on three dilapidated and poorly run electric power plants. They dominate the skyline of Ulaanbaatar and suffuse the atmosphere with an unhealthy smog. The production of (soft) coal to fuel these plants has been dropping for the last several years.

In each of the last four winters, the system has teetered on the brink of collapse, either through lack of spare parts, lack of coal or colossal human errors. But each year Ulaanbaatar has muddled through. This past winter was relatively mild, which was fortuitous, as coal reserves at power plant #3 sometimes were down to less than a week.

A report issued by the World Bank in June 1995 laid out the dimensions of Mongolia's energy problems: the country needs between \$257 and \$335 million dollars over the next five years to repair and rehabilitate this vital sector. This includes \$55-85 million for rehabilitation of coal mines, \$110-140 million for rehabilitation work at power plants #3 and #4 in Ulaanbaatar and \$37-45 million for rehabilitation of the heating system outside the capital.

From the outset of Mongolia's democratic transition, the United States has recognized a unique linkage between democracy and energy. With 27 percent of the nation's population located in Ulaanbaatar, a shutdown of any one of the two main power stations would have catastrophic economic consequences. Since the power plants supply both electricity and hot water for radiators, a shutdown would mean that the poorly insulated concrete apartment buildings of Ulaanbaatar would freeze up within a matter of hours of a plant shutdown.

Because of this, the USAID program in Mongolia has been almost exclusively focused on energy issues. Of a pledged amount of \$35 million, the United States has delivered \$32.1 million so far, mostly to buy spare parts for the mines and power plants, training for plant management and the services of a maintenance/management team from the Morrison-Knudsen Company.

Our goal was never to solve the energy system's myriad problems but rather to keep the system going long enough so that an orderly transition could be made to the major international financial institutions (the ADB and World Bank) that will have to finance the major infrastructure changes required to make the Mongolian energy system reliable. With our final installment of \$3 million in FY 96, we should be able to complete this goal successfully. The ADB is poised to begin work in this sector in the spring of 1996.

NATIONAL UNIVERSITY OF MONGOLIA
SCHOOL OF FOREIGN SERVICE

You and First Lady Tsevelmaa will be met by Dorj Daichaagin (PROFESSOR DORRRG) the Rector of the University and proceed to a holding room

When staff and press have been seated, you will be escorted to the stage and shown to your seat by Professor Dorj.

PROGRAM: Professor Dorj (2 minutes)
Erdembileg (er DEM ba leg) 3rd year student and recently elected President of the Student Council (2 minutes)
HRC (15 minutes)

CONSECUTIVE translation will be provided

Following the program you and First Lady Tsevelmaa will exit stage left, proceeding off the stage to shake hands.

Proceed left to right as you work the rope line and exit the building the same route you entered

ACKNOWLEDGMENTS:

First Lady Tsevelmaa *Sĕ ũēl māā*

Ambassador Johnson

Professor DORRRG *✓ DORJ DOORJ*

Erdembileg (er DEM ba leg)

All the students and faculty of the National University of Mongolia

FIRST LADY HILLARY RODHAM CLINTON
ARRIVAL STATEMENT
ULAAMBAATAR, MONGOLIA
SEPTEMBER 7, 1995

Good morning. Thank you for coming out so early in the morning to greet me.

I am very happy to have the opportunity to visit Mongolia and to strengthen the bonds of friendship that are growing between this country and the United States.

Flying here from Beijing we passed over the Gobi Desert just after dawn, and it was truly a spectacular first impression for those of us who have never had the privilege of visiting your country before. I understand now why Mongolia is known everywhere for its natural beauty and the strength and warmth of its people.

Our nations are literally halfway around the world from each other but we share many common values and hopes. Most of all, we are both democratic nations committed to the ideal of freedom and the belief that every citizen should be allowed to participate fully in civic life.

I hope that even this brief trip will help strengthen the growing friendship between our people and our governments.

Today I will have the privilege of meeting with President Ochirbat and Mrs. Tsevelmaa and with Prime Minister Jasrai. Because issues concerning women and children are of such interest to me, during my trip I will also visit a center for street children and a school, as well as the home of a rural family.

I look forward very much to these meetings and to conversations with Mongolians who are devoted to improving the lives of men, women and children through work on health care, education, economic development and the environment.

Let me thank all of you again -- all the people of Mongolia -- for so kindly welcoming me.

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Our nations, literally halfway around the world from each other, share many common values and hopes. I hope that even this brief trip will help strengthen the friendship between our people and our governments.

Today I will have the privilege of meeting with President Ochirbat and Mrs. Tsevelmaa and with Prime Minister Jasrai. Because such issues concerning women and children are of such interest to me, I will also visit a center for street children and a school, as well as the home of a rural family.

I look forward very much to these meetings and to conversations with Mongolians who are devoted to improving the lives of ordinary people through work on health care, education, economic development and the environment.

Let me thank all of you again -- all the people of Mongolia -- for so kindly welcoming me to this beautiful country.

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DRAFT

FIRST LADY HILLARY RODHAM CLINTON
REMARKS TO MONGOLIAN WOMEN
ULAAMBATAR, MONGOLIA
SEPTEMBER 7, 1995

Thank you very much. It is a great honor for me to join you here today and I want to convey very special greetings from the President and the people of the United States. I will long remember your warm hospitality.

It is wonderfully appropriate for us to be meeting in this building. This school was built by soldiers of our two countries, carrying not weapons but shovels. Today, it is educating some of Mongolia's most promising students in the fields of math and science. School director Gantulga [GAHN-two-luck] must be very proud of their achievements and of the many prizes they already have won. There can be no better symbol of the growing friendship between our two nations and of our joint dedication to providing a better education children who represent our shared promise and hope for the future.

I hope, too, that in the years ahead more Americans will be able to travel here to learn first-hand about your hospitality, your rich history, the great beauty of your country and the respect you show for your natural surroundings, the pride you have in your children, and the value you place on their education.

As you may know, I came here this morning after spending several days at the United Nations Fourth World Conference on Women in Beijing. The purpose of the conference was to bring together women and men from around the world who are dedicated to advancing the interests of women, children, and families.

About 185 nations, including Mongolia [?], sent delegates who are focusing their energies on the issues that matter most to women and their families: access to education, health care, jobs and credit, safety from violence in and out of their homes, and the chance to participate fully in the political life of their countries.

I mention this because so many of the ideals and values at work at the UN conference are the ideals and values at work in this new and exciting democracy.

It is a time of momentous change around the world -- a time a time when dictatorships and tyrannies are giving way to more

open and tolerant societies. A time when we see in many new democracies a new respect for human rights, free elections and free markets.

Yet it is also a time of growing competition, scarcer resources and unpredictability about the future. So along with a wave of democracy, we also see the resurfacing of ugly ethnic, tribal, and religious conflict and the violence that often accompanies those rivalries.

In the face of this rapid seachange, there may be a tendency to assume that issues such as education, health care, economic opportunity, and personal freedom have little to do with the economic and social progress of a nation.

The whole point of the conference in China -- and what we are learning in country after country around the world, including here in Mongolia -- that investing in human beings and their potential to improve their live and the lives of their families is as important to a nation's progress as investments in the marketplace.

Along with access to schooling, health care and jobs, men and women must be permitted to take part in the decisions that will affect their futures.

It takes courage on the part of many people to build a democracy, and we have seen that from India to South Africa to Mongolia. The Mongolian people have thrown off one-party rule, rule, opened your doors to the outside world, written a new Constitution. Your people can now freely elect representatives of their choice, express their views publicly, and practice their religious beliefs without fear of persecution or reprisal.

All this has been accomplished peacefully -- without upheaval or bloodshed. We are reminded from your quiet transition to an open society that democracy is neither exported nor imported but everywhere home-grown.

The art of making democracy work -- and endure -- is to successfully address competing needs and values. (I might point out that in my country we are still trying to perfect it after more than 200 years). Authoritarian regimes achieve this by fiat, trampling upon some demands while satisfying others. Democracies, on the other hand, must manage internal differences without ignoring them. They must give voice to the people -- all people -- and ensure that their government responds to them.

In one sense, building a democracy means looking for ways other than violence to achieve power and ways other than repression to exercise it.

As has been the case at different times in my own country, the democratic journey can be very difficult. There are inevitable tensions that arise from dramatic change; there are economic and social challenges that must be addressed.

For that reason, as democratic nations, we must stand together. As you travel down this exciting, challenging, and hopeful path, the United States will stand by you.

I am proud to say that, over the past five years, our bilateral assistance to Mongolia has exceeded 50 million dollars. We will continue to show our strong support because we are convinced it is a good investment for America as well as for your country. I hope with all my heart that the values we share and our common belief in the democratic ideal will draw us even closer together as our countries move, with confidence and strength, into the 21st century.

My stay in Mongolia, though far too brief, has truly been uplifting. Thank you for sharing this time with me and allowing me to have this conversation with you today.

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U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

SEP 1 1995

NOTE TO: The Office of the First Lady
FROM: AA/ANE, Margaret Carpenter *MC*
SUBJECT: Mrs. Clinton's Trip to Mongolia

Attached is a summary of USAID supported activities in Mongolia for your use in preparing for Mrs. Clinton's remarks.

I am also attaching some colored charts on economic indicators, which you may wish to add to the package of materials we sent to you earlier in the week.

We will prepare suggested language for the announcement of the \$1 million child survival initiative and the new \$3.5 million in additional emergency assistance to the energy sector and send it to you by fax this afternoon.

USAID'S PROGRAM SUPPORTS MONGOLIA'S DEMOCRATIC AND ECONOMIC TRANSITION

USAID assistance to Mongolia was initiated in 1991, following Mongolia's break with the Soviet Union in 1990. The goal of our assistance is to support Mongolia's rapid shift from a Soviet-supported, state-controlled society to a market oriented democracy. The transition has placed an extraordinary burden on a government used to hefty Soviet subsidies and has resulted in shocks to the economy, a decline in the quality of life and new social ills. The government is struggling to put in place a new market-oriented system, to establish democratic institutions and good governance and to deal with emerging social problems.

USAID is providing assistance in three major areas -- all directly related to reinforcing Mongolia's transition: energy, economic policy reform and private sector development, and democratization.

Energy

Mongolia has an extremely harsh climate. Ulaanbaatar is the world's coldest capital, and average temperatures are below 0 degrees C. over half of the year. This makes the country particularly vulnerable. Its aging energy and heating systems, built and supported by the Russians, have been on the verge of total collapse. Without power, business would come to a screeching halt and the infrastructure in the capital would freeze and be irreversibly damaged. A collapse of the energy system would destabilize the new, fragile democracy and undermine the free market reforms underway.

USAID's five-year \$35 million Emergency Energy Project has literally kept the lights and heat on by providing critically needed spare parts, technical assistance and training and improving the performance of coal mines and power plants. U.S. assistance has been an essential ingredient in maintaining the energy system during the past four winters (1991-1994) without a major breakdown. USAID plans to complete its original energy pledge of a total of \$35 million in the next year. We hope that Mrs. Clinton will announce our intention to provide an additional \$3.5 million to help Mongolia get through another tough winter before help is available from other donors.

USAID's energy program focuses on, first, protecting the physical infrastructure by keeping the heat and lights on, and, second, helping the Government of Mongolia address long-term energy needs, including energy conservation. USAID assistance:

- purchases and installs spare parts for the coal mines and selected power plants to keep them running;
- provides technical assistance and training to avert an energy crises;

- provides longer-term technical assistance to identify energy needs and to obtain necessary equipment and parts;
- helps Mongolians establish a longer-term energy sector framework that focuses on energy conservation and reducing energy waste, both in energy production and in consumption by businesses and private customers.

Democracy/Governance

Mongolia has made an irrevocable commitment to democratization. It is a leader in this respect among the countries of the former Soviet sphere of influence. However, it takes time to create strong and affective democratic institutions, and to ensure that people can participate in all aspects of political life. The Mongolians still need to strengthen the governing capacity of the administrative and legislative branches, ensure the independence of the judiciary and encourage public participation in civic affairs.

USAID funded activities help members of the new Mongolian Parliament do their jobs better, develop the legal and regulatory base for an independent judiciary, promote legal education, establish an independent bar association, promote public participation in civic affairs, and encourage the decentralization of the government. Specifically, USAID assistance:

- supports study tours to other Asian parliaments as well as to the U.S.;
- supports training sessions on the technical and managerial aspects of operating a political party in a democracy;
- provides direct assistance to non-governmental organizations and political parties to increase their capacity to manage and carry out their roles in a pluralistic society; and,
- in anticipation of the upcoming elections in 1996 and 1997, will support strengthening of political parties to participate in these elections and creating the framework under which the elections will be held.

Economy

Mongolia's economy went into a free fall in 1991 when it broke with the Soviet Union. Foreign trade dropped by nearly 90% over the next two years, industrial production declined by 38% and construction activity by 42%. Mongolia has launched an ambitious transformation from communism to democracy, and from a centrally planned to a market-oriented economy. But with the loss of Soviet trade and subsidies to the economy, Mongolia faces serious difficulties.

Economic stabilization is necessary to maintain broad public support for a democratic transition. USAID's goal for promoting economic growth in Mongolia is to assist in developing a legal and regulatory infrastructure that will encourage the growth of

the private sector and create jobs. Programs are helping develop the underlying skills, knowledge, and tools to manage an open, competitive market economy. USAID's assistance:

- directly supports the office of the Prime Minister with technical advice for improving economic policies;
- supports training for commercial bankers to help establish a more effective financial sector; and,
- provides training in public policy and economics for key decision makers both within and outside of government.

Mongolia



Capital: Ulaanbaatar

Population: Estimated at 2.4 million in 1993

National product per capita: \$1,200, 1993 purchasing power parity estimate

Currency: Tughrik (Tug)

Gross Domestic Product: Totaled \$1.1 billion in 1992.

Government: Republic. The first direct election of the president was held on 6 June in accordance with the Constitution adopted in January 1992.

Mongolia

Outlook

- ***The temperature will rise as elections loom.***

In early 1994 the government met its greatest challenge to date when large public demonstrations by the Mongolian Democratic Association, the Student's Union, and other mass organizations demanded freedom of the press, amendments to laws, and the full investigation of charges of corruption against government officials. Indeed, the government's main problems remain economic ones. The passing in November of a land law without a clause on land ownership is likely to lead to demands for the speedy submission of a law during the next parliamentary session. Two more issues of contention will be the bill on press and broadcasting freedom and the anti-corruption bill. They will give the opposition considerable scope to attack both the government and the ruling Mongolian People's Revolutionary Party.

- ***External aid will bring some benefits...***

Multilateral and unilateral donors were satisfied with the progress in economic reform and have pledged grants and loans of more than \$200 million for infrastructure and the government's Poverty Alleviation Program (PAP). However, the remorseless growth of inequality in Mongolian society in 1994 was compounded by a series of price rises in the last quarter of the year. Claims at the November donors' conference that the depression had at least been reversed with a 2.5 percent growth in GDP had little meaning for the general public.

- ***...but the population has yet to experience any improvement.***

Several projects specified under the PAP are also about to be put in operation and should go some way to redress the widening differences between the life of the urban and the rural areas. The IMF has forecast real GDP growth of 3.5 percent in 1995, rising to 4.5 percent in 1996.

Mongolia

Political Structure

The executive:

Cabinet made up of members of the majority ruling party, the Mongolian People's Revolutionary Party (MPRP).

Head of State:

President, Punsalmaagiin Ochirbat.

National legislature:

The State Great Khural and the Little Khural were abolished under the constitution of February 1992 and replaced by a single-chamber parliament, the State Great Khural, which has 76 members, of whom 70 are members of the MPRP.

Last national elections:

28 June 1992 (State Great Khural); 6 June 1993 (president).

Next national elections:

June 1996 (legislative), June 1997 (president).

Chief Member of the Cabinet

Prime minister

Deputy prime ministers

Puntsagiin Jasrai

Lamsurengiin Enebish

Chojjilsurengiin Purevdorj

Key ministers

Administration

Defense

Finance

Foreign affairs

Energy

Trade

Lamsurengiin Enebish

Shagalyn Jadambaa

Erdeniin Byambajav

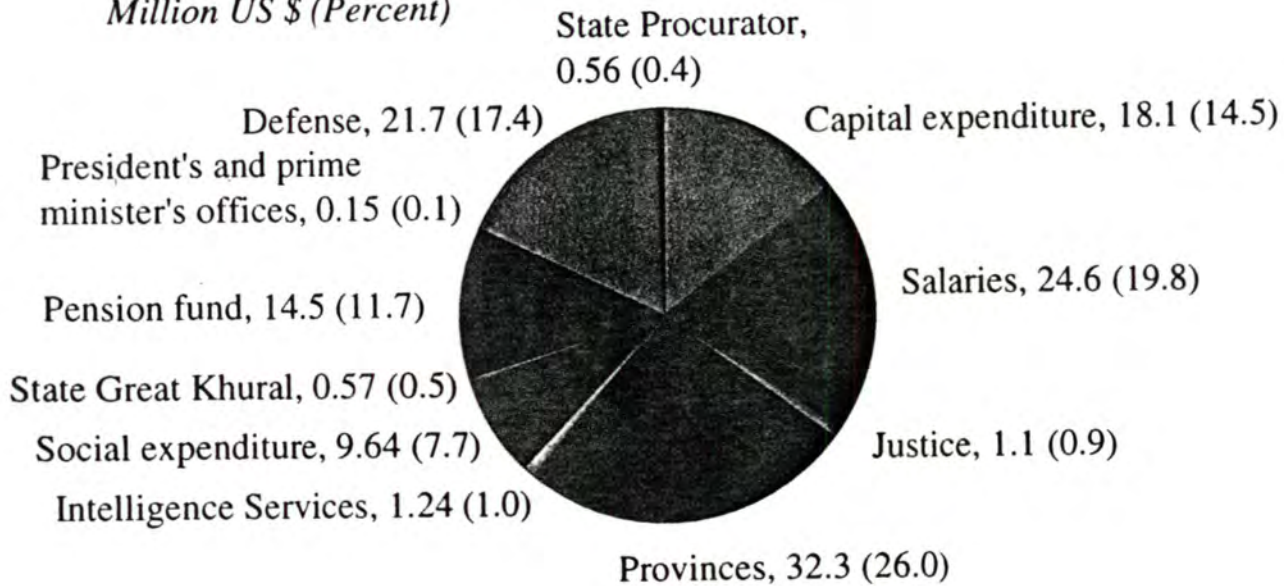
Tserenpiliin Gombosuren

Byambyn Jigjid

Tsevegmediin Tsogt

-
- *The Government fixed its budgetary income for 1995 at \$201 million and expenditure at \$232 million. The shortfall is intended to be made up from external aid. The president criticized the allocation for defense, saying it was too low and would not meet constitutional requirements.*

Mongolia's 1995 Budget
Million US \$ (Percent)



Source: Press reports.

Comparative Economic Indicators, 1993

	<i>Mongolia</i>	<i>China</i>	<i>India</i>	<i>Russia</i>	<i>Japan</i>	<i>US</i>
<i>GDP (\$bn)</i>	1.1 ^a	544.6	227.4	174.5	4,223.0	6,378.0
<i>Per capita GDP (\$)</i>	481.1 ^a	459.5	256.0	1,176.0	33,850.0	24,700.0
<i>Manufacturing as % of GDP</i>	36.0 ^b	51.7 ^b	26.9	46.0 ^a	27.9	18.3
<i>Agriculture as % of GDP</i>	23.7	21.2	32.3	13.4 ^a	2.2	2.3
<i>Exports (\$ bn)</i>	0.3	75.7	24.1	43.7	251.3	456.8
<i>Imports (\$ bn)</i>	0.4	86.3	25.1	33.0	209.8	589.2
<i>Foreign trade as % of GDP^c</i>	64.0	29.7	21.6	44.0	13.3	16.4

^a 1992 figures.

^b Share of national income, includes utilities.

^c Exports of goods plus imports of goods divided by GDP.

Source: The Economist.

Mongolia

Economic Policy and Performance

The government issues statistics.

In January 1995 the government released a set of economic and social statistics for the previous year; the last complete set was published in the third quarter of 1993. The government made much of the continuing stability of monetary policy and the positive balance of payments. The Tug remained generally stable and stood at 416 to \$1.

Reserves are healthy.

By December foreign reserves stood at \$37 million.

Foreign Trade

Foreign trade fell by 28.3 percent in 1994.

Total trade turnover was \$546 million, of which imports accounted for \$221.7 million and exports for \$324.3 million. Of imports, 20 percent were consumer goods and the remainder supplies and technical goods for industry, many of which were brought with foreign aid. About 80 percent of exports are mining products, which effectively pay for oil imports from Russia.

Industry

Output of many products has continued to fall.

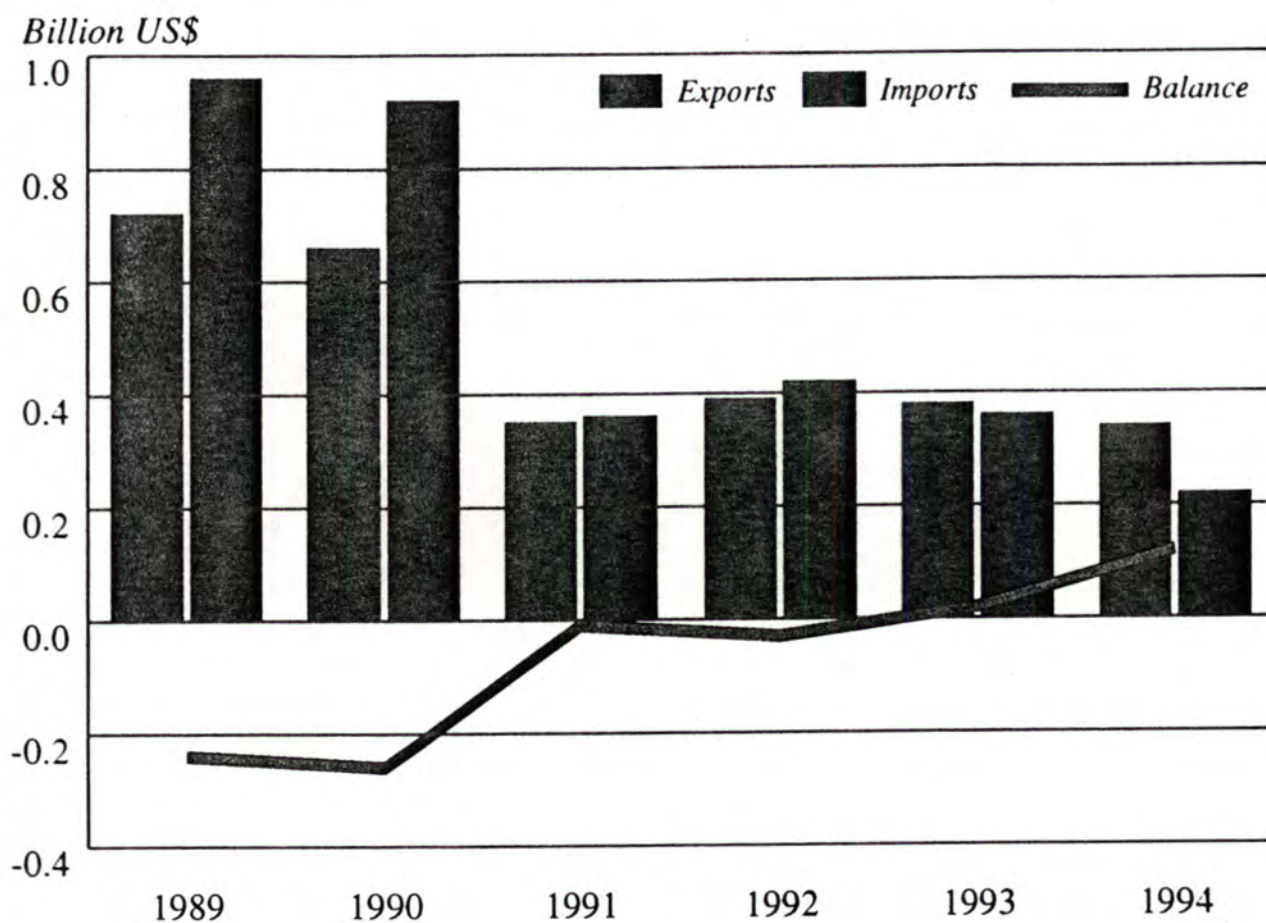
Industrial production was valued at \$562 million in 1994. There were improvements in non-ferrous metals, metal processing, building materials, and the production of heat and power. External markets exist for minerals, and demand for other products, such as building materials and railway sleepers, has grown with the onset of aid projects. However, the textile, leather, and food industries are, in general, still very depressed.

Agriculture

Animal stocks up.

There was considerable delight in Mongolia when the 1994 year-end statistics for the livestock economy were announced. The national herd stood at 26.8 million, which is the highest total for 30 years.

● *Mongolia's trade with the world, 1989-93*

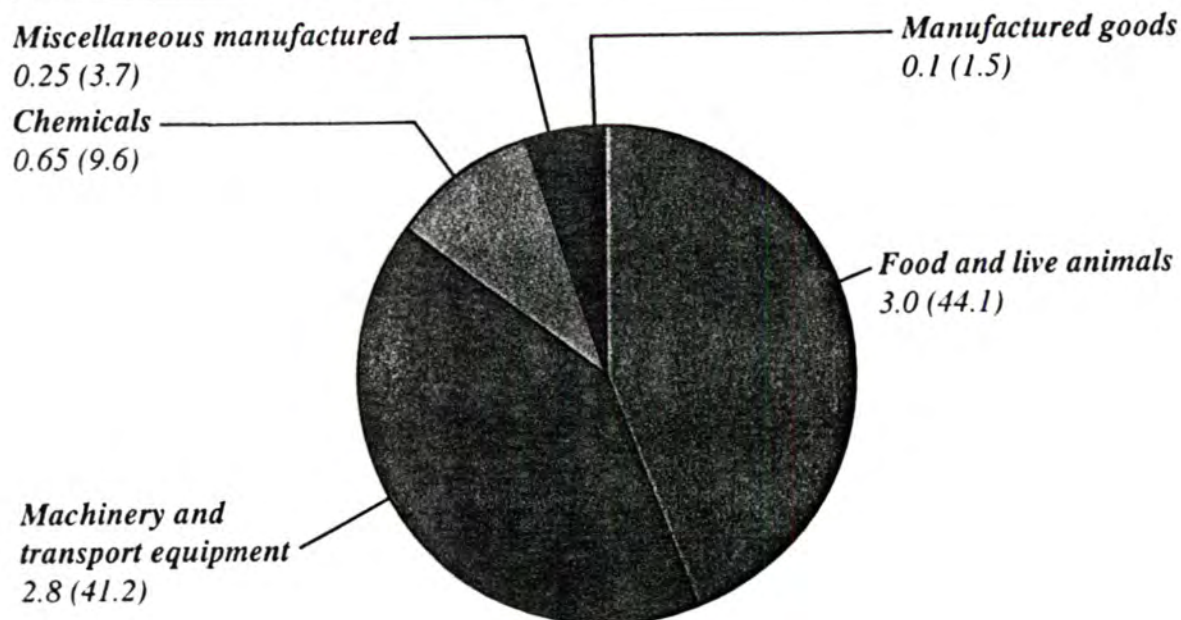


Source: IMF

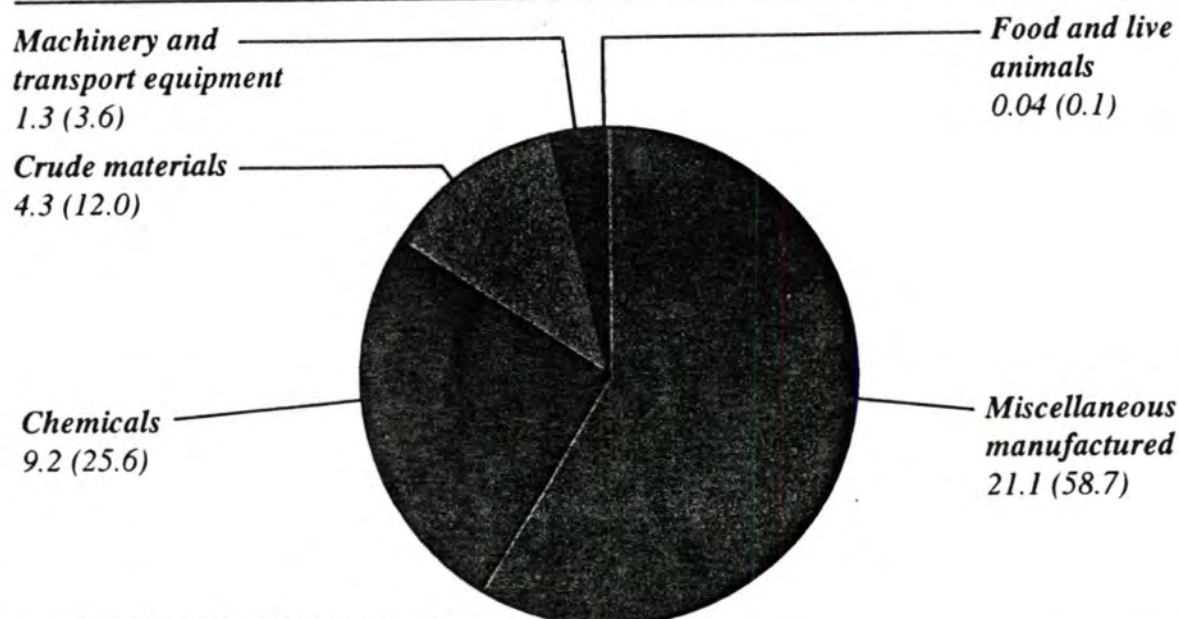
● *US trade with Mongolia by commodity, 1994*

Million US\$ (percent)

US Exports (Total=\$6.5 million)

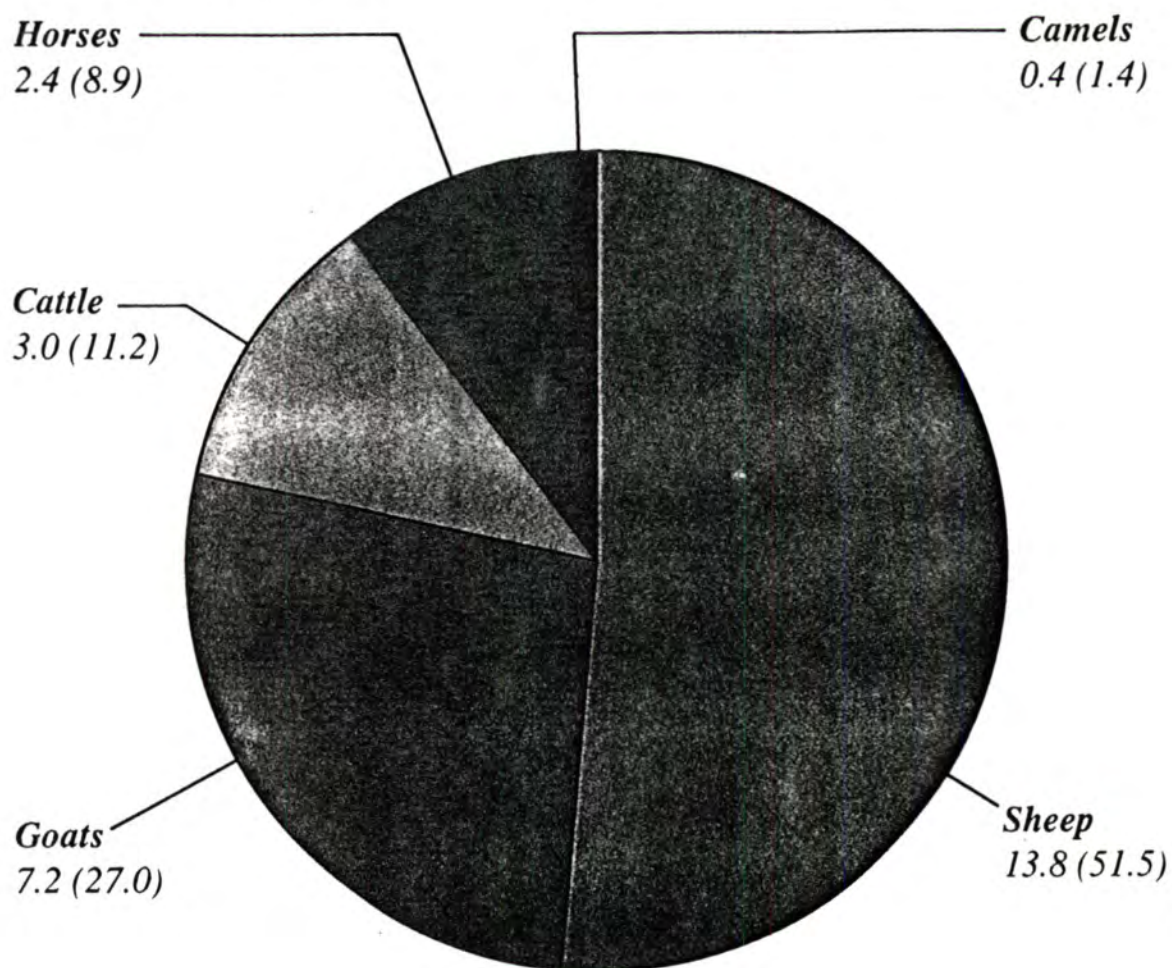


US Imports (Total=\$26.8 million)



Source: US Department of Commerce

● **Mongolia: Animal stocks, 1994**
million (percent)



Source: Press reports



**UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT
MONGOLIA**

Democratization Program

INTRODUCTION

Mongolia has made notable progress in developing its young democracy since the democratization movement began in December 1989. Nevertheless, Mongolia faces a crucial phase of its democratic transformation and the manner in which it addresses major challenges over the next few years will determine if the progress to date is to be sustainable.

For instance, there is a widely-held belief among both local and foreign observers of Mongolia's transition that the present election law must be revised if the second parliamentary elections, scheduled for June 1996, are to produce a more balanced pattern of representation than did the 1992 elections. Furthermore, women are greatly under-represented in key decision-making positions in all branches of government. Also, their influence in government is not nearly commensurate with their numbers, level of education, professional skills, or energy and creativity. Although their leverage is being increasingly felt through the activities of a number of non-governmental organizations (NGOs) concerned with women's issues, these and other NGOs that form the emerging framework of civil society are still weak and inexperienced. Similarly, Mongolia's new two-year old judiciary is in its initial stages of strengthening its independence as a separate branch of government and enhancing the competence of its judges. In addition, the major print and broadcast media are still under state control, and access to government information by the public is difficult.

To address these fundamental issues of democracy, USAID's assistance to Mongolia focuses on three program objectives: (1) developing the institutions and processes of representative government; (2) strengthening the framework and institutions of civil society; and (3) advancing legal reform and education for democracy. These initiatives are intended to strengthen the democratization process already under way and to encourage the emergence of a pluralistic society. They are based on the premises that programs in support of democratic governance are inextricably linked to successful economic development and that the full and active participation of women and NGOs in public affairs is essential for the development of democracy and a market-oriented economy.

**DEVELOPING THE INSTITUTIONS AND
PROCESSES OF REPRESENTATIVE
GOVERNMENT**

USAID's strategy is to create a pluralistic political environment by assisting the process of electoral reform, enhancing the responsiveness, transparency, accountability, and competence of the Parliament, educating voters as to their rights, and providing the electorate with the means and information to make informed choices. Through grants to The Asia Foundation, totalling \$999,860 covering 1993 through March 1996, USAID has supported numerous activities aimed at increasing the Mongolian Parliament's theoretical and practical knowledge of legislative procedures and practices. These activities have included study tours to Asian

parliaments in South Korea, Nepal, Pakistan, and the Philippines, as well as study tours to visit the Congress and state legislatures in the U.S. and the Canadian Parliament.

Also, leadership members of five major political parties attended a short-term training session on the technical and managerial aspects of operating a political party in a democracy. Furthermore, USAID's support for the reform of the parliamentary system includes helping establish a more efficient and effective committee structure and strengthening the Parliament's research and information services.

STRENGTHENING THE FRAMEWORK AND INSTITUTIONS OF CIVIL SOCIETY

USAID's projects in the area of civil society are aimed at increasing its independence and effectiveness. This is to ensure the wide participation of the Mongolian citizenry in public affairs.

For example, a growing number of fledgling NGOs, truly independent of government control, are beginning to exercise important advocacy, oversight, and service-delivery functions in Mongolia. USAID hopes to strengthen such organizations in order to promote and deepen the democratization process by improving public policy debate and implementation. This is being accomplished through support for legislation that fosters the independence and financial viability of NGOs and through the creation of partnerships between Mongolian and international NGOs.

In general, USAID's civil society programs are designed to strengthen NGOs that are contributing to the formulation, implementation, and oversight of public policy. More specifically, programs support NGOs that are devoted to spreading the basic principles and practices of democratic governance, constitutional law, human rights, and free media. Voter education through NGOs is a priority of the democratization program as it will help build the capacity of local NGOs to mobilize Mongolia's citizens

and to educate them in civic participation and voter issues so they can make informed choices in forthcoming elections.

Organizations which have participated in USAID-funded programs that strengthen the underpinnings of civil society are the Mongolian Association for the Conservation of Nature and Environment and the Association of Free and Democratic Journalists. In addition, USAID has funded several activities which focus on the role of women in democracy. These activities included a regional workshop and strategic planning meeting on women in politics, an Asian regional study tour of women in public affairs, and a women's rights seminar and consultancy with the Women Lawyers' Association.

ADVANCING LEGAL REFORM AND LEGAL EDUCATION FOR DEMOCRACY

USAID's goals under this initiative are to assist Mongolia in the daunting tasks of massive legal reform and legal education that are required to support the transition to democracy and a market economy. These tasks include the education and training of legal professionals, the development of an independent and competent judiciary, and the establishment of an independent bar association. USAID activities aimed at these goals include:

- * an orientation program for all newly-appointed judges at the local, district and national levels to introduce recently passed judicial reforms and procedures;
- * study tours of the U.S. and Korean judicial and legislative systems for members of Mongolia's Constitutional and Supreme Courts;
- * fellowships in commercial and economic law and international trade law for judges and lawyers; and
- * consultancies and seminars in areas of law relating to a free and independent media, NGOs, local government, and corruption.

Activities presently in the planning stages that address these particular goals include:

- * establishing a Legal Aide Counseling Center for women and publishing a manual on women's rights;
- * increasing access to the judicial system by training public defenders and making them available to citizens regardless of their income levels; and
- * revising the law school curriculum at the national university and training law professors.

FUTURE ACTIVITIES

Given the current circumstances in Mongolia, USAID's democracy strategy has been developed to contribute simultaneously to the political empowerment of NGOs and Mongolian women as well as to the overall advancement of Mongolian democracy, particularly through the judicial and legislative branches of government. Since USAID's support to Mongolia began in 1991, the bulk of its efforts in the democratization area have been implemented with the assistance of The Asia Foundation. Future activities will include projects with organizations such as the International Foundation for Electoral Systems.

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THE STATUS OF NON-GOVERNMENTAL ORGANIZATIONS AND CIVIL SOCIETY IN MONGOLIA

A Report Prepared for USAID/Mongolia by the Asia
Foundation's Mongolia Field Office
August 21, 1995

There are currently 550 non-governmental organizations (NGOs) officially registered with the Ministry of Justice in Mongolia. They are of two broad types: the "inheritor NGOs" (or GONGOS, as they are sometimes called) and public interest NGOs. The inheritor NGOs are the mass organizations which existed under the communist system. They were financed by the state and controlled by the communist party for its own political purposes. Examples of such organizations today are the Mongolian Women's Federation, the Mongolian Association for the Conservation of Nature and Environment and a whole range of trade unions such as the Union of Mongolian Journalists.

Today, the inheritor NGOs are trying to become independent of government control or influence. Most, however, probably still receive some subsidies from the government and are reluctant to do or say anything contrary to government policy. Furthermore, these NGOs still retain considerable property and other physical assets that they held under communism, giving them a distinct infrastructural advantage over the new public interest NGOs. Inheritor NGOs typically have local chapters established in all aimags (provinces) and major cities with memberships in the 1000s. The leadership of these NGOs is generally of the older generation (60s-70s). Many of them have close ties with the senior leadership in government and parliament and are likely to be members of the Mongolian People's Revolutionary Party (MPRP), the former communist party.

The second type of NGOs are the public interest NGOs. These are new, young grassroots NGOs, established voluntarily by people with different interests. They are non-partisan groups independent of any government control, financially or programmatically. Examples of such a NGOs are the Liberal Women's Brain Pool (LEOS), the Society for Environmental Law, the Women Lawyer's Association and Tsekh (a constitutional watchdog NGO).

Public interest NGOs began to emerge in 1992. As one of the new NGO leaders said at that time, "We have no office, no property, no money; just energy and ideas." Unlike the inheritor NGOs, most of the new public interest NGOs have no chapters around the country, their memberships are relatively small (from a few dozen to a few hundred), their activities are concentrated in the capital of Ulaanbaatar, and their leadership is young (20s and 30s). A few are now expanding into rural areas and, indeed, LEOS has become the first public interest group to have chapters in each aimag and city. Although they generally remain financially and organizationally weak, they are learning how to write project proposals and to approach international donors for funding. And the donors are responding. USAID, through The Asia Foundation, is probably doing more to support the development of these new public interest NGOs and, therefore, civil society than any other foreign donor.

The public interest NGOs today play a number of roles including advocacy, oversight, civic education, service delivery and member benefit activities. These roles are particularly important at this time, given the fact that the government has a de-facto single party parliament and a single party executive. These new grassroots organizations are beginning to advocate for policy change, to oversee government performance, to develop standards of accountability, to educate the public about the principles of democracy and market economics, and to deliver public services to the people. They provide an outlet for alternative views and ideas that cannot be found within government and an opportunity for popular participation in public affairs.

Women's groups are at the forefront of the emerging community of public interest NGOs. As an example, the Women for Social Progress (WSP) has undertaken a major voter education program on gender issues in anticipation of the 1996 parliamentary elections. The WSP is trying to determine where individual members of parliament stand on gender issues. This is extremely difficult since voting records of MPs are not made public and no transcripts of session deliberations are published. Recently, after persistent requests from the WSP, the parliament gave permission to the group to review session transcripts in the parliamentary library for one week. Note-taking was permitted but photocopying was prohibited. This may well represent the first time that an NGO has gained access to parliamentary transcripts for purposes of holding MPs accountable for their views.

The biggest challenge for civil society in Mongolia now is the development of a legal and regulatory framework that is conducive to the emergence of a robust NGO community. This would include legal provisions to allow tax deductions for donors who contribute to NGOs, tax exemptions for recipient NGOs, and the right for NGOs to earn income from activities related to their missions. It would also include provisions allowing NGOs access to government information and obligating the government to provide it.

Again, USAID (through The Asia Foundation) is taking the lead in this area by providing consultancy services to NGOs in Mongolia to work with members of parliament and government to draft a law favorable to the growth of a healthy NGO community. The Foundation is also providing support for strengthening the internal governance procedures of NGOs so that they operate in a democratic fashion and are transparent and accountable to their membership and to the public.

To: Judy Gilmore@ANE.EA@AIDW
Cc: Calista Downey@ANE.EA@AIDW
Bcc:
From: Ulaanbaatar@Ulaanbaatar@ASIA
Subject: re: Civil society
Date: Tuesday, August 22, 1995 6:01:16 EDT
Attach:
Certify: N
Forwarded by:

Judy, I hope this helps define some of the Civil Society activities currently underway by TAF.

The Asia Foundation
Civil Society

The Asia Foundation is working in Civil Society in the following activities:

1. Mongolian Society for Environmental Law (MELS): Operational support. At the request of MELS, TAF consultant assisted in drafting the environmental law. Environment training workshops have taken place.

2. Liberal Women's Brain Pool (LEOS): Administrative support for regional training seminar in six provinces. Training consisted in basic political education, the role of NGOs in a democracy, defining roles and objectives, fund raising, setting up the administrative structure within the NGO, and how to interact with the government for support and project development.

Activity example: LEOS chapters work with women owned businesses to prepare loan applications for consideration for Asian Development Bank small business loans through two commercial banks. LEOS uses the ADB loan criteria then recommends that the businesses be funded. TAF has funded travel expenses for LEOS members to attend trainings in "how to be loan liaison officers". The training was provided in house by LEOS without TAF/USAID funds.

3. Women Lawyers Association (WLA): Georgetown University Professor, Susan Ross facilitated the WLA in writing a first ever women's rights manual (USAID/WIP funds). Operational support for this NGO is being considered.

4. Women for Social Progress: Voter Education Project. Research into how members of Parliament vote (currently there are no transcripts for public consumption or records of how Parliamentarians vote). Other issues being researched include: how political parties reflect women's issues; and what government does to promote issues. Formal training will start in Oct/Nov and will involve other NGOs, women leaders from provinces, academicians, and training institutes. (USAID/WIP funded the researchers and administrative costs for training).

5. Consumer Protection Association (CPA): NGO specialist, David Atkin, University of Oregon, worked with CPA and others on the role of NGOs and management in a democratic society. The Director of the CPA worked with Atkin to strengthen and clarify a draft NGO law originally written in 1991 when the Director was a member of Parliament.

6. LEOS/WSP/WLA together formed the Women's Information and Research Center (Center funded by Australian Development Assistance). The idea for the

Center came as a result of a TAF NGO study tour to other Asian countries in April 1994 and the attendance of those persons at the "Asian Pacific Women in Politics Conference in Manila (May/June 1994.) TAF consultant David Atkin also assisted with the mission statement, clarification of activities and training.

Activities include, collecting information and statistics on women's issues. Currently, the GOM is not focussing on women's issues and consequently, this center will help highlight women's issues with proposed solutions.

7. Tsekh Public Advocacy: This NGO serves as a constitutional oversight. Its members have attended TAF funded NGO seminars.

English language training.

Democracy (\$1,427,587 1991-1996)

USAID has provided grants to The Asia Foundation to develop the framework for continuing democracy through work with the parliament, the legal system and the judiciary. Specific foci included legislative responsiveness and accountability, development of election laws and the Constitution, election procedures, training for the parliament's secretariat and upgrading of legal education. Election observers for parliamentary elections in 6/92 and Presidential election in 6/93 were provided under this activity.

Emergency Energy Sector (\$35,000,000 1992-1997)

Through its main contractor, Morrison Knudsen, USAID has been providing emergency technical and advisory assistance, spare parts, equipment and training to prop up the central energy system. The energy sector is the most important concern of the Government of Mongolia. USAID has \$2.9 million left to pay off on its \$35 million commitment, and it is the first priority for FY 96 funds. Interventions in FY96 will be closely coordinated with the World Bank project in Bagaanur coal mine and the Asian Development Bank's renovations of the boilers in Ulaanbaatar's Power Plant No. 3.

Energy Management (Requested FY96 Funding: \$3,000,000 1996-1999)

If funded, this project will work with the Ministry of Energy and the Central Energy System on issues including price regulation and collection, energy conservation, district heating, and renewable and other alternative forms of energy.

USAID's Assistance Budget: FY 1993 through FY 1996

U.S. Assistance (\$000)	1993	1994	1995	1996 Request
	8,100	7,707	7,760	10,800

Implication of Reduced Assistance USAID anticipates that FY96 budget levels will be severely reduced. Severe budget reductions will potentially eliminate further funding of USAID's economic growth and democracy strategic objectives and prevent initiation of the third strategic objective--improved management of the utility system. Other donor efforts in the energy sector have been delayed and are not expected to be on line until spring of 1996, leaving Mongolia vulnerable for the coming winter.

D-R-A-F-T
Speech to Mongolian Women

Thank you very much. It is a great honor for me to join you here today, and I want to convey very special greetings from the President and the people of the United States. I will long remember your warm hospitality.

I find it wonderfully appropriate for us to be meeting in this building. This school was built by soldiers of our two countries, carrying not weapons but shovels. Today, it is educating some of Mongolia's most promising students in the fields of math and science. School director Gantulga (phonetic GAHN-two-luck) must be very proud of their achievements and of the many prizes they already have won. There can be no better symbol of the growing friendship between our two nations and of our joint dedication to providing a better future for Mongolia's children.

Americans are only beginning to acquaint themselves with Mongolia, but we have a tremendous amount to learn: about your legendary hospitality, your illustrious past, the splendor of your country, the respect you show for your natural surroundings, the pride you have in your children and the value you place on their education.

Most of all, you have much to teach us about democracy and what it means for a people to build a democratic future. That might sound paradoxical, for our democracy is two hundred years old. But if ever there was a time when we all needed to learn from one another, to share experiences and insight, this is it.

My visit to Ulaanbaatar is taking place at a moment of breathtaking change around the globe. In the past decade, the number of democracies worldwide has practically doubled. Old dictatorships and tyrannies are giving way to more open and tolerant societies. A powerful wave of democracy is bringing new respect for human rights, free elections and free markets. Yet, as change invites promise, so too does it invite peril. All around you, but also in Africa and in the very heart of Europe, the opening up of societies has brought to the surface suppressed feelings of ethnic, tribal and religious solidarity. That, in turn, has fueled ethnic, tribal and religious rivalries. At times, intolerance has taken the ugly shape of violence and violence the ghastly shape of civil war.

Naturally, such tragic developments trigger serious questioning. And serious mistrust. They have led some to conclude that democracy is not a universal value, that it is

merely a luxury for the rich, or that it is a pernicious, alien concept the West is trying to impose on the rest of the world. I understand the concern and the uncertainty from which it stems. But I feel very strongly that the conclusion is wrong.

Your country's recent experience is living proof. With courage and determination, you have thrown off one-party rule, opened to the outside world, written a new Constitution. The people of Mongolia now can freely elect representatives of their choice, express their views, practice their religious beliefs. All this has been accomplished peacefully -- without upheaval or bloodshed. In Washington parlance, Mongolia often is referred to as a "quiet success story." How unfortunate! For the message it conveys to the rest of the world should be loud and vocal. The message is that democracy knows no boundaries, that it is neither exported nor imported but everywhere home-grown.

I would like to say a few words on the roots of the idea that democracy is for Western consumption only and that the tragedies we see unfolding around the world somehow grow out of democracy itself. The confusion stems in part, I think, from the simplistic notion that democracy can be reduced to arithmetic majority rule, that it has no moral or normative content. But genuine democracy is far richer, far more subtle than that.

Democracy is the art of addressing competing needs and values. Authoritarian regimes achieve this by fiat, trampling upon some demands while satisfying others. Democracies, on the other hand, must manage differences without ignoring them. They must give voice to the people -- all the people -- and ensure that their government responds to them. Respect for human rights, free elections, accountability, equal rights, an independent judiciary and an independent press: these are but means to an end, answers to the age-old riddle of making collective decisions where the collective itself is split.

Which means this: democracy is not pure majority rule. Rather, it is the complicated search for ways other than violence to achieve power and ways other than repression to exercise it. All of which entails protecting those in the minority and those most vulnerable by circumscribing what the majority or the powerful might try to do. Its fundamental appeal lies in the simple truth that today's rulers might be tomorrow's ruled -- in other words, the rules and procedures limiting one's power today might protect one's rights tomorrow. That urge for a sense of security, for a chance to build one's family peacefully, is not exclusively American, European, South African, Haitian or Mongolian. Democracy comes in various shades and adapts to different cultural settings. But it is universal because so is the urge to which it responds.

I said at the outset that even our two-hundred year old democracy had much to learn from you. It is true that we have been on this road for some time. Yet it is by coming to a place like Mongolia, where that exciting journey has just begun, that one is reminded of its endless possibilities and of the extraordinary energy it can unleash. Mongolia truly is an answer to the skeptics, a reminder that democracy is not simply a set of technical instruments or wooden rules but a dynamic process of collective creation. Democracy should not be divorced from the values from which it springs: values of decency, of tolerance, of solidarity and of commitment. Vaclav Havel, the leader of another country that only recently made the journey from authoritarianism to democracy, put it well:

We will never build a democratic state based on the rule of law if we do not at the same time build a state that is humane, moral, intellectual, spiritual and cultural. The best laws and the best conceived democratic mechanisms will not in themselves guarantee legality or freedom or human rights if they are not underpinned by certain human and social values. . . . Without commonly shared and widely entrenched moral values and obligations, neither the law nor democratic government, nor even the market economy, will function properly.

I am convinced that, when properly understood as an expression of these values and as a peaceful quest for the common good, democracy ultimately will display what Havel calls its "universal resonance."

Of course, one should not be naive. Democracy does not come without its problems. The journey can be rocky, as one must navigate between free speech and intolerant speech, between individual rights and collective responsibility, between limiting the prerogatives of government and preserving its essential role. My own country continues to debate these and other issues, and I know the necessary shift to an open economy here has produced much pain and hardship.

But such problems cannot be avoided. And the point is that democracies offer the best means of addressing them peacefully by giving a voice to all concerned and allowing the people to participate collectively in the search for solutions. The alternative, which is to solve such matters arbitrarily and without popular input, only can lead to more intolerance and more violence. To put it simply, the tragedies we have witnessed -- in the former Yugoslavia, in Rwanda, or in Chechnya -- result not from an abundance of democracy but from its deficit.

Because the road to democracy at times can be difficult, democracies must stand together. As you travel down this path, the United States will be by your side. Over the past five

years, our bilateral assistance to Mongolia has exceeded 50 million dollars. We will continue to show our strong support because we are convinced it is a good investment for America as well as for your country. I hope with all my heart that the values we share and our common belief in the democratic ideal will draw us even closer together as our countries move, with confidence and strength, into the 21st century.

My stay in Mongolia, though far too brief, has truly been uplifting. Thank you for sharing this time with me and allowing me to have this conversation with you today.

D-R-A-F-T
STATEMENT OF FIRST LADY HILLARY RODHAM CLINTON
ON ARRIVAL IN MONGOLIA
SEPTEMBER 7, 1995

Good morning. Thank you for coming out so early in the morning to greet me.

I am very happy to have the opportunity to visit Mongolia and to strengthen the bonds of friendship that are growing between this country and the United States.

As the plane flew in from Beijing, passing over the magnificent Gobi Desert just after dawn, I felt a sense of both awe and excitement. This is indeed a spectacular country, and I am looking forward to seeing more of it and meeting its people.

Mongolia is a strange, far-off land for most Americans -- we know a bit about Genghis Khan, and perhaps about dinosaur eggs found here, but not a lot more. And I'm sure the United States is a strange, far-off land for most Mongolians, too. I hope I can be a courier of information, as well as friendship. We have much we can and should learn from each other.

Today I will have the privilege of meeting with President Ochirbat and Mrs. Tsevelmaa and with Prime Minister Jasrai. Because issues concerning women and children are of such interest to me, I will also visit a center for street children and a school, as well as the home of a rural family.

I look forward very much to these meetings and to conversations with Mongolians who are devoted to improving the lives of ordinary people through work on health care, education, economic development and the environment. Regrettably, I don't have much time for my visit. So I'm eager to get started.

Let me thank all of you again -- and all the people of Mongolia -- for so kindly welcoming me to this beautiful country.

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D-R-A-F-T
STATEMENT OF FIRST LADY HILLARY RODHAM CLINTON
ON DEPARTURE FROM MONGOLIA
SEPTEMBER 8, 1995

I leave Mongolia this morning with a profound sense of gratitude and respect for this beautiful land and its magnificent people. My visit has been short, but I have learned a great deal about Mongolia and its unique culture and historical experience.

What I have seen and heard about here has deepened my admiration for this country. Not only is Mongolia trying to establish and enlarge its contacts with the outside world -- without an outlet to the sea and dependent on Russia and China for its transportation links. And not only is it trying to accomplish domestic political and economic reform simultaneously -- an enormous task requiring great courage. But it is doing all this with dignity and with respect for the rights and well-being of its people that I consider exemplary.

I met people here proud of their culture and traditions, yet dedicated to engaging more with the international community. I met leaders whose dedication to democracy is truly extraordinary. I met men and women working to make the difficult political and economic transition through which Mongolia is passing less burdensome to disadvantaged members of society. I met women leaders, present and future, committed to improving their society and making sure the growing benefits of a democratic, free-market economy are made available to all.

The relationship between the United States and Mongolia is a short one -- only about five years old. And we have much to learn about each other. I am happy to have had the opportunity to contribute to that process. I am sure the process of expanding our relations, strengthening our friendship, will continue and, I hope, accelerate. I believe it is in the interest of both countries.

I am grateful to President Ochirbat and Mrs. Tsevelmaa and to Prime Minister Jasrai for treating me so generously and graciously; and to all those in the Mongolian government whose efforts made my stay so enjoyable. Finally, let me convey my personal thanks to the people of Mongolia. Ulaanbaatar is known as the coldest capital city in the world but that certainly doesn't apply to the people who live here. From them I felt only the most gratifying warmth and friendliness, and I will carry back with me to the United States vivid memories of my time with them. I hope I will be able to make another visit in the future.

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D-R-A-F-T
Speech to Mongolian Women

Thank you very much. It is a great honor for me to join you here today, and I want to convey very special greetings from the President and the people of the United States. I will long remember your warm hospitality.

I find it wonderfully appropriate for us to be meeting in this building. This school was built by soldiers of our two countries, carrying not weapons but shovels. Today, it is educating some of Mongolia's most promising students in the fields of math and science. School director Gantulga (phonetic GAHN-two-luck) must be very proud of their achievements and of the many prizes they already have won. There can be no better symbol of the growing friendship between our two nations and of our joint dedication to providing a better future for Mongolia's children.

*Confession
My delegates
from Mongolia*
Americans are only beginning to acquaint themselves with Mongolia, but we have a tremendous amount to learn: about your legendary hospitality, your illustrious past, the splendor of your country, the respect you show for your natural surroundings, the pride you have in your children and the value you place on their education.

Most of all, you have much to teach us about democracy and what it means for a people to build a democratic future. That might sound paradoxical, for our democracy is two hundred years old. But if ever there was a time when we all needed to learn from one another, to share experiences and insight, this is it.

My visit to Ulaanbaatar is taking place at a moment of breathtaking change around the globe. In the past decade, the number of democracies worldwide has practically doubled. Old dictatorships and tyrannies are giving way to more open and tolerant societies. A powerful wave of democracy is bringing new respect for human rights, free elections and free markets. Yet, as change invites promise, so too does it invite peril. All around you, but also in Africa and in the very heart of Europe, the opening up of societies has brought to the surface suppressed feelings of ethnic, tribal and religious solidarity. That, in turn, has fueled ethnic, tribal and religious rivalries. At times, intolerance has taken the ugly shape of violence and violence the ghastly shape of civil war.

Naturally, such tragic developments trigger serious questioning. And serious mistrust. They have led some to conclude that democracy is not a universal value, that it is

merely a luxury for the rich, or that it is a pernicious, alien concept the West is trying to impose on the rest of the world. I understand the concern and the uncertainty from which it stems. But I feel very strongly that the conclusion is wrong.

Your country's recent experience is living proof. With courage and determination, you have thrown off one-party rule, opened to the outside world, written a new Constitution. The people of Mongolia now can freely elect representatives of their choice, express their views, practice their religious beliefs. All this has been accomplished peacefully -- without upheaval or bloodshed. In Washington parlance, Mongolia often is referred to as a "quiet success story." How unfortunate! For the message it conveys to the rest of the world should be loud and vocal. The message is that democracy knows no boundaries, that it is neither exported nor imported but everywhere home-grown.

I would like to say a few words on the roots of the idea that democracy is for Western consumption only and that the tragedies we see unfolding around the world somehow grow out of democracy itself. The confusion stems in part, I think, from the simplistic notion that democracy can be reduced to arithmetic majority rule, that it has no moral or normative content. But genuine democracy is far richer, far more subtle than that.

Democracy is the art of addressing competing needs and values. Authoritarian regimes achieve this by fiat, trampling upon some demands while satisfying others. Democracies, on the other hand, must manage differences without ignoring them. They must give voice to the people -- all the people -- and ensure that their government responds to them. Respect for human rights, free elections, accountability, equal rights, an independent judiciary and an independent press: these are but means to an end, answers to the age-old riddle of making collective decisions where the collective itself is split.

Which means this: democracy is not pure majority rule. Rather, it is the complicated search for ways other than violence to achieve power and ways other than repression to exercise it. All of which entails protecting those in the minority and those most vulnerable by circumscribing what the majority or the powerful might try to do. Its fundamental appeal lies in the simple truth that today's rulers might be tomorrow's ruled -- in other words, the rules and procedures limiting one's power today might protect one's rights tomorrow. That urge for a sense of security, for a chance to build one's family peacefully, is not exclusively American, European, South African, Haitian or Mongolian. Democracy comes in various shades and adapts to different cultural settings. But it is universal because so is the urge to which it responds.

I said at the outset that even our two-hundred year old democracy had much to learn from you. It is true that we have been on this road for some time. Yet it is by coming to a place like Mongolia, where that exciting journey has just begun, that one is reminded of its endless possibilities and of the extraordinary energy it can unleash. Mongolia truly is an answer to the skeptics, a reminder that democracy is ~~not simply a set of technical instruments or wooden rules~~ but a dynamic process of collective creation. Democracy should not be divorced from the values from which it springs: values of decency, of tolerance, of solidarity and of commitment. Vaclav Havel, the leader of another country that only recently made the journey from authoritarianism to democracy, put it well:

We will never build a democratic state based on the rule of law if we do not at the same time build a state that is humane, moral, intellectual, spiritual and cultural. The best laws and the best conceived democratic mechanisms will not in themselves guarantee legality or freedom or human rights if they are not underpinned by certain human and social values. . . . Without commonly shared and widely entrenched moral values and obligations, neither the law nor democratic government, nor even the market economy, will function properly.

I am convinced that, when properly understood as an expression of these values and as a peaceful quest for the common good, democracy ultimately will display what Havel calls its "universal resonance."

Of course, one should not be naive. Democracy does not come without its problems. The journey can be rocky, as one must navigate between ~~free speech and intolerant speech~~, between individual rights and collective responsibility, between limiting the prerogatives of government and preserving its essential role. My own country continues to debate these and other issues, and I know the necessary shift to an open economy here has produced much pain and hardship.

But such problems cannot be avoided. And the point is that democracies offer the best means of addressing them peacefully by giving a voice to all concerned and allowing the people to participate collectively in the search for solutions. The alternative, which is to solve such matters arbitrarily and without popular input, only can lead to more intolerance and more violence. To put it simply, the tragedies we have witnessed -- in the former Yugoslavia, in Rwanda, or in Chechnya -- result not from an abundance of democracy but from its deficit.

Because the road to democracy at times can be difficult, democracies must stand together. As you travel down this path, the United States will be by your side. Over the past five

years, our bilateral assistance to Mongolia has exceeded 50 million dollars. We will continue to show our strong support because we are convinced it is a good investment for America as well as for your country. I hope with all my heart that the values we share and our common belief in the democratic ideal will draw us even closer together as our countries move, with confidence and strength, into the 21st century.

My stay in Mongolia, though far too brief, has truly been uplifting. Thank you for sharing this time with me and allowing me to have this conversation with you today.

D-R-A-F-T
STATEMENT OF FIRST LADY HILLARY RODHAM CLINTON
ON ARRIVAL IN MONGOLIA
SEPTEMBER 7, 1995

Good morning. Thank you for coming out so early in the morning to greet me.

I am very happy to have the opportunity to visit Mongolia and to strengthen the bonds of friendship that are growing between this country and the United States.

As the plane flew in from Beijing, passing over the magnificent Gobi Desert just after dawn, I felt a sense of both awe and excitement. This is indeed a spectacular country, and I am looking forward to seeing more of it and meeting its people.

Mongolia is a strange, far-off land for most Americans -- we know a bit about Genghis Khan, and perhaps about dinosaur eggs found here, but not a lot more. And I'm sure the United States is a strange, far-off land for most Mongolians, too. I hope I can be a courier of information, as well as friendship. We have much we can and should learn from each other.

Today I will have the privilege of meeting with President Ochirbat and Mrs. Tsevelmaa and with Prime Minister Jasrai. Because issues concerning women and children are of such interest to me, I will also visit a center for street children and a school, as well as the home of a rural family.

I look forward very much to these meetings and to conversations with Mongolians who are devoted to improving the lives of ordinary people through work on health care, education, economic development and the environment. Regrettably, I don't have much time for my visit. So I'm eager to get started.

Let me thank all of you again -- and all the people of Mongolia -- for so kindly welcoming me to this beautiful country.

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D-R-A-F-T
STATEMENT OF FIRST LADY HILLARY RODHAM CLINTON
ON DEPARTURE FROM MONGOLIA
SEPTEMBER 8, 1995

I leave Mongolia this morning with a profound sense of gratitude and respect for this beautiful land and its magnificent people. My visit has been short, but I have learned a great deal about Mongolia and its unique culture and historical experience.

What I have seen and heard about here has deepened my admiration for this country. Not only is Mongolia trying to establish and enlarge its contacts with the outside world -- without an outlet to the sea and dependent on Russia and China for its transportation links. And not only is it trying to accomplish domestic political and economic reform simultaneously -- an enormous task requiring great courage. But it is doing all this with dignity and with respect for the rights and well-being of its people that I consider exemplary.

I met people here proud of their culture and traditions, yet dedicated to engaging more with the international community. I met leaders whose dedication to democracy is truly extraordinary. I met men and women working to make the difficult political and economic transition through which Mongolia is passing less burdensome to disadvantaged members of society. I met women leaders, present and future, committed to improving their society and making sure the growing benefits of a democratic, free-market economy are made available to all.

The relationship between the United States and Mongolia is a short one -- only about five years old. And we have much to learn about each other. I am happy to have had the opportunity to contribute to that process. I am sure the process of expanding our relations, strengthening our friendship, will continue and, I hope, accelerate. I believe it is in the interest of both countries.

I am grateful to President Ochirbat and Mrs. Tsevelmaa and to Prime Minister Jasrai for treating me so generously and graciously; and to all those in the Mongolian government whose efforts made my stay so enjoyable. Finally, let me convey my personal thanks to the people of Mongolia. Ulaanbaatar is known as the coldest capital city in the world but that certainly doesn't apply to the people who live here. From them I felt only the most gratifying warmth and friendliness, and I will carry back with me to the United States vivid memories of my time with them. I hope I will be able to make another visit in the future.

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TO: MRS. CLINTON

9/7/95

TO: EAP - Winston Lord

FROM: EAP/CM -- Jeffrey Bader ^{no}
VISIT TO

SUBJECT: Your ^{YOUR} Conversations with the First Lady:
Mongolia

The following points are for your use in discussing the ~~First Lady's~~ upcoming trip to Mongolia and US-Mongolia relations.

- o I visited Mongolia last February--Ulaanbaatar is the ^{NORTHERN MOST} ~~coldest~~ capital in the world. The country is an extraordinarily beautiful place, and the Mongolians are a very friendly and warm people. The Mongolians are fantastic hosts. Everybody who goes to Mongolia returns pleased with their trip. I'm sure you'll enjoy your visit. ^{AND PROBABLY}
- o If you superimposed the map of Mongolia on a map of the U.S., Mongolia would stretch from New York to Denver, and from Dallas to Minneapolis.
- o With only 2.3 million people, however, its population is almost the same as that of the state of Arkansas.
- o Mongolia has 26.8 million head of livestock (Mongolians only count horses, cows, sheep, goats, camels, and yaks.) This means that humans are outnumbered 11 to 1 by livestock.
- o More than half the population is under the age of 25.
- o Mongolia is one of the most pristine countries in Asia. Lake ⁰Husgul is the geologic twin of Russia's Lake Baikal, ^{but} ~~clear and clean as Lake Tahoe.~~
- o This July, the most important exhibit of Mongolian art ever to be shown in the United States -- "Mongolia: The Legacy of Chinggis Khan" -- opened at the Asian Art Museum in San Francisco.
- o This exhibit will go from San Francisco to Denver, then open at the National Geographic in Washington in the spring of 1996.
- o Mongolian history has several very prominent and revered women. For example:
 - Chinggis Khan's mother Oeolun, who lectured the young Temujin (Chinggis Khan's name as a youth) and his brothers about the importance of staying united by showing them how easily one arrow could be broken, but how hard it is to break five arrows held together;
 - Borto, Chinggis Khan's principal wife and trusted adviser;
 - Chahi, empress under Kubilai Khan;

- o More recently, Mongolian women have enjoyed a status much higher than that of most other women in Asia. 43 percent of all university graduates are women, and women make up 70 percent of the doctors, 26 percent of lawyers, and 55 percent of teachers. Literacy of women is as high as it is for men.
- o Mongolia is the site of the world's first discoveries of dinosaur eggs. These were found by the American Museum of Natural History expeditions in the 1920s. We are proud to note that the American Museum has been continuing its explorations over the past several years and has made important new discoveries in each of its work seasons.

Mongolian Foreign Policy/Politics/Economics

- o Mongolia is a landlocked country, wedged between Russia and China.
- o It has had a rough time in the last few centuries, under the thumb of either Russia or China. From the 1920s until 1990, Mongolia was a de facto Soviet republic.
- o The Mongolians have an almost paranoid fear of Chinese and Russian encroachment and domination, due in large measure to their history.
- o The Mongolians see the United States, Japan, other nations and international organizations, as key relationships that help balance the influence of China and Russia. As a result, relations with the U.S., Japan, Germany, and South Korea have been expanded. A broad spectrum of countries and institutions provide assistance to Mongolia's economic and political reforms. Mongolia is seeking membership in the Asia-Pacific Economic Cooperation forum, and the ASEAN Regional (security) Forum.

Mongolian Politics/Economics

- o Overview: Mongolia is a good news story that is virtually unknown in the U.S. The country has transformed itself from a one-party communist dictatorship into a pluralist political system very seriously and quietly. It has done so without bloodshed, with much political debate, and with very little recognition. The political change has also been carried out at a time of acute economic distress, as the country faced the loss of Soviet aid and the need to create the mechanism of a market economy.
- o Politics: In late 1989, Mongolians rose up to demand a democratic government, and an end to the communist system and Soviet domination.

- o Demonstrations which began in sub-zero weather culminated with the resignation of the Communist Party Politburo, legalization of other political parties, pluralistic elections, and the writing of a new constitution.
- o In the intervening years, Mongolia has made tremendous progress in its democratic and free-market reforms -- three democratic elections, an independent judiciary, laws respecting human rights and private property, the welcoming of free enterprise and foreign investment. This transition is even more remarkable and courageous when you consider that it's been peaceful, no bloodshed, and done despite severe economic hardships. In my talks with Mongolians, I've been struck by their common commitment to democracy and a free market.
- o There are no political prisoners, and the country's record on basic human rights is also excellent.
- o Economy: When the Soviets left, they took with them assistance and support worth about a third of GDP. The country was not alone in suffering the end of Soviet assistance, but the impact was particularly severe for Mongolia since 90 percent of its trade was with the Soviet Union.
- o The economy went into freefall. Output declined, the balance of payments deteriorated, and inflation grew rapidly, reaching a rate of almost 400 percent annually. The social safety net began to fall apart.
- o The economy rebounded this year and last with some modest, but positive growth in the economy. Unemployment has reached a four-year low, and inflation is on a downward course. Most observers are fairly optimistic about prospects for the economy.
- o Export earnings come from some minerals -- copper, gold, hopefully they'll strike some large oil reserves -- and cashmere, with a little tourism, primarily from Japan.

US-Mongolia Relations

- o We established relations in 1987, and opened an Embassy the following year. The original staff was three Americans and a telex machine. The first telegram ever sent to the Embassy was delivered to the Soviet Embassy. The local telegraph office didn't believe the U.S. Embassy was there.
- o Relations accelerated dramatically following the peaceful democratic changes that began in the spring of 1990. The Secretary Baker twice visited Mongolia, in 1990 and 1991. The first ever visit by a Mongolian President to the White House was in January 1991. You will be the most senior U.S. ^{Kissinger} official to have visited Mongolia in fifty years.

Beijing Says Women Have It Better in China Than U.S.

By SETH FAISON

BEIJING, Sept. 9 — In a detailed report on the status of women, Chinese authorities assert that women enjoy more personal safety, greater career opportunities and better legal protection in China than in the United States.

The report was an apparent response to criticism of China's human rights record by Hillary Rodham Clinton and other participants at the United Nations Fourth World Conference on Women being held here. It argues that even though "certain groups in the United States" have attacked China over the status of its women, the Chinese Government has taken a far more progressive stance toward women than has the United States.

"The position and conditions of Chinese women are in no way inferior to the situation of the women in the United States and are indeed much better on the whole," said the report, issued late Friday by the New China News Agency.

Although the report is defensive in tone, there is some basis to the Chinese claims. Since the Communist

revolution in 1949, women have advanced far in Government positions, as the report asserts, and have achieved equal status in the home in many urban families.

If few women have reached the very top ranks of the governing Communist Party — there are no women on the 20-member Politburo and only 12 in the 189-member Central Committee — they have been promoted further in mid-level government positions than American women have.

According to the New China News Agency report, whose statistics may not be entirely accurate, women account for 31 percent of all government employees in China, compared with only 22 percent in the United States. It said that Chinese women in senior managerial posts, defined as directors of enterprises or institutes, also outnumber their American counterparts, 10 percent versus 3 percent.

Another obvious difference, apparent to anyone who has visited here, is women's physical safety. Incidents of violent crime against women are far rarer in China than in the United States, and women generally feel safe

China defends its record after attack at women's conference.

er walking alone on a city street here late at night than they do in the United States.

Domestic violence against women is also believed to be far lower in China than in the United States, although many such incidents in China go unreported.

Less relevant, perhaps, are the report's arguments that a greater number of Chinese women vote and are elected to local councils than in the United States, because elections in China are generally staged and because the legislatures almost uniformly follow instructions from the Communist Party.

China's Constitution, the report also argues, specifies equal rights for women, which the American one does not. But China's Constitution also grants its citizens freedom of

speech and assembly, rights that are not always respected.

Yet China's modern Government was established with a clearly stated aim of achieving equal status for women, never an official aim of the American Government. And with a legacy of heavily traditional attitudes toward women when it came to power in 1949, the Chinese Government has faced an uphill battle.

"China is faced with more difficulties than the United States when it comes to enhancing the status of women," the report states.

With relations between the United States and China still strained, former President George Bush met President Jiang Zemin in Beijing on Friday, and the New China News Agency reported today that Mr. Jiang said that Washington must take the initiative to improve ties.

"We have noticed that recently the United States restated that the U.S. Government will continue to follow the 'one China' policy," Mr. Jiang said, according to the report. "China pays great attention to these statements by the U.S. side, but promises in words are not enough."

Reporter's Notebook

First Lady in Mongolia: Mare's Milk and Politics

By SETH FAISON

ULAN BATOR, Mongolia, Sept. 8 — In this non-urban capital, where cows and pigs freely roam the streets, few of the inner-city problems so familiar to Americans are readily evident to visitors like Hillary Rodham Clinton, who stopped here on her way home from China.

Yet in the past few years, as Mongolia plunged into economic difficulties due to the sudden disappearance of economic aid from Russia and an inflation rate that reached 400 percent, a new crisis has emerged in Ulan Bator: street children.

Abandoned by parents who cannot support them, thousands of young children spend fierce Mongolian winters, when temperatures often dip under 40 degrees below zero, clustered in old box cars in Ulan Bator's train station and begging on the streets, Mongolian officials told Mrs. Clinton today.

During her 28-hour visit here, the first lady went to a center for homeless children, where a few dozen children are given a place to eat and sleep and, perhaps, treatment for the skin diseases and malnourishment that are common among them.

In a ramshackle schoolhouse, with classrooms and hallways painted green and pink, a dozen young girls and boys assembled for Mrs. Clinton and sang a Mongolian rendition of "You're Happy and You Know It, clap Your Hands," clapping, stomping and slapping their thighs.

Mrs. Clinton, followed through the building by a crew of American and Mongolian reporters, used the visit to make a plug for American aid to places like Mongolia.

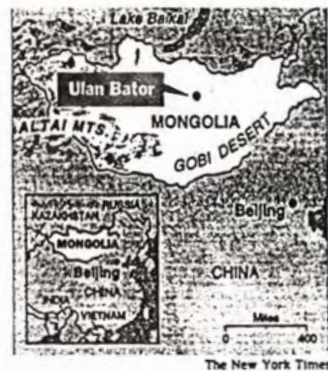
"I think most Americans, if they knew the facts, would be very proud of our country because of what we're trying to do to help others around the world," Mrs. Clinton said.

She also referred to Mongolia's efforts to introduce democratic politics and a market economy, though the influence of American cultural influence hung on the center's walls as well: one drawing had the names of Gers Janet Jackson and Jason Donovan scribbled over an imitation characters from the Disney movie "The Jungle Book."

During her visit, Mrs. Clinton announced that the United States would provide \$1 million to Unicef to support children's health programs in Mongolia, some of which would go to the center.



Hillary Rodham Clinton visited the Mongolian capital, Ulan Bator, after attending the United Nations Fourth World Conference on Women in Beijing. While there, she toured a center for homeless children.



The First Lady visited a center for homeless children in Ulan Bator.

they can be easily taken down and moved, a major convenience if you're a nomad, as half of Mongolia's inhabitants are.

Known to Westerners as yurts, their Turkish name, they are called "gers" in Mongolia. Mrs. Clinton learned ger etiquette at the first of eight stops on her visit, the home of a typical-looking Mongolian family.

She dutifully circled the ger's hearth clockwise, sipped mare's milk, sniffed a snuff bottle and asked after the family's livestock. She did not need to say that she was "going

to take a look at the horses" as a visitor might if heeding the call of nature.

Mrs. Clinton's schedule allowed time to visit only one ger, but in Mongolia gers can pop up where you least expect them, even at Ulan Bator's seat of government, where Mrs. Clinton called on Prime Minister Jasrai.

After her 10-car motorcade pulled up at a massive Soviet-like structure in the center of town, Mrs. Clinton was led through a towering entrance, down red-carpeted hallways that snaked through the building, and out a back door to where the Prime Minister awaited her — in a ger.

About 25 feet in diameter, this ger was larger than most, richly carpeted and graced with a chandelier and an enormous alabaster bust of Genghis Khan.

At its center was a silver, party-sized punch bowl of mare's milk, a drink that, as Mrs. Clinton already knew, has a pleasant foretaste of cow's milk and a bitter aftertaste of rank sweat.

Since this was a ceremonial ger, reserved for visiting dignitaries and important meetings, Mrs. Clinton was not offered mare's milk this time. She did not hesitate to tell the Prime Minister about her visit to the family ger.

"I liked that ger so much," Mrs. Clinton told the Prime Minister. "I may have to put one up at the White House."

Meet the Mongolian Press

For the 18 American reporters who accompanied Mrs. Clinton to Mongolia, her overnight visit overflowed with photo opportunities, but did not present much of what journalists call "hard news."

But for Mongolian reporters, the First Lady's visit was one of the biggest news stories to come along in a while.

"Very big story, very big story," said Erdenetsogtyn Sonintogos of Ardyn Erkh, a leading Mongolian daily. "Top 10 of the year."

During a meeting at the children's center, Mrs. Clinton invited the reporters to ask questions of the center's director, Khuushaan Baavgai.

Two American reporters asked about the plight of the children. Then Ms. Sonintogos stepped forward.

"Will you run for president when your husband's term is completed?" she asked, evoking a laugh from Mrs. Clinton.

"Reporters are the same the world over," the First Lady said. "It must be something in the water."

Then she changed the subject.

Men in Ulan Bator...

Virtually no visitor to Mongolia escapes noticing the white tent-dwellings that speckle the country's vast grasslands and that have endured through the centuries because

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First Lady Still Defining Her Role
AP Photos WX108, WX109

By TERENCE HUNT= AP, White House Correspondent=

ULAN BATOR, Mongolia (AP) Nine thousand miles from home, in a nation where goats and horses far outnumber people, Hillary Rodham Clinton heard a question that has confronted and confounded her countless times.

You are a powerful woman, a Mongol journalist told the visiting first lady. Will you run for president?

"Reporters are the same the world over," Mrs. Clinton laughed in amazement. The answer as always is "no" but the question won't die.

It underscores Mrs. Clinton's difficulty in finding an appropriate role for herself, one that Americans are comfortable with, after her prominent leadership of the administration's failed health-care reform campaign.

In the aftermath of that battle and the Republican election sweep last November, Mrs. Clinton has adopted a lower profile, largely avoiding the front-line fights confronting President Clinton on issues such as the budget and welfare reform as he fights for re-election.

"People are much more comfortable having her not delve into the legislative give-and-take and not having that kind of hands-on negotiating," said Melanne Verveer, the first lady's deputy chief of staff. "They are more comfortable with her as an advocate."

No one doubts that Mrs. Clinton has the president's ear or that she still is the key adviser she's always been in his political life. Senior White House officials know it would be suicide to cross swords with the first lady.

But in public, Mrs. Clinton is concentrating on tasks more traditionally associated with first ladies, such as her crusade to improve the lives of women, children and families.

That was her focus last week as she led the American delegation to the Fourth World Conference on Women last week in China, and then visited with a nomadic family on the windswept hills of Mongolia.

Mrs. Clinton has been in the forefront of women's battles for 25 years, but those efforts were overshadowed in her first years at the White House as she pushed the health campaign.

Now, by focusing on children, she is accentuating a popular theme in presidential politics, the so-called family-values issue that politicians are racing to embrace.

Her emphasis on women also could reap dividends for Clinton. After all, women have outnumbered men in the electorate for three decades. In the last presidential election, women represented 54 percent of the vote.

While Americans debate what the first lady's role should be, women in other countries delight in her prominence.

Mrs. Clinton wowed the women's conference in China, where she gave an impassioned speech declaring that the time has come to stop the abuse of women around the world.

Women emerging from the hall after Mrs. Clinton's address were effusive with praise.

"Give 'em hell, Hillary," women activists shouted when she showed up the next day for a speech in Huaruiou, 30 miles outside of Beijing.

At one conference panel, she was introduced as "the first lady of the world." Many people seem to see her as the voice of women's struggle for access to education, health care, jobs and credit, as well as freedom from violence.

"She has become this person out in the world who can articulate these issues," Verveer said.

"She is incredibly popular overseas, more so than at home," her aide said.

While her focus has shifted, though, she is not entirely silent on other issues.

She's criticized Republicans in Congress for cutting money for a school anti-drug program and has opposed efforts to cut federal support for school lunches and the arts.

In a conciliatory approach to an explosive issue, she's encouraged people who disagree about abortion to unite around an effort to encourage adoptions.

Embracing a politically-charged battle led by her husband, she took a swipe at the tobacco industry during her speech in Beijing, saying that smoking was "the No. 1 preventable cause" of death.

Given her popularity overseas, it's no surprise that she has increased her travel. In October, she goes abroad again, this time to Latin America, beginning in Paraguay with a first ladies' summit on children and then on to other countries yet to be named.

BC-CLINTON-HILLARY (NEWS ANALYSIS, SCHEDULED)

Hillary Clinton back at center stage

By Laurence McQuillan

WASHINGTON (Reuter) - Hillary Rodham Clinton's trip to Asia erased any lingering doubts about her role heading into the 1996 presidential elections -- she's back at center stage and determined to be herself.

The woman who became a lightning rod for Republican thunderbolts had sought shelter from the political storms after last November's elections ousted fellow Democrats from their customary positions of power in Congress.

In the spring she raised her public visibility but limited her comments to relatively uncontroversial issues involving health care for women and children.

Now she's back where she likes to be, stirring passions and serving notice she never will be satisfied with traditional, low-key role of presidential spouse.

Mrs. Clinton returned late Friday from a trip even White House advisers said she should not take -- a journey to China where she spoke at the U.N. Conference on Women.

Although the first lady was only the ``honorary'' chair of the 45-member U.S. delegation, and one of many on a lengthy list of dignitaries, she stole the show.

Using the biggest event ever put together by the United Nations as her stage, Mrs. Clinton delivered two hard-hitting speeches that gave thousands of female activists a champion willing to speak out against overzealous Chinese security and stand up for the modern woman.

``She is a woman who is going to appear in the 21st century as the kind of first lady who understands the issues and can be of great assistance in outlining and projecting women's problems and needs,'' said Jean Sankes of Guyana.

Rhozina Mpofu, who organizes rural women's collectives in Zimbabwe, said she hoped Mrs. Clinton ``will show leadership for women the world over.''

The extent of the leadership role that Mrs. Clinton should show publicly has been an issue of intense debate among political strategists at the White House and within Democratic Party circles.

Although the majority of Americans have a favorable view of the first lady, she stirs surprisingly intense negative passions among a sizable block of potential voters.

A health care reform fight she led ended in total failure, and many of its opponents attacked her as a tactic to sidetrack what initially had been broad support for sweeping change.

So why would Mrs. Clinton return to her old ways as the presidential election battle heats up and her husband faces what even his most loyal supporters call a tough fight?

There are two reasons. First, as one White House official put it: ``In the end, Hillary just has to be Hillary.''' And second, strategists think that just might be a good idea.

Women make up a potent political force and White House strategists hope Mrs. Clinton can help sway a significant number of them to vote for her husband.

In last year's congressional elections, four million more women voted for Democrats than voted for Republican candidates, while the so-called ``angry white male'' turned to Republicans by decisive numbers.

For the president, the support of women is essential to his hopes for victory and recent polling has encouraged Clinton strategists that it can be done.

A survey for U.S. News & World Report found that Clinton has a positive rating of 51 percent among white women and 72 percent among black women.

White House political strategists hope Mrs. Clinton can help her husband

improve those numbers.

REUTER

**** filed by:RB--(--) on 09/09/95 at 11:50EDT ****
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AM-Mrs Clinton-Mongolia, 650

First Lady Encounters Homeless Children in Faraway Mongolia

By TERENCE HUNT= AP White House Correspondent=

ULAN BATOR, Mongolia (AP) In a city known as the coldest capital in the world, bug-infested homeless children shiver together in railroad cars and around heating vents much of the year, struggling to stay alive.

Hillary Rodham Clinton met with some of them Friday and lamented that the problem of homeless people afflicts not only poor nations like Mongolia but also rich ones like the United States.

At the Center for Street Children, a group of cheery-faced youngsters provided poignant entertainment for the first lady. "If you're happy and you know it, clap your hands," they sang with gusto in their native Mongol tongue, stomping their feet, clapping their hands and slapping their knees.

"I remember singing that," the first lady said, "but never as well as you just did."

Mongolia is a nation of large families, with parents devoted to their children. But since breaking away from Moscow in 1990, the country has been wrenched by economic problems that have frayed the welfare system. The result has been an increase in alcoholism, family breakups and child abuse.

In Mongolia's two main urban centers, there are an estimated 4,000 street kids.

"The old system had ways of disguising, dealing and limiting this problem," U.S. Ambassador Donald Johnson said in an interview. Communist-era authorities would simply order that the streets be cleared of the homeless, he said.

"Now you don't have a system that can order that kind of thing," he said. "These kids are falling through the net."

Since opening in 1991, the Center for Street Children has sheltered 2,000 children, several dozen at any one time. Officials say they can handle only a small fraction of the needy. The center tries to reconnect children with their parents and to teach them vocational skills.

The first lady visited the center as she concluded a six-day trip that took her to an international women's conference in Beijing and then to this sparsely populated nation locked between China and Russia. It's a country where Siberian winds plunge winter temperatures as low as 57 degrees below zero.

Overall, the trip showcased Mrs. Clinton as a crusader for women and children, a role the White House believes most Americans prefer for her rather than major policy player.

The focus on the family and traditional values also is a major theme of President Clinton's re-election campaign.

Mrs. Clinton brought \$3.5 million in energy assistance to help keep Ulan Bator's creaky heating plant running through the summer. She also announced \$1 million in medical aid for children.

At the homeless center, Mrs. Clinton asked a nurse about the biggest health needs of the children. She was told that many of them have skin diseases from parasites and a lack of bathing. They also suffer from pneumonia and other respiratory problems. Kidney disease is common.

The center is located near the railroad yards, a symbol of hope to the youngsters, who take shelter in cold railroad cars.

In a discussion with Mongolian officials and leaders of the center, Mrs. Clinton said, "You should know, this is a problem not only in Mongolia, but throughout the world ... including in my own country."

She took note of recent comments here by the Dalai Lama, Tibet's spiritual leader and a revered figure in Mongolia. He raised the problem of homeless children and reminded Mongolian businessmen, busy making money, that everyone has a responsibility to take care of the nation's children.

The United States has given the homeless center \$12,500. Johnson, the U.S. envoy, said some of the newly approved \$1 million in medical assistance will be earmarked for the center.

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U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

SEP 1 1995

NOTE TO: The Office of the First Lady
FROM: AA/ANE, Margaret Carpenter *MC*
SUBJECT: Mrs. Clinton's Trip to Mongolia

Attached is a summary of USAID supported activities in Mongolia for your use in preparing for Mrs. Clinton's remarks.

I am also attaching some colored charts on economic indicators, which you may wish to add to the package of materials we sent to you earlier in the week.

We will prepare suggested language for the announcement of the \$1 million child survival initiative and the new \$3.5 million in additional emergency assistance to the energy sector and send it to you by fax this afternoon.

USAID'S PROGRAM SUPPORTS MONGOLIA'S DEMOCRATIC AND ECONOMIC TRANSITION

USAID assistance to Mongolia was initiated in 1991, following Mongolia's break with the Soviet Union in 1990. The goal of our assistance is to support Mongolia's rapid shift from a Soviet-supported, state-controlled society to a market oriented democracy. The transition has placed an extraordinary burden on a government used to hefty Soviet subsidies and has resulted in shocks to the economy, a decline in the quality of life and new social ills. The government is struggling to put in place a new market-oriented system, to establish democratic institutions and good governance and to deal with emerging social problems.

USAID is providing assistance in three major areas -- all directly related to reinforcing Mongolia's transition: energy, economic policy reform and private sector development, and democratization.

Energy

Mongolia has an extremely harsh climate. Ulaanbaatar is the world's coldest capital, and average temperatures are below 0 degrees C. over half of the year. This makes the country particularly vulnerable. Its aging energy and heating systems, built and supported by the Russians, have been on the verge of total collapse. Without power, business would come to a screeching halt and the infrastructure in the capital would freeze and be irreversibly damaged. A collapse of the energy system would destabilize the new, fragile democracy and undermine the free market reforms underway.

USAID's five-year \$35 million Emergency Energy Project has literally kept the lights and heat on by providing critically needed spare parts, technical assistance and training and improving the performance of coal mines and power plants. U.S. assistance has been an essential ingredient in maintaining the energy system during the past four winters (1991-1994) without a major breakdown. USAID plans to complete its original energy pledge of a total of \$35 million in the next year. We hope that Mrs. Clinton will announce our intention to provide an additional \$3.5 million to help Mongolia get through another tough winter before help is available from other donors.

USAID's energy program focuses on, first, protecting the physical infrastructure by keeping the heat and lights on, and, second, helping the Government of Mongolia address long-term energy needs, including energy conservation. USAID assistance:

- purchases and installs spare parts for the coal mines and selected power plants to keep them running;
- provides technical assistance and training to avert an energy crises;

- provides longer-term technical assistance to identify energy needs and to obtain necessary equipment and parts;
- helps Mongolians establish a longer-term energy sector framework that focuses on energy conservation and reducing energy waste, both in energy production and in consumption by businesses and private customers.

Democracy/Governance

Mongolia has made an irrevocable commitment to democratization. It is a leader in this respect among the countries of the former Soviet sphere of influence. However, it takes time to create strong and affective democratic institutions, and to ensure that people can participate in all aspects of political life. The Mongolians still need to strengthen the governing capacity of the administrative and legislative branches, ensure the independence of the judiciary and encourage public participation in civic affairs.

USAID funded activities help members of the new Mongolian Parliament do their jobs better, develop the legal and regulatory base for an independent judiciary, promote legal education, establish an independent bar association, promote public participation in civic affairs, and encourage the decentralization of the government. Specifically, USAID assistance:

- supports study tours to other Asian parliaments as well as to the U.S.;
- supports training sessions on the technical and managerial aspects of operating a political party in a democracy;
- provides direct assistance to non-governmental organizations and political parties to increase their capacity to manage and carry out their roles in a pluralistic society; and,
- in anticipation of the upcoming elections in 1996 and 1997, will support strengthening of political parties to participate in these elections and creating the framework under which the elections will be held.

Economy

Mongolia's economy went into a free fall in 1991 when it broke with the Soviet Union. Foreign trade dropped by nearly 90% over the next two years, industrial production declined by 38% and construction activity by 42%. Mongolia has launched an ambitious transformation from communism to democracy, and from a centrally planned to a market-oriented economy. But with the loss of Soviet trade and subsidies to the economy, Mongolia faces serious difficulties.

Economic stabilization is necessary to maintain broad public support for a democratic transition. USAID's goal for promoting economic growth in Mongolia is to assist in developing a legal and regulatory infrastructure that will encourage the growth of

the private sector and create jobs. Programs are helping develop the underlying skills, knowledge, and tools to manage an open, competitive market economy. USAID's assistance:

- directly supports the office of the Prime Minister with technical advice for improving economic policies;
- supports training for commercial bankers to help establish a more effective financial sector; and,
- provides training in public policy and economics for key decision makers both within and outside of government.

Mongolia



Capital: Ulaanbaatar

Population: Estimated at 2.4 million in 1993

National product per capita: \$1,200, 1993 purchasing power parity estimate

Currency: Tughrik (Tug)

Gross Domestic Product: Totaled \$1.1 billion in 1992.

Government: Republic. The first direct election of the president was held on 6 June in accordance with the Constitution adopted in January 1992.

Mongolia

Outlook

- ***The temperature will rise as elections loom.***

In early 1994 the government met its greatest challenge to date when large public demonstrations by the Mongolian Democratic Association, the Student's Union, and other mass organizations demanded freedom of the press, amendments to laws, and the full investigation of charges of corruption against government officials. Indeed, the government's main problems remain economic ones. The passing in November of a land law without a clause on land ownership is likely to lead to demands for the speedy submission of a law during the next parliamentary session. Two more issues of contention will be the bill on press and broadcasting freedom and the anti-corruption bill. They will give the opposition considerable scope to attack both the government and the ruling Mongolian People's Revolutionary Party.

- ***External aid will bring some benefits...***

Multilateral and unilateral donors were satisfied with the progress in economic reform and have pledged grants and loans of more than \$200 million for infrastructure and the government's Poverty Alleviation Program (PAP). However, the remorseless growth of inequality in Mongolian society in 1994 was compounded by a series of price rises in the last quarter of the year. Claims at the November donors' conference that the depression had at least been reversed with a 2.5 percent growth in GDP had little meaning for the general public.

- ***...but the population has yet to experience any improvement.***

Several projects specified under the PAP are also about to be put in operation and should go some way to redress the widening differences between the life of the urban and the rural areas. The IMF has forecast real GDP growth of 3.5 percent in 1995, rising to 4.5 percent in 1996.

Mongolia

Political Structure

The executive:

Cabinet made up of members of the majority ruling party, the Mongolian People's Revolutionary Party (MPRP).

Head of State:

President, Punsalmaagiin Ochirbat.

National legislature:

The State Great Khural and the Little Khural were abolished under the constitution of February 1992 and replaced by a single-chamber parliament, the State Great Khural, which has 76 members, of whom 70 are members of the MPRP.

Last national elections:

28 June 1992 (State Great Khural); 6 June 1993 (president).

Next national elections:

June 1996 (legislative), June 1997 (president).

Chief Member of the Cabinet

Prime minister

Deputy prime ministers

*Puntsagiin Jasrai
Lamsurengiin Enebish
Chojilsurengiin Purevdorj*

Key ministers

Administration

Defense

Finance

Foreign affairs

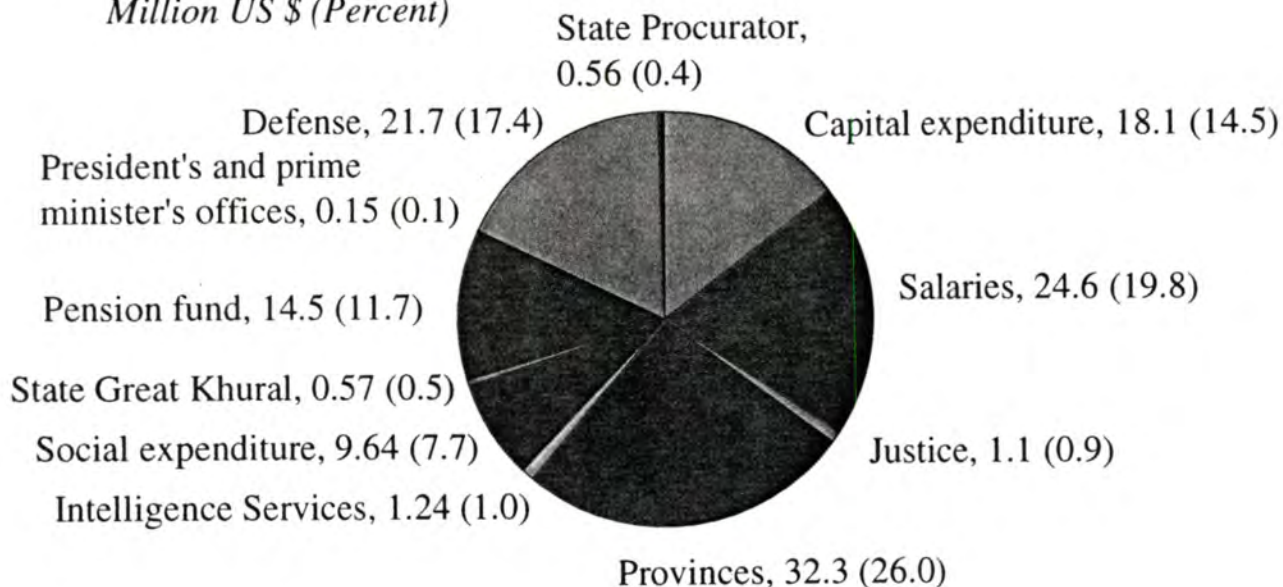
Energy

Trade

*Lamsurengiin Enebish
Shagalyn Jadambaa
Erdeniin Byambajav
Tserenpiliin Gombosuren
Byambyn Jigjid
Tsevegmediin Tsogt*

-
- *The Government fixed its budgetary income for 1995 at \$201 million and expenditure at \$232 million. The shortfall is intended to be made up from external aid. The president criticized the allocation for defense, saying it was too low and would not meet constitutional requirements.*

Mongolia's 1995 Budget
Million US \$ (Percent)



Source: Press reports.

Comparative Economic Indicators, 1993

	<i>Mongolia</i>	<i>China</i>	<i>India</i>	<i>Russia</i>	<i>Japan</i>	<i>US</i>
<i>GDP (\$bn)</i>	1.1 ^a	544.6	227.4	174.5	4,223.0	6,378.0
<i>Per capita GDP (\$)</i>	481.1 ^a	459.5	256.0	1,176.0	33,850.0	24,700.0
<i>Manufacturing as % of GDP</i>	36.0 ^b	51.7 ^b	26.9	46.0 ^a	27.9	18.3
<i>Agriculture as % of GDP</i>	23.7	21.2	32.3	13.4 ^a	2.2	2.3
<i>Exports (\$ bn)</i>	0.3	75.7	24.1	43.7	251.3	456.8
<i>Imports (\$ bn)</i>	0.4	86.3	25.1	33.0	209.8	589.2
<i>Foreign trade as % of GDP^c</i>	64.0	29.7	21.6	44.0	13.3	16.4

^a 1992 figures.

^b Share of national income, includes utilities.

^c Exports of goods plus imports of goods divided by GDP.

Source: The Economist.

Mongolia

Economic Policy and Performance

The government issues statistics.

In January 1995 the government released a set of economic and social statistics for the previous year; the last complete set was published in the third quarter of 1993. The government made much of the continuing stability of monetary policy and the positive balance of payments. The Tug remained generally stable and stood at 416 to \$1.

Reserves are healthy.

By December foreign reserves stood at \$37 million.

Foreign Trade

Foreign trade fell by 28.3 percent in 1994.

Total trade turnover was \$546 million, of which imports accounted for \$221.7 million and exports for \$324.3 million. Of imports, 20 percent were consumer goods and the remainder supplies and technical goods for industry, many of which were brought with foreign aid. About 80 percent of exports are mining products, which effectively pay for oil imports from Russia.

Industry

Output of many products has continued to fall.

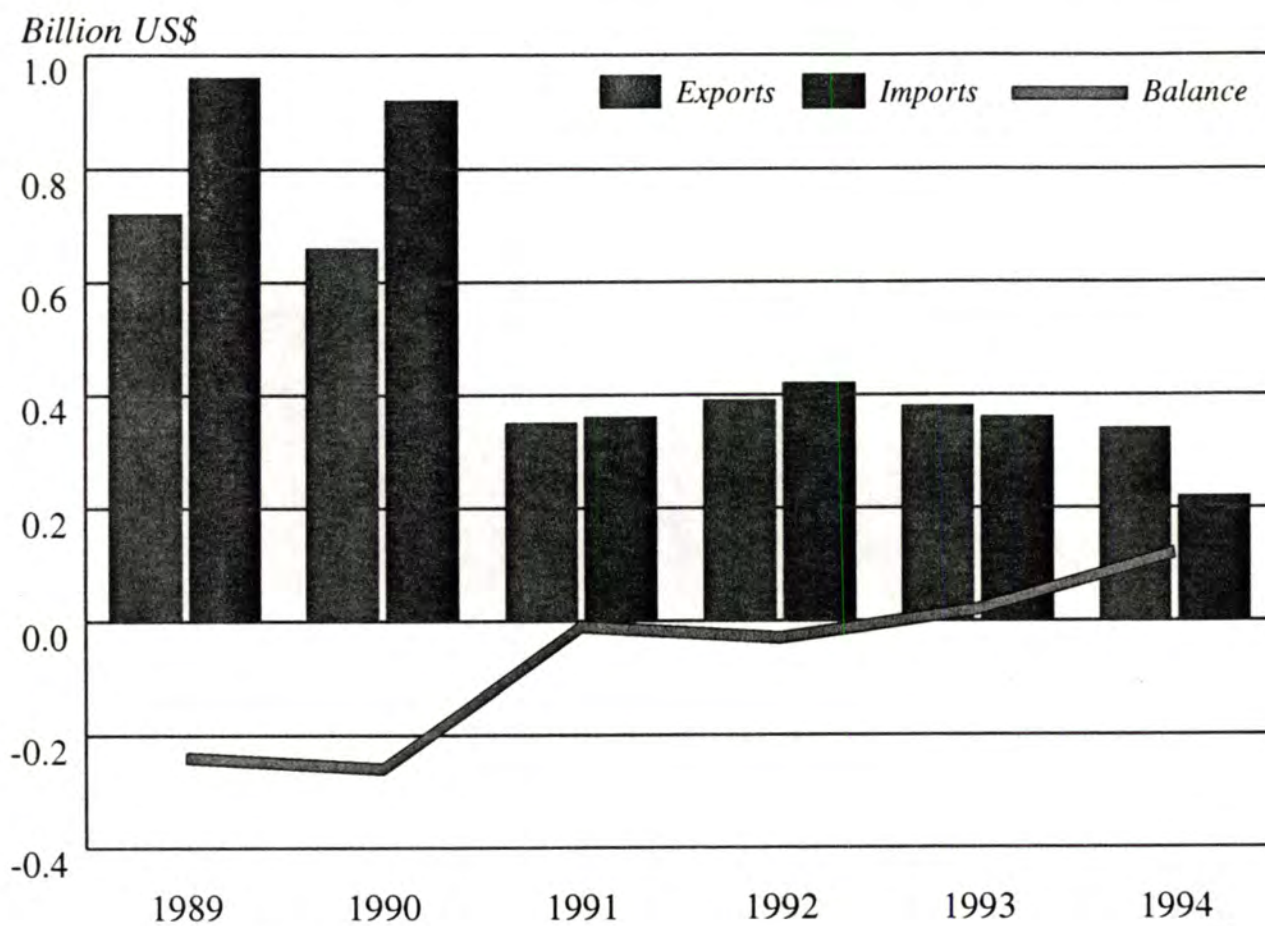
Industrial production was valued at \$562 million in 1994. There were improvements in non-ferrous metals, metal processing, building materials, and the production of heat and power. External markets exist for minerals, and demand for other products, such as building materials and railway sleepers, has grown with the onset of aid projects. However, the textile, leather, and food industries are, in general, still very depressed.

Agriculture

Animal stocks up.

There was considerable delight in Mongolia when the 1994 year-end statistics for the livestock economy were announced. The national herd stood at 26.8 million, which is the highest total for 30 years.

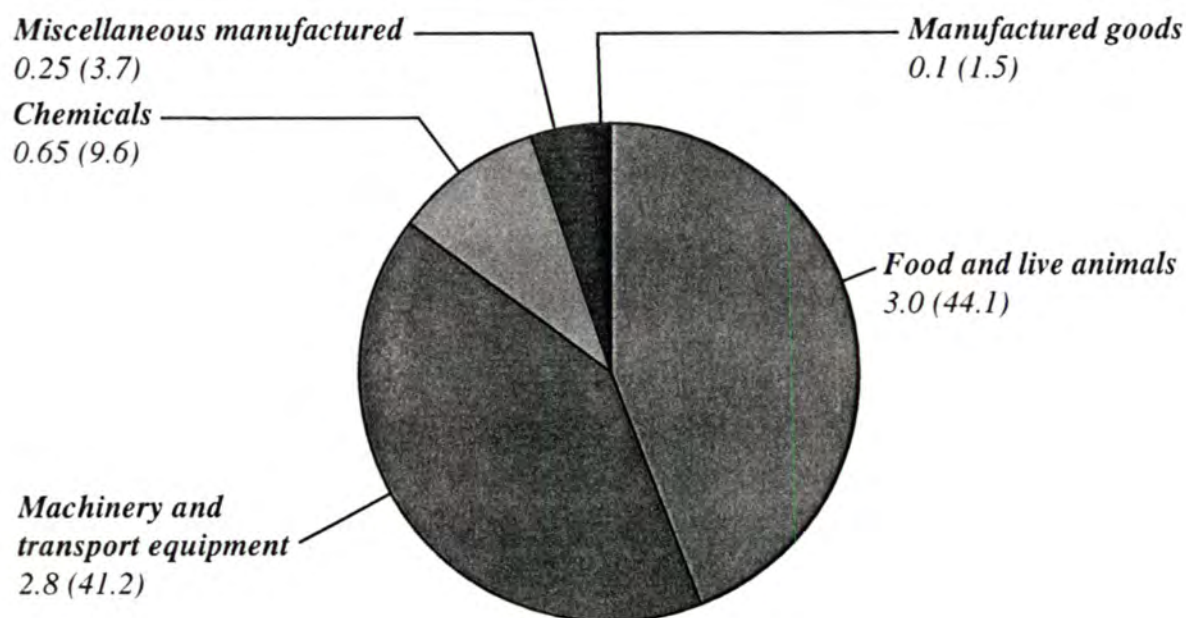
● *Mongolia's trade with the world, 1989-93*



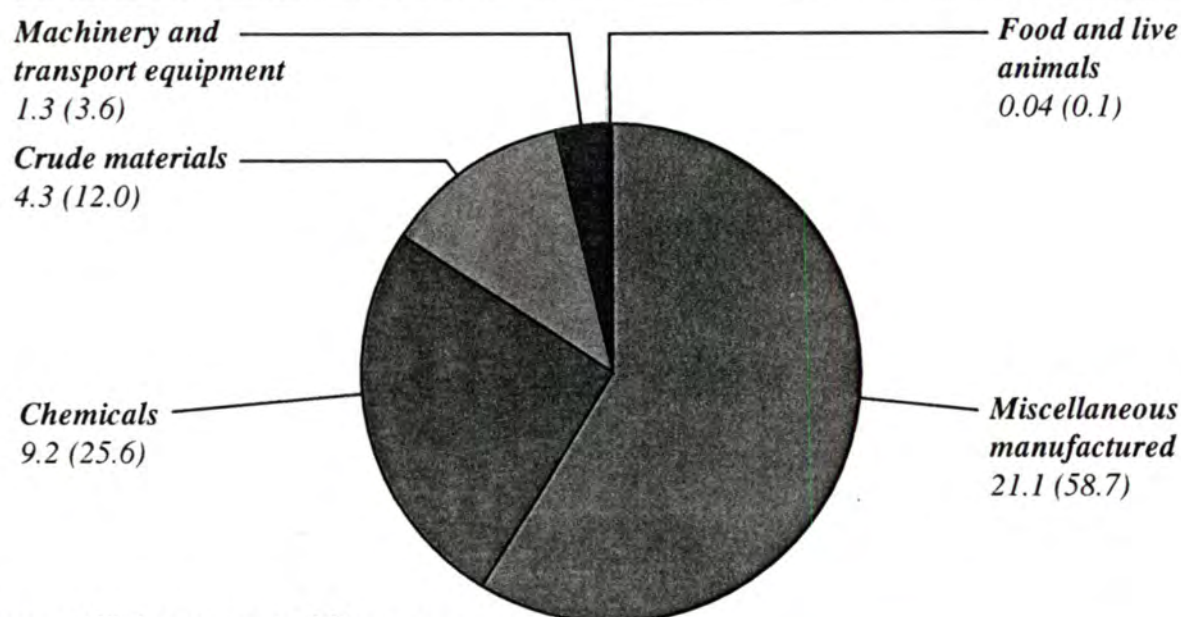
Source: IMF

● **US trade with Mongolia by commodity, 1994**
 Million US\$ (percent)

US Exports (Total=\$6.5 million)

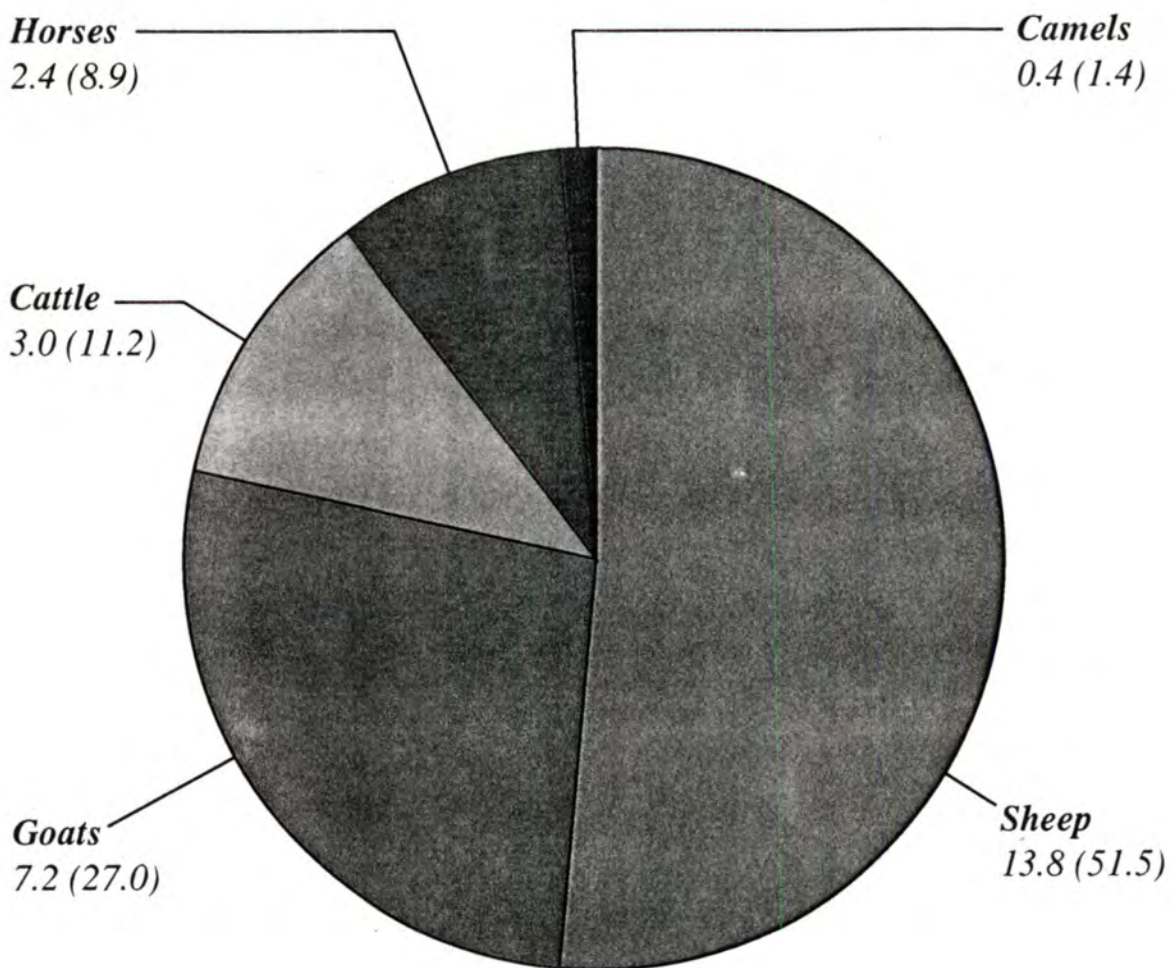


US Imports (Total=\$26.8 million)



Source: US Department of Commerce

● **Mongolia: Animal stocks, 1994**
million (percent)



Source: Press reports