

MONGOLIA—INDIA RELATIONS
(1955—1989)

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This is to certify that the dissertation entitled, **MONGOLIA-INDIA RELATIONS (1955 - 1989)** submitted by **Mr. Sharad Kumar Soni** is an original work and has not been previously submitted in part or full for any other degree or diploma in this or any other University.

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CONTENTS

	<u>Pages</u>
PREFACE	i - vi
CHAPTERS	
I. POLITICAL RELATIONS	1 - 31
II. ECONOMIC COOPERATION	32 - 52
III. CULTURAL CONTACTS	53 - 72
IV. CONCLUSIONS	73 - 79
APPENDICES	80 - 114
BIBLIOGRAPHY	115 - 125

PREFACE

Situated in the very heart of East Asia and surrounded by the two giant Socialist countries-the Soviet Union and the People's Republic of China, Mongolia happens to be one of the land-locked and isolated countries in the World. Populationwise, it is the smallest country in Asia but geographically it is counted among the biggest Countries of the world. This signifies the strategic importance of Mongolia. Once the most isolated and remote country of the world, Mongolia is now regarded as a developing country which seeks to enhance its status on the world map by strengthening its solidarity and cooperation with the developing Countries at the international fora.

As regards Mongolia's relations with India, these are age-old and based in their historical and cultural ties that date back to thousands of years. Physical barriers have failed to impede the process of close cultural interaction between the two countries. These historical and cultural bonds are the outcome of the spread of Buddhism in Mongolia. Buddhism not only helped the hitherto scattered and nomadic Mongols become united and civilized but also enabled the Mongols to learn about various dimensions of Indian philosophy and applied knowledge such as astrology, poetry,

art, medicine etc. During the nineteenth and early twentieth centuries Buddhism served the Mongols as a prime source of common identity and an effective instrument for whipping up the Mongol nationalism against the alien Manchus.

However in the post-1921 revolution era, Mongolia's dependence on Soviet Union in its internal and external policies affected its sovereign and an independent status. This in turn affected its cultural and political identity as an Asian nation. But Gorbachev's policy of glasnost and perestroika and the ensuing process of reforms and restructuring in Soviet domestic and foreign policy has had inevitable impact over Mongolia. Now Mongolia tends to follow its own path away from the Soviet orbit and endeavours to relink itself historically, culturally, politically and economically with the Asian World. The process of reforms and restructuring through Il tod and Orchilan baigalalt has started in Mongolia, which is now developing and consolidating her relations-political, economic or cultural with other countries particularly in Asia. India occupies an important place in the new direction in Mongolian domestic and foreign policy and her quest for Asian identity. It is in this context that a dispassionate appraisal of Mongolia's relations with India in modern times is offered in the following pages.

This study seeks to analyse the extent and pattern of Mongolia's relations with India in political, economic and cultural domains from 1955 to 1989. The scope of this study is limited to the period from 1955 when diplomatic relations between Mongolia and India were established till the year 1989 when the visit of the Mongolian Premier, Mr. Jambyn Batmunkh, to India took place. Since there is Commonality of views between the two countries, their cooperation on various bilateral and international issues with special emphasis on the official stand taken by Mongolia towards Sino-Indian, Indo-Pak and India-Bangladesh disputes have been examined in the first chapter. In the second chapter the area of economic activities including export and import of commodities and also the problems and prospects of economic cooperation between the two countries have been examined. Similarly, the cultural links between the two sides, with particular reference to the impact of Buddhism over the bilateral cultural contacts have been studied in the third chapter. In the concluding chapter prospects for relationship in the context of changing international scenario in the wake of Gorbachev revolution and the consequent changes in domestic and external policies in the Mongolian People's Republic have also been examined.

The study has followed an empirical and historico-analytical methodology and is based on such primary sources as memoirs, official speeches, statements and reports. These have been supplemented by the study of secondary information gathered from books and articles of relevance from various Journals.

This dissertation has been carried out under the supervision of Dr.K.Warikoo, Associate Professor in the Central Asian Studies Division, School of International Studies, Jawaharlal Nehru University. I am greatly indebted to him. Working under him has been a pleasant experience. His invaluable help, sustained guidance and encouragement at every step I received in plenty. What's more, he encouraged me to follow the right path whenever I showed my general tendency to go off-track. Without his active involvement in planning and presenting this work, it could have remained just another Ariean dream.

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In the end I would like to record my gratitude to my wife Rashmi without whose endurance and moral support, it could not have been possible to complete this work.

Ramachandran undertook the charge of Word Processing work and performed superb job. For inadvertent mistakes, if any, I alone am responsible.

The constant encouragement, inspiration, support and affection I receive from my mother and father in shade and sunshine, oblige me to dedicate this work to them as an humble token of profound love and esteem. As it is, I dedicate this work

To

Maa and Papa,
- In Admiration.


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November 30, 1990.

CHAPTER I

POLITICAL RELATIONS

Sandwiched between Soviet Union and China, Mongolian People's Republic (MPR) also known as Outer Mongolia has the distinction of sharing the largest chain of frontiers between these two powerful neighbours. Due to its peculiar geopolitical situation of being land-locked, Mongolia has no access to markets except in its direct neighbours-Soviet Russia and China, has no independent communications outlets or transportation facilities and has had no tradition of political association with powers other than Russia and China since the 14th century.¹

In the diplomatic history of MPR, the period from 1921 when it achieved independence till the end of Second world War, Mongolia's relations with outside World were limited to contact with Soviet Union alone. Despite her expressed desire to establish friendly relations with all countries, made in an appeal on 14 September 1921, soon after attainment of its independence the new MPR was recognized by Soviet Union alone. As such Mongolia had to live in diplomatic isolation for a quarter of a century, totally dependent on Soviet political, military and economic support. Until 1946, Mongolia had diplomatic relations with the Soviet Union only.

1. Larry W.Moses, "Inner Asia in International Relations: The Role of Mongolia in Russo-Chinese Relations", The Mongolia Society Bulletin (Bloomington, Indiana), Vol. 11, no.2, Fall 1972, p.55.

But with the formal recognition of the Mongolian People's Republic by Kuomintang government of China in early 1946, its international status was consolidated. The next country to recognize Mongolia was North Korea in 1948, followed by the government of the People's Republic of China in 1949. Thereafter, diplomatic relations were established with Albania also in 1949, and with Poland and other East European countries in 1950. After recognition by India in 1955, a number of other Third World countries followed suit. Mongolia was admitted to membership of the United Nations in October 1961. The United Kingdom recognized Mongolia in 1963 and several other West European countries did so as well. Diplomatic relations were established with Japan in 1972. By the mid-1980's^S, diplomatic relations had been established with over ninety Countries.²

Mongolia which for so long had been the most backward Country in Asia, started developing its economy with close Soviet Cooperation. Mongolia opted for the socialist ideological base and economic dependency on the Soviet Union. No wonder, the Mongolian ruling Party and Government strived to maintain close relations with Socialist Countries giving top priority to Soviet Union. Mongolia assumed a satellite

2. Alan J.K.Sanders, Mongolia: Politics, Economics and Society (London, 1987), p.144.

political status vis-a-vis the Soviet Union due to its dependence on the latter in the conduct of external policies and for its socio-economic development. However, Mongolia's position has changed fundamentally as a result of the process of restructuring and reforms in Soviet domestic and foreign policy under the leadership of Gorbachev. Now Mongolia is poised to develop political and economic relations with countries other than the Soviet Union. In pursuit of this policy Mongolia is also planning to join the Non-aligned movement. The foreign policy of MPR aims at strengthening of friendship and close cooperation with the Soviet Union and other socialist countries, consistent support for the national liberation movements and active cooperation with newly independent sovereign states, maintenance of normal relations with states having different social systems, on the principle of peaceful co-existence, active contribution to the people's struggle for peace, against imperialist aggression and war and for positive settlements of international issues.³ Pursuing a consistent policy of non-alignment, opposition to colonialism, imperialism and racial discrimination with unflinching faith in peaceful coexistence and cooperation, India has been viewed as the champion of underdeveloped and developing Afro - Asian countries. Right from independence Indian foreign policy has been geared to

3. M.Dugersuren, The Mongolian People's Republic and International Relations (Ulan-Bator: MONTSAME, 1981), p.14.

promote harmony, trust and a co-operative spirit among nations with the object of strengthening peace, eliminating tensions and reducing the danger of conflict ⁴ Since India's foreign policy does not seek " to attain strategic advantages , or to extract a concession or two from a weaker fellow nation ",⁵ development of friendly relations with the small Asian neighbour of Mongolia was the logical course to be followed by independent India. Besides, in India's scheme of things, a special bias for Asia has always been manifested. This was openly asserted by Jawaharlal Nehru in his speech on September 7, 1946: " We are of Asia and the people of Asia are nearer and closer to us ".⁶ Naturally development of fraternal relations with Mongolia fitted well in these broad parameters of Indian foreign policy. Sharing common Asian heritage and identity both Mongolia and India have been pursuing the common objects of peaceful coexistence, cooperation and world peace.

FIRST POLITICAL CONTACTS

In the post - 1921 revolution era Mongolia had its first direct political contact with India on the occasion of

4. Atal Behari Vajpayee, "India's Foreign Policy Today ", in Bimal Prasad, ed., India's Foreign Policy: Studies in continuity and change (New Delhi: Vikas, 1979), p.3.
5. Ibid.
6. see Jawaharlal Nehru, India's Foreign policy: selected speeches, September 1946-April 1961 (Delhi: Publication Division of the Government of India, 1961), P.3.

the First Asian Relations conference held at New Delhi from March 23 to April 2, 1947. The main object of holding this conference was to bring Asian Nations together at a common platform and to understand their social, economic and political problems and also to promote co-operation among the people of Asia. C.S.Jha, the former Foreign Secretary, Govt. of India while recounting the spirit pervading this conference says that The conference was unique because it was the first people - to - people conference in Asia, and it was conceived and inspired by an extraordinary statesman of vision and idealism - Jawaharlal Nehru,⁷ who was then the Prime Minister during the interim period before Independence of India. For Nehru it marked "the beginning of the fulfilment of his Asian dream, namely that of reviving the independent personality and identity of Asia and building of Asia into a continent of freedom and peace and harmony, radiating these to other parts of the world."⁸ Among various delegations representing the Asian countries there were three Mongolian participants in the deliberations of this conference.

This conference provided an excellent forum for various Asian countries to promote good-neighbourly relations and to strengthen cultural, social and economic ties among

7. C.S.Jha , " Search for Asian Identity", Link (New Delhi), vol.29, no. 34, 29 March 1987, p.61.

8. Ibid.

the peoples of Asia. In his inaugural address to the conference, Jawaharlal Nehru while welcoming the delegates echoed the ethos and aspirations of the people of Asia and sought to reinforce a common Asian identity independent of power blocks and military alliances. Elaborating the idea, Nehru said: "In this conference and in this work there are no leaders and no followers. All countries of Asia have to meet together on an equal basis in a common task and endeavour. It is fitting that India should play her part in this new phase of Asian development... In this crisis in world history Asia will necessarily play a vital role. The Countries of Asia can no longer be used as pawns by others, they are bound to have their own policies in world affairs... In this atomic age Asia will have to function effectively in the maintenance of peace. Indeed, there can be no peace unless Asia plays her part. There is today conflict in many countries, and all of us in Asia are full of our own troubles. Nevertheless, the whole spirit and outlook of Asia are peaceful, and the emergence of Asia in World affairs will be a powerful influence for World peace."⁹ Nehru thus set the tone for building of a common Asian identity based on equality, mutual harmony and cooperation. The warm welcome accorded to the Mongolian delegation and the discussions between the delegations of two Countries on issues of struggle against colonialism, and further cooperation, became the starting point for the establishment of official relations between Mongolia and India.

9. Nehru, no.6, PP. 250-51.

Establishment of Diplomatic Relations, 1955

Though the first Asian Relations Conference made it possible for the representatives of Mongolian People's Republic and India to meet and deliberate on matters of common Asian interest, these contacts were developed officially and on a full scale basis soon after India became independent in 1947. The Leninist principle of peaceful co-existence of States with different social systems, the Panchsheel, jointly advanced by the Government of China and India in 1954, and the ten principles proclaimed by the conference of heads of State of 29 Asian-African States held in Bandung, Indonesia in the early spring of 1955 became the basis for the establishment and furtherance of Indo-Mongolian friendly relations.

India was the first non-socialist country to establish full fledged diplomatic relations with Mongolia. Indian Prime Minister, Jawaharlal Nehru while addressing a public rally at Delhi on December. 19, 1955, declared that the Government of India had decided to establish diplomatic relations with Mongolia. An official announcement to this effect was made on December 23, 1955 at New Delhi. Initially the Indian Ambassador in Peking served concurrently as Ambassador to Mongolia, whereas the Mongolian Ambassador

in Peking served as Ambassador to India as well as to the people's Republic of China.¹⁰ By taking this lead step India demonstrated her desire of expanding and developing friendly relations even with the countries of different social and political systems. Reciprocating this gesture, the Prime Minister of the Mongolian People's Republic sent his "warm greetings and respects" to Jawaharlal Nehru, the Prime Minister of India. In his message dated 24 December 1955, the Mongolian leader noted: " This significant event will undoubtedly promote friendly relations between our two countries as well as the development and consolidation of friendship between our peoples and will be helpful to the cause of consolidating peace."¹¹ No doubt this event opened a new era in the existing political relationship between the two countries, which is evidenced by India's consistent support for Mongolia's demand for admission to the United Nations.

Indian Support for Mongolian Admission to UN

Though Mongolia had applied for membership to the United Nations as far back as 1946, the issue came up for serious discussion only in 1955. But this time the Mongolian demand fell through after Nationalist China applied its Veto.¹²

10. Kessing's Contemporary Archives (London), Vol.10, 24-31 December 1955, .p.14609.

11. Asian Recorder (New Delhi), vol.1,no.52, 24-30 December 1955, p.602.

12. The Times (London), 13 February 1961.

Speaking at the 10th Session of the United Nations General Assembly, the permanent representative of India, Krishna Menon pointed out that the present Mongolian People's Republic had proclaimed its independence in 1924 and has had diplomatic and other connections with other parts of the World. Menon came out firmly in support of Mongolian demand for inclusion as member of the United Nations. Menon argued: "Mongolia was founded neither yesterday nor today, but has been existing as an independent State over many centuries. Hence similarly like any other Country, the MPR has full rights to become a member of the UNO."¹³ He went on to say: "My country is in diplomatic relations with Mongolian People's Republic and we regard its exclusion as the exclusion of a country that has close and friendly relations with us."¹⁴ Following this statement, the representatives of Burma, Indonesia and Sri Lanka at the UNO also supported and voted for the admittance of the MPR to UNO.¹⁵ When the United Nations General Assembly met for its 11th session in 1957, the Indian representative Arthur S.Lall once again raised the issue of Mongolian admission to the world body. Lall regretted that earlier in 1955, the case had not been approved due to a negative vote

13. Cited in D.Purev, and S.Ishdorj, "Current Mongol-Indian Relations" in Sh.Bira, ed., Mongolia and India (Ulanbaatar, 1989), p.99.

14. GAOR, Session 10, plen, mtgs.556, 15 December 1955.

15. Purev and Ishdorj, no.13, P.99.

by a permanent member of the Security Council (Nationalist China). With the result the Mongolian People's Republic, whose application had received wide support in the General Assembly continued to be excluded from the United Nations. The Indian representative pointed out that the Mongolian People was very ancient with a glorious past and had contributed in many ways to human civilization. He wanted the UN Assembly to take positive steps during the session to right the wrong done previously. He asserted: "No one who had read the history of Asia, would doubt for a moment the existence of the Mongolian People's Republic and its right to become a member of the United Nations."¹⁶ Clearly India took the initiative for securing the right of Mongolia's admission to the United Nations. The Indian Prime Minister, Jawaharlal Nehru himself made a strong plea to the United Nations at the 15th session of the UN General Assembly in 1960. He asked: "When we are, rightly admitting so many Countries to the United Nations, why should Mongolia be left out? What wrong has it done, what violation of the Charter? Here is a quiet and peaceful people working hard for its progress, and it seems to me utterly wrong from any point of principle to exclude it from this great Organization."¹⁷ Recounting Indian special relations with Mongolia that dated back to more than 1,500 years, Nehru made a fervent appeal for inclusion of

16. GAOR,A/SPC/SR.20,28 January 1957 ,p.93.

17. GAOR,Session 15,plen. mtgs. 882, 3 October. 1960, p.328.

Mongolia in the World Assembly of Nations.¹⁸ In her struggle to gain entry in UNO, Mongolia received concrete and most effective support from India. Nehru's eloquent appeal to the world body had the desired impact. It was now increasingly felt that Mongolia's friendship with Soviet Union or China, her direct land-locked neighbours, should not come in her way of being the member of UNO. Instead, Mongolia could play an effective and constructive role in world affairs. Finally after a fifteen year long quest for a united Nations seat, Mongolian People's Republic was admitted as full-fledged member of the United Nations by a resolution that was passed at the 16th session of the UN General Assembly on 27 October 1961.¹⁹

HIGH LEVEL OFFICIAL EXCHANGES

The years that followed the establishment of diplomatic relations were marked by regular exchange of high power delegations at the ministerial level as well as at the parliamentary levels between Mongolia and India. This has now become a regular event in the political life of the two - countries. The State visit of Indian Vice-President, Dr. Sarvapalli Radha Krishnan to Mongolia in 1957 was an

18. Ibid.

19. GAOR, session 16, plen. mtgs. 1043, 27 October 1961, P.508.

outstanding event in the strengthening of the Mongolia-India friendship and cooperation. Radha Krishnan expressed Indian commitment to follow the path of peaceful co-existence in the interest of peace and development. **He reiterated:** "we are ready to do everything in our power to support and defend the interests of the Mongolian People's Republic in the international sphere. We shall do everything necessary to strengthen the friendship between the Mongolian and Indian people."²⁰ On its part, Mangolian People's Republic affirmed her support to Indian position on Goa being an inseparable part of the Indian territory and its liberation from the Portuguese colonisers.²¹

The visit of the Mongolian Premier Mr. Yumjagiin Tsedenbal to India on september 10, 1959 at the invitation of the Indian Prime Minister was yet another important step towards developing further the Indo-Mongolian friendly relations. Both Tsedenbal and Jawaharlal Nehru exchanged views on current international problems and appraised and appreciated the successes achieved on socio-economic front. During their one week long visit the Mongolian dignitaries met the President and Vice-President of India and held wide ranging talks with the Government of India. Welcoming

20. cited in Mangalyn Dugersuren, "Mongolia Marches on", Indian Foreign Affairs (New Delhi), vol.2, no.7, July 1959, p.31.

21. Earlier in January 1956, the Mongolian Ambassador to India had stated in his first press interview in Delhi that "Goa was an integral part of Indian territory which must be liberated from the oppression of the Portuguese colonisers" see. Purev and Ishdorj, no. 13, P.100.

Mongolian Prime Minister, at a State banquet on September 10, 1959 in Delhi, Jawaharlal Nehru referred to similarity in problems faced by the two Countries and also to threat to world peace, posed by cold war and nuclear weapons. In his reply Tsedenbal expressed Mongolia's appreciation to India's valuable contributions to the settlement of international problems. A joint communique issued on September 15, 1959, called for an early agreement on the "suspension of nuclear tests to be followed by prohibition of the production, use and tests of nuclear weapons as part of general disarmament and the ending of cold war."²² While reaffirming their faith in Panchshheel-the five principles of peaceful co-existence, both the governments agreed that "international problems should be resolved by peaceful methods and in a spirit of mutual understanding."²³ The official visit to India by this high-level delegation from Mongolia, its friendly meetings and frank discussions with the leaders of India greatly helped in cementing the traditional relations between the two countries and in consolidating all round cooperation and mutual understanding on various global issues. A growing mutual exchange of government, parliamentary, cultural and public delegations between Mongolia and India in the 60s contributed to extending relations between the two peoples by

22. Asian Recorder (New Delhi), vol.5, no.38, 19-25 September 1959, p.2901.

23. Ibid.

way of witnessing each other's successes and accomplishments and realities and by coordinating the positions of two sides in tackling pressing international issues of the day, particularly from the time after the MPR was admitted to the UNO in 1961. A delegation of the Government of India attended the celebrations of the 40th anniversary of the Mongolian People's Revolution (1961) and a delegation of the Great People's Khural of the MPR visited India in 1964. The visit of Mrs. Indira Gandhi, the then Minister for Information and Broadcasting to Mongolia in July 1965 was no less important. During her visit Mrs. Gandhi made it amply clear that the friendship between India and Mongolia was not only based on sentimental reasons or past links but also on similarity of outlooks on most of the international problems. During this visit both sides emphasised the upsurge and development of Indo-Mongolian friendly relations and cooperation and expressed their resolve to continue the struggle of nations for safeguarding peace and security in Asia and to prevent and eliminate the danger of war.

Mongolia-India Declaration, 1973.

The 1970s witnessed considerable progress in Indo-Mongolian contacts. In 1973, when the Mongolian Premier Mr. Yu. Tsedenbal visited India second time, a joint Mongolian-Indian declaration was signed at the conclusion of talks between Mr. Tsedenbal and Mrs. Gandhi. The declaration laid down eight principles to guide Mongolia and India in their bilateral and international relations. These are:

- (1) " All round development and consolidation of friendship and cooperation in political, economic, cultural, scientific and technological fields;
- (2) adherence to the principles of peaceful co-existence between states with different social systems;
- (3) respect for independence, sovereignty, territorial integrity and inviolability of state borders;
- (4) equality and non-interference in internal affairs;
- (5) settlement of disputes by peaceful means and renunciation of the use or threat of force;
- (6) all round cooperation in the UN and other international organisation;
- (7) pursuit of a policy of cooperation between Mongolia and India and peaceful and friendly cooperation between Asian States;
- (8) Regular holding of mutual consultations and exchange of views at various levels on questions of interest to both Countries."²⁴

Both Prime Ministers agreed that in order to establish a lasting peace in Asia, it was essential to seek settlement of inter-state disputes through peaceful negotiations and to lay down a firm foundation for expanding cooperation between Asian states. India and Mongolia reaffirmed their determination to make every effort towards achieving peace and security in Asia. The two sides recognised the importance of normalising the situation in the Indian sub-continent with

24. Cited in Purev and Ishdorj, no.13, p.102-3.

a view to establishment of durable peace. Prime Minister Tsedenbal welcomed the conclusion of the Simla agreement and subsequent efforts made by India to implement the Agreement like withdrawal of troops thereby setting in motion constructive steps for normalising the situation. He congratulated the Indian Prime Minister on her initiative to solve the problems of the Indian sub-continent. Mongolia welcomed the admission of Bangladesh in to the United Nations. Similarly both sides welcomed the signing of peace agreements in Vietnam and Laos and hoped that this would lead to peace in Indo-China and ease tensions in Asia and the world. They expressed concern at the grave situation prevailing in the Middle-East and reiterated their support for the establishment of permanent and just peace in the area. In short, the joint declaration demonstrated that the policy and position of Mongolia and India in United Nations and other international organizations, is identical. Both countries hold similar views on bilateral and international issues like world peace, non-alignment, colonialism, racialism, disarmament and settlement of regional disputes.

CONSOLIDATION OF BILATERAL RELATIONS

Friendly exchanges between the two Countries continued in various spheres. In April 1974, a Mongolian delegation led by Mr. D. Erdembileg visited India and held fruitful talks with Indian government on bilateral relations and international issues of common interest.²⁵ A Mongolian

25. Foreign Affairs Record, vol.20,no.4, April 1974,p.149.

Parliamentary delegation, led by TS Gotov, Secretary of the Presidium of the Great People's Khural, visited India from 27 February to 6 March in 1975, and the Mongolian Foreign Minister, Mr. Londongyn Rinchin, paid a visit to India in November 1975. These visits resulted in signature of several documents like Indo-Mongolian Trade Agreement and Agreement on cooperation in cultural and scientific spheres. This was followed by the first-ever visit of the Indian Foreign Minister, Y.B.Chavan to Mongolia from 5 to 9 September 1976, which opened a new era of increased cooperation in the cultural, economic and political spheres between the two countries. During this visit, while Mr. Y.B.Chavan conveyed India's appreciation of Mongolian achievements in domestic and foreign policy spheres, the leaders of Mongolia admired India's efforts to solve its socio-economic problems, and highly valued her peace-loving foreign policy, based on non-allignment and principles of peaceful coexistence. A joint communique issued at the end of his 5-day visit to Mongolia reflected the broad coincidence of views of the two countries. It hailed the restoration of peace in Indo-China as a great step towards stability in Asia and the World. The warmth and cordiality of relations between the two sides was not just based on personal equation between the leadership of the two Countries but on commonality of views and policies. This is amply borne out by the successful visit of Mongolian Foreign Minister to India in February 1978, when the Janata Party was

in power. The Mongolian Foreign Minister, Dugersuren, who had once been Ambassador to India held two rounds of talks with his Indian Counterpart, Atal Behari Vajpayee. They exchanged views on bilateral relations as well as on current international issues of mutual interest. Both leaders agreed that the border dispute between Vietnam and Cambodia should be solved by negotitaion.

In a joint communique, at the end of his visit, both countries reaffirmed the determination of the governments to further strengthen and expand the cultural, trade, political and other ties between the two countries in the spirit and on the basis of principles embodied in the joint declaration issued in 1973. This visit was marked by signature of two agreements regarding trade and cultural exchanges between India and Mongolia. Later in Septemeber 1978, an Indian Parliamentary delegation visited Mongolia at the invitation of the Great People's Khural of the Mongolian People's Republic and in December 1980, a delegation of the Great People's Khural of the Mongolian People's Republic visited India. During these two reciprocal visits, both sides considered and exchanged views on the means and forms of expanding and developing relations and cooperation between the highest legislative bodies of the two countries and also on the ways of resloving pressing International problems . The Foreign Minister of Mongolia, Dugersuren paid yet another visit to India in August 1982 during which he met and held discussions with Indian Prime Minister Mrs. Indira Gandhi and

his counterpart Mr. Narasimha Rao. Two protocols for long term cooperation in fields of agricultural research and health were signed between India and Mongolia during this visit. Dugersuren used this occasion to put forward a Mongolian proposal to conclude a convention on mutual non-aggression and non-use of force in relations among the states of Asia and Pacific, which was earlier passed by the 18th Congress of the Mongolian People's Revolutionary Party held in 1981.²⁶ In a joint communique issued on conclusion of this visit, both countries re-iterated their commitment to the principles of peaceful co-existence and the norms guiding the relations between states, laid down in the UN charter, as the basis for promoting international peace, cooperation and understanding. The two sides reiterated their adherence to the UN resolution declaring Indian ocean as a zone of peace.²⁷

In the subsequent years political relations between Mongolia and India expanded considerably, which is characterised by the periodic exchanges of visits by high dignitaries between the two Countries. Indian Minister of states for External Affairs, M. Rahim and First Deputy Foreign Minister of the Mongolian People's Republic, D.Yondon paid reciprocal visits to Ulan-Bator and New Delhi in July 1984 and March 1985 respectively. They Considered issues of

26. Times of India (New Delhi), 15 August 1982.
also in Purev and Ishdorj, no.13, p.104.

27. Asian Recorder (New Delhi), vol.28, no.36, 3-9
September 1982, p.16774.

bilateral relations and pressing international problems. Yondon conveyed to the Indian side Mongolia's support to the appeal of the seventh non-aligned conference held in New Delhi in 1983 to all the Countries of the World to conclude a treaty on universal prohibition of nuclear weapons tests and on prohibiting the threat to use nuclear weapons. A striking example of the fruitful Indo-Mongolian cooperation in the United Nations and other international organisations is the forceful participation of the Indian Ambassador in the discussion and his endorsement of the UN Declaration of the Rights of peoples to peace, submitted by the Mongolian People's Republic in 1984. An Indian Parliamentary delegation, led by the Lok Sabha speaker Balram Jakhar paid a friendly visit to Mongolia in October 1985 at the invitation of the Great People's Khural of the Mongolian People's Republic. The Indian MPs visited cultural, art and industrial enterprises in the capital city of Ulaanbaatar and went around the town of Erdenet. They made a courtesy call on Mongolian leaders J.Batmunkh and D.Sodnom and discussed issues of further extending bilateral friendly relations and invigorating cooperation between the parliaments of two countries. Addressing the Indian MPs, the President of the Mongolian People's Republic, J.Batmunkh said: "The Mongolian People's Republic wholly supports the efforts of the people of India for consolidating territorial integrity and national

unity and against foreign interference in the internal affairs of their country."²⁸

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The visit of the Indian President R.Venkataraman who was the first Head of Indian State having ever visited Mongolia in July 1988 and the visit of the Mongolian Premier, Jambyn Batmunkh to India in March 1989 constitute new milestones in the development of political contacts between India and Mongolia at the highest level. During their visits the existing bilateral relations and international issues were reviewed and a number of agreements in various fields were concluded between the two Countries. At a public reception hosted in honour of President Venkataraman, the Chairman of the Presidium of the Great People's Khural of the Mongolian People's Republic, J.Batmunkh reaffirmed the support for India's efforts to defend its sovereignty, national unity and territorial integrity and condemned any attempt of reactionary forces to undermine the Country's national unity.²⁹ In his reply Venkataraman called for a multilateral approach towards global nuclear disarmament and building of a new structure of international relations based on respect for political systems of different ideologies.³⁰

He reiterated India's policy on nuclear disarmament

28. cited in Purev and Ishdorj, no.13, p.106.

29. See visit to Mongolian People's Republic by R.Venkataraman, (July 13-16, 1988), Documents and materials, published by the Embassy of the MPR, New Delhi, p.25.

30. Ibid, p.29.

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and peaceful resolution of regional conflict. During this visit India and Mongolia signed two agreements for cooperation in the fields of science and technology and agriculture. President Venkataraman extended invitation to J. Batmunkh, General Secretary of the Central Committee of the MPRP to visit India. Accordingly, Batmunkh and his entourage paid a friendly state visit to India from 7 to 10 March 1989 and were warmly received by the President and Prime Minister of India. Batmunkh held detailed discussion with the Indian Prime Minister Rajiv Gandhi on international and regional situation. On this occasion the two sides signed a protocol identifying seven areas for bilateral collaboration in the fields of Science and Technology.

CONVERGENT VIEWS ON GLOBAL ISSUES

On vital international issues, there is harmony of views between Mongolia and India both being committed to the basic principles of peace and peaceful coexistence among nations. Mongolia supported Panchsheel - the famous Five Principles of Peaceful Coexistence, which were enunciated jointly by India and China in 1954. These were non-aggression, non-interference in each other's internal affairs, respect for each other's sovereignty, equality and mutual benefit and peaceful coexistence. Panchsheel was further elaborated by a declaration adopted at the conference of Afro-Asian countries at Bandung in 1955. India

was one of the sponsors of this conference. The ten principles of the Bandung Declaration incorporating the principles of Panchsheel, expressed itself against involvement in the power politics of great powers and in military alliances. The Bandung principles became the basis of foreign policies of newly independent Afro-Asian countries which started asserting their independent identity in international affairs. This Declaration inspired these countries to coordinate their moves in United Nations. During his visit in India in September 1959, Yu.Tsedenbal, the Chairman of the Council of Ministers of the Mongolian People's Republic appreciated Indian efforts for strengthening peace and reducing international tension. He made a specific mention of India's role in sponsoring the Bandung Conference in 1955 which brought the Asian and African countries still closer in their struggle against colonialism. Tsedenbal declared that "Mongolia stands for peace and friendship between nations and is opposed to the existence and continuance of military pacts and blocs. She believes in the principle of Panchsheel."³¹ Later in 1961, the Bandung principles found their further expression in Belgrade, resulting in the creation of the Non-aligned movement. From a small beginning in 1961, this movement has grown today into a mighty force which exerts positive influence on international relations. Mongolia appreciate

31. Cited in Foreign Policy of India: Texts and Documents, 1947-64, India, Lok Sabha Secretariat, 1966, p.340.

the positive role played by Indian policy of non-alignment and views it as being in line with the foreign policy course of the socialist countries.³² J Batmunkh, the Chairman of the Presidium of the Great People's Khural and D.Sodnom, the Chairman of the Council of Ministers of the Mongolian People's Republic reiterated these views in a letter to Chairman of the Eighth Conference of Heads of State or Government of non-aligned countries. In their view "the Non-aligned movement and the socialist system logically become allies in the questions of peace and war."³³

The manner in which Mongolia and India interacted at the United Nations over the years, itself speaks about their counstructive initiatives aimed at maintaining peace and stability in Asia and the world. Mongolia and India share the same view on the need to stop arms race and for bringing about complete disarmament particularly nuclear disarmament. Both sides have on a number of occasions stressed the need for the practical implementation of turning the Indian ocean as a zone of peace as was declared by the United Nations General Assembly in 1971. They stand together for elimination of the military presence of imperialist powers in this region. Both the nations favoured the proposal to

32. cited in Mongolia on World Problems (Ulan-Bator, 1986), p.27.

33. Ibid.

convene a world disarmament conference and supported the move for the conclusion of an agreement on prohibition of the production of new types of weapons of mass destruction.³⁴ Quite recently, both countries have appreciated the Soviet-US summits, especially their treaty on the elimination of two classes of nuclear missiles which has had definitely positive impact on the political climate of the world including Asia-Pacific region. Mongolia welcomed and supported the 1986 Indo-Soviet Declaration known as "the Delhi Declaration" on creating a nuclear weapons-free and non-violent world.³⁵ In recent years she has lauded Indian moves to normalise relations with China. On her part, India expressed its support to the Mongolian proposal for concluding a convention on mutual Non-Aggression and Non-Use of Force in relations between the countries of Asia and the Pacific. Another striking feature of the fruitful Mongolia-India cooperation at the UN and other international forums is the Indian endorsement of the UN Declaration of the Rights of the peoples to peace, submitted by the Mongolian People's Republic in 1984.³⁶

On various other issues like the Kampuchean problem, the Palestinian question, the Afghan crisis and the tension

34. Foreign Affairs Record, vol. 22, no.9, 1976, p.251.

35. Visit to MPR by R.Venkataraman, no.29, p.7.

36. Purev and Ishdorj, no.13, p.105.

in the Korean peninsula, their views broadly converged. Both the countries have been expressing their hope that border dispute between Vietnam and Kampuchea should be resolved by negotiations and not by force. They called for the continuation of dialogue between the rival parties in the Kampuchean problem, which would enable Kampuchea to emerge as a sovereign, independent and peaceful non-aligned country.

On the Palestinian question both Mongolia and India maintained that no durable peace could be achieved in West Asia unless Israel withdrew completely from all the occupied Arab territories and the national rights of the Palestinian people were restored in accordance with the UN resolutions. For this, they also urged for the convening of UN sponsored Geneva peace conference with due representation of all the parties concerned, including PLO (Palestine Liberation Organisation). On Afghanistan crisis too, the position taken by Mongolia and India was similar. They welcomed the implementation of the Geneva accord and wanted the Afghan people to be given an opportunity to decide their own political destiny. In this process there should be no outside interference and intervention in Afghanistan because such an act would violate the principle of non-interference in internal affairs of that country. With regard to the issue of Korean crisis both side have consistently supported the positive steps taken by Korean people to normalise tension in the Korean peninsula. They supported the efforts and dialogue aimed at the peaceful reunification of North and

South Korea "in accordance with the national interests of the Korean people." They also stand together in their voice against apartheid in South Africa. Both Mongolia and India hold the view that the apartheid regime can be eliminated only by the "comprehensive mandatory sanctions." Broadly speaking Mongolian foreign policy is in harmony with the basic trend and tenor of India's foreign policy, particularly on the issues of world peace, non-alignment, disarmament, Indian ocean as a zone of peace, regional conflicts in West Asia, Korea, Kampuchea, Afghanistan etc.

DIVERGENCE OF OPINION

Whereas on most of the bilateral and international issues their views converge with each other, but still on a few international issues the two sides have maintained divergent views. The discord between the two arose on the attitude to the 1961 Treaty on the Non-Proliferation of Nuclear Weapons.³⁷ Whereas Mongolia was the first to sign and be a party to this Treaty (NPT), India opposed the same. This treaty aimed at "preventing the further spread of nuclear weapons, halting the nuclear arms race, taking effective measures for nuclear disarmament and broader cooperation in the field of the peaceful uses of nuclear energy."³⁸ But India has been taking a uniform stand that

37. C.S.R.Murthy, "Mongolia at the United Nations: A quest for Asian Linkages", in R.C.Sharma, ed., Perspectives on Mongolia (New Delhi: Seema Publications, 1988), p.161.

38. GAOR, session 30, plen.mtgs. 2364, 26 September 1975, p.250.

the treaty is of unequal nature. In 1979, Indian representative to the UN condemned its objectives saying that the Treaty on the Non-proliferation of Nuclear weapons concluded in 1968 addressed itself only to the "aspect of horizontal proliferation, and if the Treaty has become unworkable document, it is only because of this narrow and illogical approach. The protagonists have been trying to buttress their position by cartel type arrangements and further discriminatory measures, such as the establishment of the so called 'London club' of nuclear suppliers and the attempted imposition of full-scope safeguards, on the peaceful nuclear activities of non-nuclear-weapon states, some thing that the nuclear-weapon states are themselves not prepared to accept."³⁹

On the issue of the idea of a system of collective security in Asia, which was advocated by Mongolia in 1969, India kept an "eloquent silence."⁴⁰ Mongolia suggested that it could be based on such principles as renunciation of the use of force in relations between states, respect for sovereignty and the inviolability of frontiers, inadmissibility of the seizure of foreign territories, non-interference in the internal affairs of countries and peoples, and broad development of cooperation on a basis of -

39. GAOR, session 34, plen.mtgs. 18, 3 October 1979, p.359.

40. Murthy, no.37, p.161.

equal rights and mutual advantage.⁴¹ But due to the lack of support from the concerned countries including India the idea did not materialise. But the very floating of this idea by Mongolia showed her quest for Asian linkages in the security realm.

**MONGOLIA'S STAND ON INDIAN
DISPUTES WITH NEIGHBOURING COUNTRIES.**

So far as the issue of Sino-Indian border conflict of 1962 is concerned Mongolia adopted a neutral stand pleading for an end to the border conflict and renewal of negotiations on the Sino-Indian border question. Mongolia maintained that the two countries should solve their pending issues absolutely by peaceful means and avoid any act of conflict that would estrange to a certain degree the relations between the two countries and serve only the interests of the enemy of universal peace. The Government of the MPR believed that two Asian powers being initiators of the well known principles of peaceful coexistence, should solve their dispute through bilateral negotiations in the spirit of Panchsheel. Mongolia wanted these two countries to live in "friendly and good neighbourly relations and intensify the common struggle for peace and the security of all people."⁴² More recently Mongolia has supported Indian efforts of normalising relations with China.

41. For full statement of the Mongolian representative at the UN, See GAOR, session 28, plen.mtgs. 2129, 26 September 1973, p.3.

42. see Mongolian Government statement dated 24 November 1962. Summary of World Broadcasts, 27 November 1962, FE/1110/A3/3.

In 1965, when the armed conflict between India and Pakistan occurred, Mongolia again adopted a neutral stand hoping that the two countries would "exercise the highest degree of restraint in order to create the conditions necessary for the solution of Kashmir problem through progress of both the brotherly peoples and of strengthening the peace in Asia and the World over."⁴³ The Mongolian government welcomed the Indo-Pak Tashkent declaration, which was signed by the Indian Prime Minister Lal Bahadur Shastri and the Pakistani President Ayub Khan in January 1966.⁴⁴ But on the issues of the 1971 Indo-Pak conflict and the liberation struggle of Bangladesh (The East Pakistan), Mongolia took a definite stand in favour of India. In the early stages of conflict it viewed that the problem should be settled through political channels in accordance with the interests of the people of East Pakistan and on the basis of guaranteeing the safety of refugees returning home.⁴⁵ But later when the war erupted between India and Pakistan in December 1971 Mongolia wanted a decision to be taken keeping in view "the real situation" and on the basis of justice and humanity. This tantamounted to support for the demand for establishment of independent Bangladesh.⁴⁶ Subsequently on the India-Bangladesh dispute over sharing of Ganga waters,

43. For full statement of the Mongolian representative at the UN : See GAOR, session 20, plen. mtgs. 1344, 5 October 1965, p.11.

44. Purev and Ishdorj, no.13, p.102.

45. Murthy, no.37, p.161

46. Ibid.

Mongolia has been in favour of resolution of the problem through bilateral negotiations. It has been against the internationalization of the issue by Bangladesh. More recently when India has been facing sustained threat of destabilisation and terrorist violence abetted by Pakistan, Mongolia is on record having condemned "any attempts of reactionary forces designed to undermine the Republic of India."⁴⁷ The Mongolian President, J.Batmunkh expressed his country's support to the efforts and activities of Government of India to defend the sovereignty national unity and territorial integrity of India.⁴⁸

The study of Mongolia-India relations in the present global context becomes even more important as it manifests a well intentioned classic example of cooperation. These relations though a bit nascent and besetted by physical limitations can become a case study as to how a type of South-South cooperation can be dealt with. The Mongolian intention to join the Non-aligned movement,⁴⁹ recent political and economic restructuring in Mongolia and her desire to promote trade and cooperation with countries other than the Soviet Union, leave ample scope for further enrichment of Mongolia-India cooperation particularly in the field of international relations.

47. Visit to MPR by R.Venkataraman, no.29, p.25.

48. Ibid, p.21.

49. Mongolia participated as a guest at the Harare summit of NAM in 1986. Later her status was elevated to that of observer at the Belgrade summit in 1989. Plans are afoot to admit Mongolia as full member in 1991, when the NAM will mark its 30th anniversary.

CHAPTER II

ECONOMIC COOPERATION

Geographically speaking Mongolia possesses a disadvantageous spatial location¹ being a land locked country. It is not just a coincidence that world's least developed countries happen to be land-locked countries. Although land-locked countries make up no more than 20 percent of all states, they account for 20 percent of the poorest countries². These countries have to be dependent upon their neighbours for any type of economic transactions with the outside world. The distance factor and lack of direct access to sea results in increased transportation cost and slowing down of industrial development which in turn come in the way of any foreign investment. In these circumstances the land-locked countries are obliged to maintain best possible relations with the countries which would offer their own ports and transit facilities. In most such cases, the economic independence of the land-locked State is adversely affected and its economic growth hampered. Yet, encountering all such problems of a land-locked country, Mongolia does not fall in the group of least developed State unlike many other land-locked countries in Asia and Africa³. The United Nation's definition of "least developed" does not apply to

1. R.C.Sharma and P. Stobdon, "Economic Transformation and political Integration in Mongolia," in R.C.Sharma, ed, Perspectives on Mongolia (New Delhi: Seema Publications, 1988), p.95.

2. . Ibid.

3. Ibid , p.96.

Mongolia as its per capita GNP, literacy rate as well as rate of industrialisation are more than that has been prescribed by the United Nations, as is illustrated by the following table.

TABLE⁴

	! Prescribed by ! United Nations !	! Mongolia's estimates !
! Per Capita ! GNP	! Less than 125 ! US dollars	! More than 700 US \$ in! ! 1978 and 1000 US \$ in ! ! 1985.
! Illiteracy / ! literacy rate!	! More than 80% ! illiteracy	! High literacy rate ! over 95% in 1981
! Industriali- ! sation	! Less than 10% ! share of GNP	! More than 29.3% share ! ! of GNP in 1981 and ! ! 32.4% in 1985

Taking due note of limitations imposed by her geographical location, the pattern of external economic relations of Mongolia has been influenced by and heavily oriented towards Soviet Union. Unlike other land-locked countries in Africa and South America, the Mongolian People's Republic has been surrounded by developed and developing countries which provide a dense and integrated net work of transportation lines and high quality infrastructure facilities.⁵ Therefore, the maintenance of close relations with a great neighbour like Soviet Union resulted in all round economic development.

4. This table is based on figures cited in Sharma and Stobdon, no.1, p.96 and Alan J.K.Sanders, Mongolia: Politics, Economics and Society (London, 1987), p.XVII.

5. Sharma and Stobdon, no.1, p.96-97.

In the post-1921 revolution era Mongolia has traversed directly from feudalism to socialism by - passing the capitalist stage of development. In this period of transition Mongolia has passed through following stages:⁶

1. The Democratic Stage : 1921 - 1940
2. The socialist Stage : 1940- 1960
3. The Socialist High Production : 1960 onwards
and Consumption Stage

During the period between 1921- 40, i.e. a period of political and socio-economic changes, " the anti-imperialist and anti-feudal stage of the Mongolian revolution was completed and the democratic revolution gradually transformed into a socialist one"⁷. The strategic tasks set to be accomplished during this stage were,

- 1) the abolition of feudal relations,
- 2) elimination of the national dependence on foreign capital.
- 3) aversion to capitalist development; and
- 4) creation of the objective and subjective pre-conditions for transition to socialism.⁸

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6. S.M.Waseem, "The Mongolian People's Republic: Her Economy and International Economic Relations", in R.C.Sharma, ed., Perspectives on Mongolia (Delhi: Seema Publications, 1988), P. 124.
 7. S.Bira, Mongolia's Road to Socialism (Ulan - Bator: MONTSAME, 1981), P.17.
 8. Atiya Habeeb Kidwai, "Issues in the Development of Resource Frontier Regions- Lessons from Mongolia", in sh.Bira, ed., Mongolia and India (Ulaan batar, 1989), pp. 139-140.

In 1940, at the 10th congress of the Mongolian People's Revolutionary Party (MPRP), a programme was adopted which aimed at laying the foundations for socialist construction of the country. This programme emphasised that the "policy of the Mongolian People's Republic is aimed at a final uprooting of the survivals of feudalism in the country's economy, at ridding the minds of the people of these survivals, at ensuring the country's non-capitalist development and at preparing for a subsequent transition to socialism."⁹ In the same year the constitution of the Mongolian People's Republic described Mongolia as a "State of the working people (the arats who go in for stock farming, the workers and intelligensia) a sovereign independent state ensuring the non-capitalist way of development."¹⁰ This transition period which lasted from 1940 to 1960 saw tremendous changes in Mongolia's economy. It was during this period that for the first time, Mongolia introduced a First Five-Year Plan for the period 1948-52. This was the beginning of a planned economy, in which special attention was paid to the development of animal husbandry and industry. However, in the second five year plan (1953-57), more emphasis was given on agriculture. In 1958, a

9. Cited in B.Shirendyb, By-Passing Capitalism (Ulan - Bator: MPR state publishers, 1968), P.36.

10. Cited in Sharma and Stobdon, no.1, P.97.

three-year plan for the period 1958-60 was introduced which "emphasised a more intensive use of natural resources, the expansion of the existing ones and introduction of new industrial enterprises to utilize them and bringing in new advanced techniques and technology of production."¹¹ Thus in the period between 1940-60, Mongolia completed the socialist stage of development and the country was poised towards socio-economic transformation. After the completion of this stage in 1960s Mongolian government described the country as a "socialist state of workers, cooperative farmers (which go in for stock-farming and the peasants of arable farming) and the working intelligensia, basing on the alliance of the working class with the cooperation of farmers."¹² Following the path of socialism, a third five year plan for the period of 1961-65 was introduced. It aimed at the consolidation of all the developments and completion of the material and technical basis of socialism. The entry of Mongolia into the Council of Mutual Economic Assistance (CMEA) in June 1962 further created favourable conditions for more successful advance towards the complete victory of socialism. During the fourth five year plan (1966-70) and the fifth five year plan (1971-75), positive steps were taken towards the transformation of Mongolia in to an industrial-agrarian country from an agrarian-industrial

11. Kidwai, no. 8, p.142.

12. Cited in Sharma and Stobdón, no. 1, p.97.

country "with efficiently organised extractive and manufacturing industries and a proper and well planned combination of all the basic branches of a socialist economy."¹³ In the Sixth Five Year Plan period (1976-1980), Mongolia's net material product achieved a growth of 30.9 percent as against the target of 37 to 41 percent and the gross industrial production rose by 58 percent as against the targetted 60 to 65 percent. Similarly, average annual gross agricultural production was up by 6.3 percent as against plan target of 26 to 30 percent, and the volume of foreign trade rose by 50 percent as against the plan target of 40 to 45 percent. Mongolia's gross industrial production increased by an estimated 8.1 percent in 1983 which was some what less than the targetted increase of 10.3 percent. In 1984, the volume of gross industrial production was planned to rise by 7.8 percent,¹⁴ which was achieved by the Mongolian industry.

The present plan which is the eighth in the series of Five year plan (1986-90) stipulates a series of measures for further economic and social development of Mongolia. On May 29, 1986, Dumaagiyn Sodnom, a member of the MPRP Politburo and Chairman of the Council of Ministers of the MPR delivered the report "on the Draft guide-lines for the economic development of the MPR for 1986-1990" at the 19th congress of

13. Bira, no. 7, P.29-30.

14. Waseem, no. 6, P.125.

the MPRP. In this report Sodnom stressed the need for improvement of economic management and planning systems in Mongolia. To fulfill the plan targets the government proposed to reduce its administrative intervention in the performance of enterprises and give them greater decision making power in order to increase production.¹⁵ The main thrust of this plan has been on industrial development, and it is proposed to achieve a target of its gross industrial output so that it accounts for 35 percent of the national revenue. With regard to Mongolia's economic relations with other countries, it was planned to further expand the scientific and technical cooperation with the Soviet Union and other socialist countries.¹⁶ The Eighth Plan further emphasised the need for economic, scientific and technical co-operation with other countries.

Mongolia's trading partners are mainly from the Socialist bloc. The CMEA member countries account for more than 95 percent of her exports and imports, with Soviet Union still ranking first. However, of late Mongolia has diversified its economy and turned to exports of semi-

15. Kessings Contemporary Archives (London), vol.32, no.10, 1986, p.34677.

16. D.Sodnom, on Draft Guidelines for Economic and Social Development of MPR for 1986-1990, (Ulan-Bator, 1986), p.11.

processed and finished industrial products, instead of being a mere supplier of animal husbandry products and raw materials. The exports from Mongolia include hides and finished leather goods, camel wool and goat fleece, non-ferrous metals, timber, clothes knitted goods, meat and meat products. But the changes brought in the Soviet Union by Gorbachev through his 'glasnost' and perestroika have inevitably led Moscow to loosen its strings on Ulan Bator. Recently Mongolian government has introduced its own version of 'glasnost' and Perestroika locally known as asIItod and 'orchilan baigalalt' which have brought in noticeable changes in the Mongolian Society and economy. In pursuit of its policy of economic restructuring as a followup to Orchilanbaigalalt, Mongolia is going for privatisation of certain sectors of economy, providing incentives for livestock farming, setting up of new self financing institutions and joint ventures in collaboration with foreign companies. Mongolian government and people want to remain no longer totally dependent on the Soviet Union. With the withdrawal of Soviet troops from Mongolia, the accentuating economic problems within the Soviet Union and the drastic reduction in Soviet economic and political commitments to other socialist countries.¹⁷ Under Gorbachev Mongolia is faced with no

17. For decades Mongolia was dependent on Soviet aid to keep its budgetary deficit in check.
See Frank Gibney Jr., "Mongolia Mad Dash Towards Democracy", The News Week, July 30, 1990, p.23.

option but to open itself to the outside world. The joining in the Group of 77 in 1989 and NAM in 1991 by Mongolia and also its efforts to become a member of Asian Development Bank, are substantial steps towards this end. Recent moves of the Mongolian government make it amply clear that Mongolia is poised to develop close economic cooperation with all countries on the basis of universally accepted norms irrespective of their different social systems or political and ideological differences. Now Mongolia is pursuing a policy of an open economy. National economy is being switched over to market economy with state regulation, and new laws and rules are being framed in this regard.¹⁸ In these changed socio-political atmosphere, there is great scope for expansion of traditional friendly relationship between Mongolia and India.

The area of economic cooperation between Mongolia and India is largely an unexplored one. Nevertheless there is substantial possibility to nurture the prospects into a reality. It is more so, due to certain common factors operating behind their developmental drive. To start with, both the countries have agro-based economies and they aspire to consolidate the base through planned efforts. The industrialisation process in India has made encouraging

18. See A Few Facts on Mongolia, issued by the Trade section of the Mongolian Embassy, (New Delhi, 1990), p.2.

headway and it is an area where Mongolia can largely benefit herself from Indian experiences in the fields of appropriate technology, small scale and cottage industries which has enabled the later to achieve a remarkable degree of self-reliance. Similarly, Mongolian experience in the field of cattle breeding which had been an important factor in the Mongolian economy, can be of help to India. The last two decades witnessed a good deal of cooperation in the field of agriculture and highland technology.

Soon after the establishment of diplomatic relations initial step in the field of economic cooperation between the two countries was taken in 1959, when the representatives of the State Trading cooperation of India and the Mongolian Government exchanged letters in New Delhi for promoting mutual trade through export and import of commodities. However, it was after a gap of few years that the first bilateral trade agreement was signed on February 13, 1968 between the two countries.¹⁹ Under this agreement the two sides agreed to conduct their trade in non-convertible currency. It envisaged export of Indian tea, tobacco, spices, shellac, vegetable oil, canned fruit juices, light industry machinery, electrotechnical goods, transport equipment, measuring instruments, medical equipment and pharmaceuticals, chemical goods, textiles, jute manufactures, tarpulins and other consumer goods.

19. Foreign Affairs Record, vol.14, no.2, February 1968, p.45.

As against these India would import skins of animals, cattle horn, wollen knitwear and wollen cloth etc. from Mongolia.²⁰ This agreement was extended for another three years by signing of a trade protocol on March 1, 1971. On this occasion the delegations of the two countries met and discussed the possibilities of the Mongolian export of raw wool, animal hair and skins etc. to India and the Indian export of a wide range of industrial products to Mongolia. In November 1972, Mongolia actively participated in the Third Asian International Trade fair held in New Delhi, when both sides signed trade contracts for import of number of goods including woolen and silk products.

Despite the inhibiting influence of distance barrier the possibilities of increased trade between the two countries were explored by the former Mongolian Premier, Yu. Tsedenbal during his visit to India in 1973. The Indian side proposed to export films. In 1975 when the Mongolian Foreign Minister Lodongyn Rinchin visited India, the 1968 Trade and Payments Agreement was extended till 1977. It was on this occasion that the Indian Foreign Minister, Y.B. Chavan expressed his country's desire to "the materialisation of increased trade between the two countries"²¹ on the basis of this trade agreement. By this

20. Ibid.

21. Tribune (Chandigarh), 19 November 1975.

time Mongolia's exports had also increased, half of which consisted of industrial goods. This was in quite contrast to earlier pattern of Mongolian exports being confined mainly to raw materials like meat, leather, furs and dairy products. On several occasions both sides held discussions" to actively explore possibilities of developing two way trade exchanges corresponding to the import needs and export possibilities of the two countries."²² New schemes to diversify their commercial and technical cooperation were laid down at the technical level talks, which paved the way for strengthening mutual bonds between Mongolia and India.

On February 8, 1978, a new trade agreement was signed for the period of five years to replace of the previous agreement of 1968. By virtue of this agreement which came into effect from February 14, 1978, the bilateral trade was switched over to freely convertible currency.²³ Previously all bilateral transactions were conducted through non-convertible rupees in the 1968 agreement. The scope of trade was increased by the free exchange of money. Indian exports now included rayon, snuff, superior brocade, terrywool fabrics and herbal medicines. On the other hand

22. Foreign Affairs Record, vol.17, no.3, March 1971, p.45.

23. Foreign Affairs Record, vol.24, no.2, 1978, p.89.

Mongolian exports to India were largely limited to camel wool and sheep wool. During Dugersuren's visit to India in 1982, it was decided that India would increase the exports of silk, jute herb, medicines, chemicals and dyes for leather processing. During this visit both sides appraised their achievements in the economic sphere. The Indian Foreign Minister, P.V.Narasimha Rao lauded the efforts of Mongolia for the building of a modern industrial state.²⁴ Reciprocating these sentiments, Dugersuren expressed Mongolian satisfaction and joy at the great progress achieved by India in the thirty five years since its Independence in the economic development and in the field of science and technology. He noted with pride that India ranked among the ten industrialised nations in the world,²⁵ The two sides signed two protocols for long term cooperation on August 14, 1982. These aimed at broadening the base of economic cooperation through exchange of expertise in agricultural education and research, In fact the rapid progress made by Mongolia in the fields of agriculture and animal husbandary as well as in industrial sector were displayed in India long back when the Mongolian People's Republic set up a pavilion at the World Agricultural Fair held at New Delhi during 1959-60. The Mongolia-India contact in the field of agricultural development started since 1973, when Mongolia imported from India Kalyansona, a

24. Foreign Affairs Record, vol.28, no.8, 1982, p.219.

25. Ibid, p.220.

new hybrid of wheat,²⁶ which was produced at the Indian Plant Breeding Research Institute. On its part India too imported three varieties of wheat seed from Mongolia. The signing of two protocols provided yet another opportunity to both Mongolia and India to learn much from each other's agricultural experiences. One of the protocols envisaged short-term exchange of scientists, technologists and exchange of knowledge of germ plasma and breeding material including seeds and plant material. The other protocol related to health services. It was also decided to form a joint consultative committee of experts to implement the agricultural protocol which also covered education and training of agricultural experts and improvement of agricultural production techniques²⁷. In 1983 when a three member Indian delegation headed by B. Shankaranand, the then Minister for Health and Family Welfare visited Mongolia, a two year programme for 1984-86 in the field of Medical cooperation was signed. The programme of cooperation inter alia provided for exchange of information on medical herbs used in both countries for the preparation of ayurvedic medicinal plants and establishment of musk deer farms in Mongolia²⁸. It was also decided to undertake joint research

26. G.Erdenjav, "Cooperation between Mongolia and India in the Field of Agriculture," in Sh.Bira, ed., Mongolia and India (Ulaan baatar, 1989), p.187.

27. Times of India (New Delhi), 15th August 1982.

28. Asian Recorder (New Delhi), vol.29, no.43, October 22-28, 1983, p.17422.

and experimental work on Ayurvedic system of medicine for the treatment of diabetes, high blood pressure and various allergies. Mongolian doctors were to be given training in Yoga under this programme. Further in 1985 an agricultural treaty and in 1987, a trade agreement had been concluded between the two countries, with the result the two countries were able to expand their economic cooperation in the fields of agriculture, medicine and trade. Efforts are still continuing to widen the scope of co-operation especially in the fields of Science and Technology. In 1988, during the Indian President R. Venkataraman's visit to Mongolia two agreements for cooperation in the fields of Science and Technology and a protocol for Agricultural Research and Educational cooperation for the period 1989-90 were signed. By virtue of the agreement related to science and technology, the two sides agreed to exchange scholars, scientists and researchers in the fields concerned and also to identify the problem areas in science and technology of direct interest to both the countries. In the field of agricultural research and education the two countries agreed to carry out joint studies of the results of researches in the field of animal husbandry, plant industry and soil management and to share informations on achievements in veterinary sciences. President Venkataraman expressed satisfaction on these exchanges during his speech at the meeting of the representatives of Mongolian people at Ulan - Bator on July 14, 1988. He said: "It is gratifying that we are

collaborating in the agricultural and health spheres to the common benefit of both people. Indeed earlier today we signed the Indo-Mongolian Agreement on cooperation in science and technology and also initialled the work-plan under the Indo-Mongolian protocol on Agricultural Research and Education for the next two years. There is much we can learn from each other by sharing our experiences in science, Technology and agricultural research"²⁹. It was decided to exchange seven Indian scholars and five Mongolian scholars to Mongolia and India respectively in 1989. The visiting scholars from India would work with their Mongolian colleagues at the Research Institute of Animal husbandry and Research Institute of Pastural livestock in the Gobi region to learn the research methods and technologies of breeding yak, goat and sheep.³⁰ The scholars from Mongolia would study the Indian experience of plant cell and tissue culture in vitra, exploring the methods of obtaining immunoglobulin from antibodies and other technologies.³¹ Similarly the exchange visits of second group of scholars is scheduled to take place in 1990 between the two countries. Whereas the Indian researchers would learn the composition and peculiarities of Mongolian pastures, fodder crops, cereals, vegetables, their biological quality, preparing drugs from

29. Foreign Affairs Record, vol. 34, no. 7, July 1988, p.222.

30. Erdenjav, no. 26, p.187.

31. Ibid.

medicinal herbs etc,³² the Mongolian researchers would study the technology of breeding of high milk giving goats and broiler chickens and the technologies to prepare vaccines against some Hilment diseases etc. in India. ³³

In 1989, when the Chairman of the Presidium of the Great People's Khural of the Mongolian People's Republic, J. Batmunkh visited India, a protocol for the period 1989-91 was signed covering seven areas for bilateral collaboration in the fields of science and technology. It provided for development of cooperation in the fields of leather processing, processing of building materials, brick making and glue making etc. including visits of experts, joint training and conducting of joint projects. In fact the protocol that followed the previous agreement of 1988 in the fields of science and technology opened new vistas for a creative interaction between the peoples of the two countries. All these agreements provided for the enhancement of economic cooperation and lived up to the guiding principles of the Joint Mongolian-Indian declaration of 1973. As a matter of fact both the countries are bound together to cooperate with each other in various fields of economic activities. So far as the export and import of

32. Ibid.

33. Ibid.

commodities are concerned, Indian exports to Mongolia also included readymade garments, snuff and different type of medicines. On the other hand apart from exporting sheep wool, Mongolia also offered coal, fluorspar, steel and non-ferrous scraps and medicines (Papsin, Trupsin, Chymotrysin etc).³⁴ Mongolia also showed her interest in establishing economic cooperation with both the public and private sectors in India. In 1987, a Birla concern CIMMCO International sent a delegation to Mongolia at the invitation of the Government of Mongolian people's Republic and purchased wool from there. During their visit the delegation of the CIMMCO International evinced interest in setting up a textile mill, solar power stations for commercial purposes and cooperation in the field of herbal medicines, cigarette manufacturing and leather processing unit and for setting up of a shoe manufacturing unit in Mongolia³⁵. Negotiations were also conducted between the two for finalising the setting up of three industrial plants in Mongolia. It was in 1989 that a protocol was signed with the CIMMCO International firm on collaboration in the field of small and medium size enterprises (for example, those turning out cement, mineral pigments, hand made carpets)³⁶.

34. A Few Facts on Mongolia, no. 18, P.3.

35. See B.B. Iyer, Three and a half years in Mongolia, p.18.

36. See Information on the Development of External Economic Relations of the MPR in 1989, released by the Mongolian Chamber of Commerce and Industry, 1 February 1990, p.8.

In order to further expand the areas of economic cooperation it is necessary to sort out the existing problems and explore new avenues of cooperation. Being a land-locked country, Mongolia has its own problems regarding aviation, road and railways facilities. However, India can supply its know-how and human resources which are essential pre requisites for its process of industrialisation in Mongolia. India can assist Mongolia in the technology of extraction of mineral resource which the later has in abundance. Most of these deposits have not yet been developed, although some rare metals are being mined in small quantities and there are plans to exploit more of these minerals and raw materials.³⁷ Indian textiles can easily compete with the textiles of other countries in the Mongolian market, being cheaper in value. There is sufficient scope of establishing joint ventures in Mongolia. By enacting a law on Foreign investments which came into force on May 1, 1990, the Mongolian government in true spirit of economic restructuring. Orchilan baigalalt, has cleared the way for foreign investment in certain sectors of its economy. Now foreign investment is encouraged in setting up certain industries and the following principles would determine the admissibility of foreign investment.

- i. Increase of exports from Mongolia and import substitution production;
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37. Margie Lindsay, "Mongolia's Prospects", The World Today (London), vol.45, no.11, November 1989, P. 184.

- ii. Introduction of hi-tech production and rendering of services with the application of advanced technology;
- iii. Manufacture of deep processed finished goods based on Mongolia's natural wealth, resources of various types of minerals and agricultural raw materials and execution of geological survey works;
- iv. Development of infrastructure in National economy such as energy, road, transport and communication;
- v. Development of tourist industry and all corresponding services. ³⁸

Now there is ample scope for more cooperation between Mongolia and India. Mongolia has already started conducting training programme on export-import management with the help of India. Mongolian Chamber of Commerce and Industry invited the Indian Institute of Foreign Trade to conduct a training programme in Mongolia, which was held in Ulan Bator from April 3 to April 30, 1990. Such a programme included the course on Export marketing and Import management and was funded by the Government of India under the Indian Technical and Economic Cooperation (ITEC) programme³⁹.

38. A Few Facts on Mongolia, no. 18, pp 2-3.
See also Sada Shankar Saxena and Bibek Debroy,
"Permitting Foreign Investments in Mongolia", Foreign trade bulletin, vol.20, no. 10, April 1990, p.8.

39. Foreign trade bulletin, vol. 20, no. 10, April 1990, p.25.

The Growth of cooperatives in Mongolia which is in nascent stage at present, is another healthy sign which gives India further opportunities to offer her knowledge and expertise with Mongolian diversification of her economy. India can join hands with Mongolia and any other CMEA member country or any other country doing business in Mongolia to establish in small tripartite (joint-) ventures. This would avoid undue international competition in the Mongolian market, help in optimum utilisation of local resources and transferring technology in a blend of international frame work.⁴⁰ Such an act would help Indian manufacturers to supply the items viz., knitted goods and ready made clothing, house hold electrical appliances, furniture, basic consumer goods and sugar etc. at competitive prices⁴¹. With more and more openness expected in the Mongolian economy the prospects for stepping up Indo-Mongolian trade relations look bright.

40. Waseem, no. 6, p. 131.

41. Ibid.

CHAPTER III

CULTURAL CONTACTS

Bilateral relations between nations are moulded by various currents and cross-currents that emanate from socio-cultural and historical mainstreams. An analysis of these factors is necessary for proper understanding of the extent and pattern of bilateral relations between India and Mongolia. Sharing common Asian heritage and identity both the countries inherit rich experience of cultural interaction. The historical and close cultural links between the two nations are the bed-rock of friendly relations between the two sides. Modern Mongolia has been following a policy of preservation and enrichment of its cultural traditions and heritage and development of close cooperation with socialist and non-socialist countries particularly India.

Mongolia and India have maintained long standing relations of great cultural and historical importance that date back to over 1500 years. In ancient times, the rich and unique culture of India exerted considerable influence upon the cultural life of many countries in Asia including that of Mongolia. This influence was reflected not only in forms of religious worship in Mongolia but also in art, literature and even in the way of life of its people. These cultural contacts were reinforced with the spread of Buddhism in Mongolia. However, the cultural links between the two sides weakened during the hey day of imperialism in Asia-Manchu domination in Mongolia and the British rule in India. Both Mongolia and India were able to revive their ancient

relations on quite a new basis only after the attainment of their independence in 1921 and 1947 respectively. In this new era of modernisation and secularisation that took place during the years of cultural revolution, Mongolia pursued its policy of friendly relationship with India and extension of the traditional contacts based on common Asian and Buddhist culture. In pursuit of her policy of cooperation with fraternal countries, Mongolia encouraged strengthening of cultural contacts with India in the post-revolutionary period.

The establishment of diplomatic relations between the Mongolia and India in 1955 opened a new era towards expanding and consolidating their age old cultural ties. That India attached great importance to develop these cultural contacts, is evidenced by the visit of Dr. S. Radhakrishnan, the then Vice-President of India and a great intellectual and philosopher to Mongolia in 1957. During his visit the Mongolian State University, Ulan-Bator conferred him with the honorary degree of "Master of Wisdom". This visit proved to be the forerunner of future expansion of the cultural cooperation between the two countries. The scope of cultural relations further widened when Mr. Tsedenbal, Chairman of the Council of Ministers of the MPR paid a state visit to India in 1959. Welcoming Mr. Tsedenbal, the Indian Prime Minister Jawaharlal Nehru said: "We remember, of course, the present in which we are, but we remembered also the distant past when

messenger from India went to your far country, taking with them many unsubstantial but nevertheless very important gifts. They took their culture, their art and their religion and your forbearers were pleased to welcome them and make friends with them, and thus began a close bond which is more enduring than history, than perhaps the mere material bond".¹ Recapitulating these old cultural bonds, both the Prime Ministers noted with satisfaction the prospects of renewal and strengthening of the cultural contacts between the two countries in future. At a civic reception hosted by the Indo-Mongolian Cultural Society in New Delhi, Mr. Tsedenbal was presented with a number of books, including the first volume of the 'Mongol-Sanskrit dictionary' published by the International Academy of Indian culture, New Delhi.

It was in 1961 that the two countries entered in a new phase of Mongolia-India relations by signing of a cultural agreement which aimed at promoting better understanding and close cooperation in the fields of science, education and culture. Subsequently, the two countries implemented several cultural exchange programmes. Article-2 of the cultural agreement which was signed on March 9, 1961 in New Delhi provided for "the development of close cooperation between the cultural, scientific, arts, educational, health, sports and other similar institutions of the two countries, especially by means of:

1. Foreign Affairs Record, vol.5, no.9, September 1959, p.241.

- (a) exchange of exponents of culture and arts, professors, scholars , educationists and students;
- (b) organisation of exhibitions on educational and cultural aspects of each country, staging of theatrical and dance performances and film shows and music concerts;
- (c) translations and exchange of books, periodicals and other publications of scientific, literary and artistic value;
- (d) exchange of films , news reels and gramophone records, photographic and written material on science, art , literature etc; and
- (e) reciprocal visits of sports and athletic teams."²

In true letter and spirit of this agreement the exchange of knowledge between the two sides has now become a regular feature. There have been frequent exchanges of publications related to science, agriculture, art and literature. The late Prime Minister Mrs. Indira Gandhi once described the depth of contacts between Mongolia and India in these words: " The link between our two lands is an ancient one and has enriched our respective histories. Centuries ago

2. Foreign Affairs Record, vol.7, no.3, March 1961, p.80.

Buddhist scholars and pilgrims travelled between our two countries as did traders carrying rich merchandise. Later, for many decades, Mongolia was the political centre of the then known world. I learnt from my father that the word 'Bahadur' which we use to denote a brave man, is derived from a Mongol root (Bagatur), so in my mind your land has always remained associated with courage..... As a result of the cultural relations have become closer. We are pleased that many Mongolian teachers and students have been coming to India. I hope that more Indian scholars will go to Mongolia.³

Later on, the bilateral cultural exchange programmes were further extended by the signing of a two year cultural exchange programme for 1967-69. It provided for visits of a Mongolian archaeologist and composer to India and an Indian musicologist and two writers to Mongolia. Under this programme books were exchanged between the national museums and the national libraries of the two countries. It also envisaged the visits of art groups including visit of one Mongolian writer to India, and the visit of an Indian exhibition of handicrafts and of one specialist in fine art to Mongolia. Besides recordings of radio programmes on subjects of cultural and scientific interest and recordings of music, sports items and delegations in the field of radio

3. cited in Socialook (New Delhi), vol.9, no.12, July 1983, p.28.

and television were exchanged between the two countries. The scope of these exchange was renewed and extended by signing of a second Indo-Mongolian cultural exchange programme for 1970-71 and 1971-72. Under this programmes the two countries agreed to exchange personnel and materials in various fields such as science and education, art and culture, health, radio, television, films, press and sports. In 1972, when the delegation led by the then Foreign Secretary T.N.Kaul visited Mongolia yet another cultural exchange programme for 1973-74 was signed. The subsequent agreement covering the period of 1975-76 among other things, provided for an exchange of information on promotion of Ayurveda.⁴ Both the countries now decided to exchange about 30 artists, educationists and other experts including a medical practitioner for exchanging experiences in the use of herbs in Ayurveda. Besides, an initial step towards promotion of Mongolian language in India was taken by deputing a Mongolian teacher to teach the course. Now two students from India would go to Mongolia to further study the Mongolian Language. These were some concrete steps towards widening the base of Indo-Mongolian cooperation in art and culture. Now the Indian students, trained in Mongolian language could undertake translation work of Mongolian classic literature.

4. Asian Recorder, vol.21, no.27, 2-8 July 1975, p.12662.

When in 1978 the Mongolian Foreign Minister, Mangalyn Dugersuren visited India, a new Cultural Agreement was signed on February 9, 1978 to replace the previous agreements. Earlier these exchange programmes were confined to the fields of education and culture. Now its scope was further extended to cover other fields such as science, technology, medicine and mass media. The 1978 agreement provided for the exchange of scientists, university teachers, research scholars, journalists, medical practitioners and sportsmen besides arranging reciprocal visits of artists and cultural troupes; film festivals and photo and art exhibitions.⁵ Apart from broadbasing the Mongolia-India relations, the new agreement was a lead step towards the development of fruitful cooperation between the two countries. During his visit Dugersuren was presented with the four volumes, (out of 61 volumes) of "Rinchen Terzod"-teachings of Buddhist Guru Padmasambhava which were brought out by the Sikkim Institute of Tibetology, Ganktok. In may 1981 the agreement was renewed for the period, for 1981-83. Apart from these official exchanges bilateral contacts were fostered by several friendship societies. The Indo-Mongolian Cultural Society aimed at promoting mutual cooperation between India and Mongolia by exchanging representatives from different spheres of social life including artistic collections and holding of exhibitions. In 1983 the two countries agreed to

5. Foreign Affairs Record, vol.24, no.2, 1978, p.89.

undertake the exchange of literature on traditional systems of medicine and translation of Ayurvedic books and Sutras preserved in Mongolia in English and Hindi. The programme, which focussed on medical cooperation between the two countries also provided for exchange of scholars of traditional systems of medicine. Yet another cultural programme was signed on 18 August 1987 in New Delhi for the period till 1989. Under this programme the scope of visiting scholars, journalists, artists and sportsmen in each other's country was further enlarged and it was decided to send specialists in pre-school education to Mongolia besides participation of each other's delegation in international conferences, symposia and seminars. The programme also included the preparation of Hindi-Mongolian and Mongolian - Hindi dictionaries and the award of scholarships. Besides, exchanges of radio and TV programmes, music recordings, documentary films and the organisation of film weeks had been provided for in the programme. It was during this time that Mongolia agreed to provide a teacher of Mongolian language to teach at the Jawaharlal Nehru University and also to exchange books and publications of mutual interest.⁶ The two sides also agreed to examine the possibility of establishing a Mongolian Studies Chair in an Indian University. It was only in 1989 when the Mongolian Premier Jambyn Batmunkh visited

6. Foreign Affairs Record, vol.33, no.8, August 1987, p.269.

India that a decision to establish this Chair of Mongolian Studies in JNU, New Delhi was taken. Speaking at a banquet in honour of the visiting Mongolian leader, at this time the Indian President Mr. R. Venkatraman said: "I take great pleasure in informing you that it has been decided to establish in our Jawaharlal Nehru University a Chair on Mongolian Studies. I have no doubt this special facility will provide an impetus to the study in our country of Mongolia's rich heritage and its continuing many - sided advance."⁷

Through the signing of several cultural exchange programmes and their implementation, the exchange of knowledge in various fields between the two sides now become a regular feature. It is worth to be noted here that Indian films are very popular in Mongolia which is evidenced by the holding of a successful Indian film festival in Mongolia in 1973. In 1989 Nehru Centenary was celebrated in Mongolia which commenced with the premier show of a Indo-Soviet joint production film directed by Shyam Benegal and Yuri Aldokhin, at the Mongolian capital's biggest cinema theatre on May 4, 1989. In 1987 Mongolia was also invited to participate in the International Film Festival organised in India. An exhibition of Indian murals and frescoes was held in 1976 at

7. See speech delivered by the Indian President R.Venkataraman, visit to India by Jambyn Batmunkh (March 7-10, 1989), Documents and Materials, Published by the Mongolian embassy, New Delhi, p.11.

the Museum of Fine Arts in Ulan Bator. Most of the popular games in Mongolia are same as in India which include wrestling, weight-lifting, archery and horse-riding. In 1980, an international competition of freestyle wrestling was held in Mongolia in which India successfully participated and won several medals. The frequent exchanges of cultural troupes have in no small measure contributed to reviving their old-day cultural ties on a broader scale. Both countries attach great importance to such kinds of exchange of cultural delegations. Music, song and dance find easily their way to the hearts of peoples and help them to understand and appreciate each other's culture, life and aspirations, thereby promoting good will and understanding.⁸ Folk dances have played an important role in the life of the peoples of both Mongolia and India. One of the famous folk dances in Mongolia is the Bielgee (dance of the body) which is said to be "a staple in the repertoire of the folk songs and dance ensemble of the Mongolian People's Republic."⁹ The folk song and dance ensemble visited India in 1979 and 1982. This was reciprocated by the visits of the Indian folk dance and music ensemble and Indian cultural

8. Indian Foreign Affairs (New Delhi), Vol. 3, no. 7, July 1960, p. 20.

9. N.M. Khilnani, "Indo-Mongolian Relations : A study in Cultural Similarity", Indian and Foreign Review (New Delhi), Vol. 15, no.9, 15 February 1978, p.20.

troupe to Mongolia in 1980 and 1983 respectively. These performances helped the people to appreciate the cultural heritages of both the countries since time immemorial. While writing about the popularity of Indian culture in Mongolia, the contribution of two Mongolian personalities is worth mentioning. Mrs. Dolgor, who visited India along with the first Mongolian cultural delegation, popularised Indian dances in Mongolia. And then, Mr. Ch.Badraa who studied Indian musicalogy, contributed in propagating Indian music among the Mongolian people. Recently in 1989, a 21-member delegation of Mongolian cultural troupe visited India and gave successful performances at various cities including Delhi, Lucknow, Chandigarh, Mandi and Calcutta. This delegation was headed by Mrs. Narantoya, the Vice-Minister for culture who evinced interest in any possible Indian assistance for conservation of the historical monuments in Mongolia. The expertise available in the National Research Laboratory for conservation of cultural property, Lucknow is sought for the purpose. India is also assisting Mongolia to reconstruct her postal service which "suffers from very long delays". The Government of Mongolia availed of the offer of the International Postal Union to lend the services of two Indian experts-Mr.M.S.Rangaswami, Post Master General, Tamil Nadu Circle and Mr. P.B.Jain. Post Master General, West Bengal circle, the former to train their postal officials and

the latter to reorganise the Mongolian postal department.¹⁰ It is significant to note here that in 1989 the Nehru Centenary celebrations were held in Mongolia. Holding of several public meetings, children's art exhibitions and a research conference on the life and times of Nehru, a photographic exhibition on the same theme, and translation of Nehru's books into the Mongolian language and organisation of a TV meeting of writers, actors and artists etc. who had visited India and the publication of a commemorative stamp formed part of these celebrations.¹¹ Besides, Jawaharlal Nehru's 'Autobiography' and 'Discovery of India' were presented to the Government of Mongolia. As part of Nehru centenary celebration a scientific conference was also held in Ulan Bator on 13 November 1989 which was sponsored by the Mongolian Academy of Sciences. A number of Mongolian and Indian scholars in the fields of Indology and Mongolian studies participated in the conference. Such themes as "Jawaharlal Nehru's View on history", "Nehru's contribution on Indian Philosophy" and "Buddhist teaching and Jawaharlal Nehru" were deliberated during the conference.

The reciprocal visits of official delegates ^{to} represent their countries ~~at~~ national ~~festivals~~ in Mongolia and India,

10. See B.B. Iyer, Three and a half year in Mongolia, pp.21-22. Paper presented at National Seminar on Ethnicity, Politics and Development in Central Asia held at School of International Studies, Jawaharlal Nehru University, New Delhi on 16-17 February, 1990. (The author is former Indian Ambassador to Mongolia).

11. Ibid, pp. 28-29.

have lent substance to the friendly contacts. Prof. Nural Hasan visited Mongolia in 1987, as the official representative of the Government of India at the Nadom (National Day) celebrations. In the same year Mongolian State University organised a seminar to mark the birth centenary of India's great mathematician, Ramanujan. At the end of the seminar two volumes of the Ramanujan's work were presented to the MPR Ministry of Higher Education by the Indian envoy.

Broadly speaking ancient cultural bonds between Mongolia and India were mainly due to the spread of Buddhism from India, through Central Asia and Tibet. In this process of cultural interaction Buddhism brought with itself different foreign religious and cultural elements and traditions to Mongolia having changed or modified them in its own manner and spirit.¹² It is important to note here that Tibet played an important role as an intermediary in Indo-Mongolian spiritual intercourse. Tibetan variety of Buddhism or Lamaism became a decisive force in the spiritual life of the Mongols and exerted strong impact on the Mongolian society.¹³ In any case, Buddhism brought the two countries- Mongolia and India, closer enabling them to understand each other more

12. Sh. Bira, "Indo-Mongolian Historical and cultural contacts", in R.C. Sharma, ed., Perspectives on Mongolia (Delhi, Seema publications, 1988), p.16.

13. Ibid, p.14.

intimately. In the modern period, when the people's revolution occurred in Mongolia in 1921 and changed the equation between religion and state, the relationship between the two continued to be a cordial one. The people of Mongolia continued to preserve ancient traditions of Buddhism. Even today when religion has become a thing of the past one can find the glaring instances of the impact of Buddhism on the Mongolian people. The teachings and philosophical thoughts of Lord Buddha are so deep rooted in Mongolia that we find several scholars of Mongolia took their interests on various aspects of Buddhism and other ancient Indian literature. In this respect Buddhist monasteries of the country should specially be mentioned which played an important role through its educational institutions. The focal point of Mongolian Buddhism is the Gandantek-Chenling monastery, which has the finest collection of texts on Buddhist thought, history and culture in its library. The Buddhist philosophy is also taught in its educational institution. It seems, Buddhism helped Mongolia to develop her contacts with countries having Buddhist communities. The Mongolian people hold in extreme reverence India which is the birth-place of Buddhism besides being the centre of numerous and important Buddhist monasteries. Mongolian government has also been encouraging contact with Buddhists elsewhere. It is worth mentioning that the Asian Buddhist Conference for peace (ABCP) was established in Mongolia with its headquarter at Ulan-Bator. The head of the Mongolian Buddhists,

KhamboLama Gaadan is the President of this organisation. With a view to bring together Asian Buddhists on a common platform, the ABCP directed it against the arms race and the danger of war particularly of nuclear war, and for preventing the militarization of outer space besides the promotion of Lord Buddha's teachings in the noble cause of ensuring universal peace and social justice for all living beings. The UN decision to declare 1986 as the international year of peace provided an opportunity to Buddhists on 27th December 1985 to hold a mass Buddhist rally at Bodh Gaya in India. Eminent Buddhist dignitaries and scholars from various Asian countries including India and Mongolia participated in this rally. The ABCP acknowledged Indian efforts for peace and disarmament. It expressed its desire to keep Buddhist heritage alive to bring Mongolian and Indian people closer.

While writing about the Buddhist impact on the Mongolian culture we should not take it merely as a religious effect but with it certain basic elements of ancient Indian secular culture too have travelled to Mongolia. With the help of Buddhism the people of Mongolia had an opportunity to learn and understand much that was related to different branches of ancient Indian knowledge. Dr. Raguvira found striking similarity in the medical system of the Mongols and the Indian system of Ashtengahrdaya of Vagbhata. According to him Mongolian calendar is governed by the Brihaspati cycle of sixty years. Besides, the linguistic expressions idimatic usage similes and concepts in Mongolian language have much in

common with the Sanskrit language of India ¹⁴. The Indian epics and classical Sanskrit literature too found its expression in Mongolia's literary life. A large number of books and manuscripts of Indian origin are preserved all over Mongolia. The State Public Library in Ulan Bator which possesses numerous rare manuscripts on Buddhist literature and Sanskrit manuscripts written on palm-leaves, is one of the richest repository of such materials in the world. It possesses the original MS of Naiman -Myangat, the poem with 8000 stanzas written on palm leaves by Nagarjuna - the famous Indian scholar who lived around 200 AD. Another treasure is the Mongolian translation of the two great collections of Indo-Buddhist partially Tibetan works known as Gandjur and Dandjur".¹⁵ The completion of the Mongolian translation of these two collections which contained the foundation of ancient Indian five sciences such as philosophy, medicine, art, logic and applied sciences, is characterised as the most prominent phenomenon in the history of Indo-Mongolian spiritual intercourse. These two are the collection of works which have been translated from Sanskrit into Tibetan first and then in to Mongolian language. While the Gandjur is in 108 volumes and attributed to Buddha, the

14. Raghuvira, "Imprints on Mongolia" in Chamanlal, ed., India Cradic of Cultures (New Delhi: Oxford & IBH Publishing, 1978), pp. 184-85.

15. These two collections are also called as Kanjur and Tanjur.

Danjur is in 226 volumes containing a number of valuable works written by other ancient Indian sages or Pandits. It is pertinent to note here that the Mongolian Dandjur is the only original collection which is being preserved in the National Library of Mongolia. In this connection, the late Dr. Raghuvira's visit to Mongolia at the First International Congress of Mongolists is worth mentioning. Raghu Vira explained that "the Kanjur and Tanjur had put the Mongolian literature precisely at the same level as the literature of China, Tibet or India."¹⁶ In early 1960's, he had introduced Mongolian studies in his International Institute of Indian culture at New Delhi and later undertook a huge project of publication of Mongolian Kanjur and Tanjur in their original. For that purpose a micro-film copy of the 226 volume Tanjur was brought to India by him through the active cooperation of Mongolian Academy of Sciences and at the initiative of Yu Tsedenbal who attached much importance to the publication of ancient cultural monuments of the peoples of Mongolia and India.¹⁷ After his death his son Dr. Lokesh Chandra has carried on his works and he took the initiative to publish 108 volumes of the Mongolian Kanjur.

16. See E.Puntsag, "Cultural Relations between Mongolia and India", in Z. Polivka, ed., Socialist Community and India: Cultural Ties (New Delhi : Allied Publisher, 1978), p. 72.

17. Ibid, p.73.

In the field of Oriental studies including Indology and Tibetology, we find several institutions in Mongolia engrossed in these studies. The Institute of Language and literature of the Mongolian Academy of Sciences is the biggest centre which is engaged in the completion of research and publication of literary works. Many scholars and scientific workers of this Institute have written a number of articles and monographs on Indian cultural life including the history of Mongolian cultural heritage and its traditional ties with Indian culture. The History of Mongolian literature, (vol.2), is a new fundamental work in which a whole chapter deals with the Indian literature¹⁸.

Other publications which have been produced in Mongolia during the period of our study include the great epic Ramayana, translation of Kalidasa's Meghdoot and Bishnu Sharma's Panchtantra. Along with such publications the works of various contemporary writers have also been translated and published. Besides Rabindranath Tagore's 'Gitanjali' and 'Gora', Premchand's 'Goudan', Acharya Chatursen Shastri's 'Abha', the works of several Indian writers and poets including Khwaja Ahmad Abbas, Mulkraj Anand, Krishan Chander and others have also been translated and reprinted in thousands of copies.

Being full members of UNESCO both India and Mongolia are involved in its various programmes. In 1966, when a project on the "Studies of Civilisation of peoples in

18. Ibid.

central Asia" was approved by UNESCO, the two countries were also involved in this programme. In 1974, an international symposium on the 'Cultural role of the Nomadic Peoples in the Civilisation of central Asia" was organised by the Mongolian Academy of sciences and the Mongolian National Commission for Central Asian Civilization in which India also participated. At this symposium the Indian delegate Dr. Ram Rahul observed that "the organisation of this symposium marked a milestone not only in the history of UNESCO programme on the civilisation of central Asia, but also in the history of regional cooperation between the countries of central Asia." ¹⁹ Atal Behari Vajpayee's remarks made in his speech as Indian Foreign Minister while welcoming his Mongolian counterpart, M. Dugersuren on February 9, 1978 at New Delhi aptly describe the philosophical depth and emotional warmth of the cultural contacts between India and Mongolia. He said : "India and Mongolia are ancient lands of the ancient people of Asia. The history of cultural collaboration between India and the Mongols is most fascinating and unique and is as old as the history of the spread of Indian culture and ideas into Central Asia and Siberia. We in India consider the Mongol veneration of Sanskrit, a matter of special privilege. We hold the people of Mongolia in high esteem for preserving in translation as well as in manuscripts a vast collection of our precious Sanskrit texts on our philosophy, poetics, logic and astronomy lost by us over

19. Ibid, p.75.

the centuries. In modern times too, many Mongols visited India - the holy land of Buddhism".²⁰ Notwithstanding the physical barriers in term of long distance the two countries, Mongolia and India have embarked upon concrete programmes of cultural, educational and scientific cooperation ever since they established formal diplomatic relations in 1955.

20. Foreign Affairs Record, Vol. 24, no. 2, 1978, pp. 86-87.

CHAPTER IV

CONCLUSIONS

The world today is the by-product of the world yesterday and at each stage ideological and historical forces have had a decisive impact on the contemporary international political and economic relations. Whereas the close cultural and historical contacts between Mongolia and India provide a strong basis for their friendly relations, their common views and foreign policy objectives on major global issues, lend substance and strength to these bilateral contacts. The ideological forces that provide the basic structure of relationship between the two countries are essentially the themes of peace, global fraternity, disarmament and non-violence. The synchronisation at this level has outsmarted all other barriers namely different political systems and long distance. The fast changing international scenario where bipolar world is giving way to a multi-polar one and where the ideology of peaceful co-existence and detente, global disarmament and peace is dominating, provides Mongolia and India an impetus, to strengthen their bilateral relations without any ideological or political prejudice.

The relations between Mongolia and India are very old and historic based on their common cultural heritage. However in the post-revolutionary era, first political

contact was established between the two sides on the occasion of the First Asian Relations Conference held at New Delhi in March 1947, just before India got her independence. Mongolia was one of the participants in the deliberations of this conference which evolved a common approach on the matters of mutual Asian interest. After India became independent, their contacts were developed officially and on a full scale basis in 1955, when both sides established diplomatic relations. It is significant to note here that India was first non-socialist country to recognise Mongolia. This gave a big boost to Mongolia in consolidating her international position, as many other countries followed suit. Similarly with India strongly supporting Mongolia's demand for admission to the United Nations for which she had applied as far back as in 1946, several Asian countries like Burma, Indonesia and Sri Lanka followed suit. The years that followed the establishment of diplomatic relations were marked by regular exchange of high power delegations at the ministerial level as well as at the parliamentary levels between Mongolia and India. The year 1973 was a landmark in their relations as both countries signed a Joint Declaration which elucidated the fundamental principles that would guide Mongolia and India in their bilateral and international relations. Ever since both the countries have expanded and

consolidated their contacts in the letter and spirit of this joint declaration. The visits of Indian President to Mongolia and the Mongolian Premier to India in 1988 and 1989 respectively constitute new milestones in the development of political contacts between the two countries at the highest level. The views of Mongolia and India converge on vital international issues. Both stand committed to disarmament, elimination of colonialism, apartheid, world peace and peaceful resolution of regional conflicts. On issues like the Kampuchean problem, Palestinian question, the Afghan crisis and the Korean problem, both sides have maintained similar position.

As regards Indian regional disputes, such as the Sino-Indian conflict of 1962 and Indo-Pak conflict of 1965, Mongolia adopted a neutral stand laying stress on peaceful negotiations between the parties concerned. But in case of India-Pakistan war in 1971, when Bangladesh gained independence, Mongolia showed positive tilt in her stand towards India. Mongolia wanted a decision to be taken keeping in view the "real situation" and on the basis of justice and humanity which implied acknowledgement of the existence of an independent Bangladesh. Subsequently, on the India-Bangladesh dispute, over sharing of Ganga waters, Mongolia has stood for the resolution of the problem through bilateral negotiations. It has been against the

internationalization of this issue by Bangladesh. Despite being a votary of the 1961 treaty on Non-Proliferation of Nuclear Weapons, which is opposed by India, the basic objects of the foreign policy of Mongolia are in harmony with those of India and both stand committed to the promotion of a war-free environment and mutual trust.

The area of economic cooperation between the two countries largely remains an unexplored one owing to Mongolia's 'disadvantageous spatial location', it being a land-locked country. Despite being one of the most backward countries in Asia at the time of Revolution, Mongolia is today regarded as a developing country. Such a socio-economic transformation of Mongolia from a feudal to the socialist society has been largely due to Soviet economic and political support. Due to heavy dependence on the Soviet assistance, the whole economy of Mongolia has been oriented towards Soviet Union and other socialist countries. The CMEA member countries account for more than 95 percent of her exports and imports, with Soviet Union still ranking first. But the recent changes brought in the Soviet Union by Gorbachav through his glasnost and perestroika have greatly influenced the Mongolia's path of future development. Mongolian polity, society and economy are all set for change and restructuring following the policies of Il tod and

orchilan baigalalt-the Mongolian version of glasnost and perestroika in Soviet Union. It is worth mentioning that the first-ever free election was held in Mongolia in July 1990, in which more than 90 percent of Mongolian people decided the pace of democratic reforms through their ballots. It is an eloquent testimony to the fact that Mongolian government and people no longer want to be dependent exclusively on the Soviet Union. Recently Mongolia has shown keen interest to open itself to the outside world. In pursuit of its policy of economic restructuring as a follow up to orchilan baigalalt, Mongolia is going for privatisation of certain sectors of economy, providing incentives for livestock farming, setting up of a new self financing institutions and joint ventures in collaboration with foreign companies. Accordingly a new law on foreign investments has been promulgated. As such, there is ample scope for expansion of existing trade and other forms of economic cooperation between Mongolia and India. Hitherto bilateral trade has been regulated by formal Trade Agreements between the two countries at regular intervals. But the main thrust of Indian imports from Mongolia has been on raw materials particularly wool, whereas Indian exports are mainly confined to Ayurvedic medicines, dyes and chemicals and silk. Obviously both sides have to traverse a long way in this field. India can meet Mongolia's demand for textile, consumer electronic and electrical goods on cheaper rates.

Physical proximity often serves as a catalyst to cultural affinity. Cultural similarities across the borders, with componential traditions, ethos and beliefs acculturate people in the values of common social milieu. In spite of that, geographical contiguity can not become one and only deciding precondition for common cultural roots. Indo-Mongolian ties manifest a glaring example of aforementioned assertion. Physical remoteness has failed to overshadow the continuance of identical traditions and religio-racial similarities between the two countries. The relations between Mongolia and India are very old and historic one. They have inherited culture and civilization that dates back to thousands of years. The people of India living in the Himalayan region have racial, cultural and religious affinity, even their food habits and customs are identical with those of Mongols. The spread of Buddhism in Mongolia cemented these cultural bonds. The relations between the two countries continued to grow till an abrupt break came in the 18th and 19th centuries, that is when Mongolia was under the Manchu domination and India came to be ruled over by the British colonialists. It was only after both the countries became free nations in 1921 and 1947 respectively, that they were able to revive their ancient relations on quite a new basis. In this new era of modernisation and secularisation

that took place during the years of cultural revolution, Mongolia pursued its policy of friendly relationship with India and extension of the traditional contacts based on common Asian heritage and Buddhist culture. Both sides have been exchanging cultural exchange programmes without any break. The mutual organisation of film festivals, joint seminars, colloquiums and reciprocal visits of various cultural troupes, scholars, academicians, journalists and sportsmen between Mongolia and India have become a regular feature.

One can safely conclude that Mongolia-India relations have had a smooth sailing during the period of our study. The new Mongolian quest for Asian identity and expansion of socio-economic and political ties with other countries particularly in Asia, generates much scope for further expansion and concretisation of Indo-Mongolian cooperation in various sectors. When Mongolia's plan to join the NAM in 1991 fructifies, it would lend more substance and strength to these relations.

A P P E N D I C E S

Text of Indo-Mongolian Cultural Agreement, March 9, 1961

The Government of the Republic of India and the Government of the Mongolian People's Republic,

Desirous of strengthening the friendly relations between the two countries, promoting cultural relations between them and developing mutual co-operation in educational, social and cultural fields,

Have decided to conclude an Agreement on cultural co-operation and to this end have appointed their plenipotentiaries :

THE GOVERNMENT OF THE REPUBLIC OF INDIA

Shri Humayun Kabir,

Minister of Scientific Research & Cultural Affairs,

The Government of the Mongolian People's Republic

His Excellency Mr. Mangalyn Dugersuren,

Ambassador Extraordinary and Plenipotentiary, who having exchanged their credentials and found them good and in due form have agreed as follows :

Article 1. The Contracting Parties declare their desire to encourage and promote co-operation in the fields of culture, science, education, literature and art.

Article 2. The Contracting Parties shall, within the available financial resources, promote in every possible manner the development of close co-operation between the cultural, scientific, arts, educational, health, sports and other similar institutions of the two countries, especially by means of :

- (a) exchange of exponents of culture and arts, professors, scholars, educationists and students ;
- (b) organisation of exhibitions on educational and cultural aspects of each country, staging of theatrical and dance performances and film shows and music concerts ;
- (c) translations and exchange of books, periodicals and other publications of scientific, literary and artistic value.
- (d) exchange of films, newsreels and gramophone records, photographic and written material on science, art, literature, etc., and
- (e) reciprocal visits of sports and athletic teams.

Article 3. The contracting Parties shall consider the question of establishing cultural institutes in their countries according to the laws prevailing in each country.

Article 4. The Contracting Parties shall offer their good offices to facilitate the mutual recognition by universities and other educational authorities in the two

countries of the degrees, diplomas and certificates awarded by them.

Article 5. This Agreement shall come into force immediately on the date of the exchange of the Instruments of Ratification which shall take place as soon as possible at Ulan Bator. It shall remain in force for a period of five years and shall continue in force thereafter until it is terminated by either party by giving notice of not less than six months in writing.

In witness whereof, the said plenipotentiaries have signed this Agreement in duplicate in Hindi, Mongolian and English, all texts being equally authentic except in the case of doubt when the English text shall prevail.

Signed at New Delhi this ninth day of March Nineteen Hundred and Sixty one.

For the Government of the
Republic of India
(HUMAYUN KABIR)
Minister of Scientific
Research & Cultural Affairs.

For the Government of the
Mongolian People's Republic
(MANGALYN DUGERSUREN)
Ambassador Extraordinary
and Plenipotentiary.

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Indo-Mongolian Joint Declaration, 1973.

H. E. Mr. Yumjagiin Tsedenbal, Chairman of the Council of Ministers of the Mongolian People's Republic and Shrimati Indira Gandhi, Prime Minister of India, exchanged views on questions concerning India-Mongolia relations as well as international problems of interest of both countries and agreed on the following Joint Declaration.

I

1. The two Prime Ministers noted with satisfaction that the friendly relations between the two countries were developing steadily and satisfactorily to mutual advantage.

2. The two Prime Ministers noted that both sides were guided by a sincere desire to develop and strengthen close ties between the Indian and Mongolian peoples which have at present evolved into relations of friendship and cooperation between the two countries. Both sides also believe that further development of friendly relations between them met the national interests of the two peoples and contributed to international peace and security in Asia and the world.

3. India and Mongolia will be guided in their bilateral and international relations by the following principles :

- (i) All-round development and consolidation of friendship and cooperation in political, economic, cultural scientific and technological fields ;
- (ii) Adherence to the principles of peaceful co-existence between States with different social systems ;
- (iii) Respect for independence, sovereignty, territorial integrity and inviolability of state borders ;
- (iv) Equality and non-interference in internal affairs;
- (v) Settlement of disputes by peaceful means and renunciation of the use or threat of force ;
- (vi) All-round cooperation in the United Nations and other international organisations ;
- (vii) Pursuit of a policy of cooperation between India and Mongolia and peaceful and friendly cooperation between Asian States ; and
- (viii) Regular holding of mutual consultations and exchange of views at various levels on questions of interest to both countries.

II

1. In the course of the talks on the international situation, special attention was paid to the situation in Asia. The two Prime Ministers agreed that in order to establish a lasting peace in Asia, it was essential to seek settlement of inter-state disputes through peaceful negotiations and to lay down firm foundation for expanding cooperation between Asian States. India and Mongolia reaffirmed their determination to make every effort towards peace and security in Asia.

2. Both sides recognised the importance of normalising the situation in the Indian sub-continent with a view to establishment of durable peace. Prime Minister Tsedenbal welcomed the conclusion of the Simla Agreement and subsequent efforts made by India to implement the Agreement like withdrawal of troops with a view to setting in motion constructive steps for normalising the situation. He congratulated the Indian Prime Minister on her initiative to solve the problems of the Indian sub-continent through direct and peaceful negotiations. Both Prime Ministers expressed the hope that on the basis of recognition of the existing political realities by all the states concerned, these efforts will result in the speedy establishment of durable peace in the region.

3. Both Prime Ministers believed that admission of the People's Republic of Bangladesh to the United Nations would consolidate peace and cooperation in the Indian sub-continent. They agreed that any attempt to ignore realities only led to tension and instability in the area.

4. The two Prime Ministers warmly welcomed the signing of the Agreement on Ending the War and Restoring Peace in Vietnam at Paris on January 27, 1973 and expressed their admiration for the heroic people of Vietnam. They also welcomed warmly the signing of the Agreement on the Re-establishment of Peace and National Concord in Laos at Vientiane on February 21, 1973. They hoped that the signing of these Agreement would open the way leading to peace in Indo-China as a whole and easing of tensions in Asia and the world. The two Prime Ministers considered that the Agreements should be strictly observed by all parties and that the peoples of Indo-China should be enabled to shape their future without any outside interference and in accordance with their own national interests.

5. The two Prime Ministers expressed their concern at the grave situation that continued to exist in the Middle East. They reiterated their support for the establishment of a permanent and just peace in the Middle East.

6. Both sides welcomed the growing trend towards general detentes now noticeable in Europe. The two Prime Ministers considered that the convocation of all All-European conference on security and co-operation would be an important step towards strengthening peace and fostering better understanding in Europe and the world.

7. The two Prime Ministers re-affirmed their allegiance to the principles of the U.N. Charter and agreed to work for strengthening the Organisation and its effectiveness in every possible way.

8. The two Prime Ministers expressed their determined support to efforts to bring an end to the arms race, to the attainment of general and complete disarmament, including nuclear and conventional weapons, under strict international control.

They were of the opinion that holding of a World Conference on Disarmament in the near future with the participation of all countries would be most desirable.

9. The two Prime Ministers resolutely condemned colonialism and racialism and reiterated their determination to seek final eradication of these two evils.

10. The Mongolian Prime Minister expressed appreciation and support for the peace, non-alignment and friendship among nation pursued by the Government of the Republic of India

headed by Prime Minister Shrimati Indira Gandhi.

11. The Indian Prime Minister expressed her appreciation of the role played by the Prime Minister and the Government of Mongolia in pursuing a sustained policy of peace, friendship and co-operation with all countries.

New Delhi,

March 2, 1973.

APPENDIX III

PROGRAMME OF CULTURAL AND SCIENTIFIC COOPERATION BETWEEN THE
REPUBLIC OF INDIA AND THE MONGOLIAN PEOPLE'S REPUBLIC FOR THE
YEARS 1987-1989

With a view to implement the Agreement on cooperation in the cultural and scientific fields between the Government of the Republic of India and the Government of Mongolian People's Republic signed on February 9, 1978, both sides have agreed on the following programme of exchange in cultural and scientific fields for the years 1987-1989.

I. Education and Science

1. During the validity of the programme the Mongolian side shall receive 1-2 specialists to get acquainted with pre-school education for a period of 7 days.

NCERT

2. Both sides shall study the possibility of compiling a Mongolian-Hindi and Hindi-Mongolian dictionary.

CH.D

3. The Mongolian side shall, on request from the Indian side, provide a teacher in Mongolian

language for teaching at the Jawarharlal Nehru University, New Delhi. Details shall be agreed separately.

CH.D

4. The Indian side shall study the possibility of establishing a Chair of Mongolian studies in an Indian University.

U.G.C

5. The Monogolian State University and the Jawaharlal Nehru University shall exchange books on topics of mutual interest.

U.G.C

6. Both sides shall invite delegates to participate in conferences, symposia and seminars to be held in their respective countries.

U.G.C

7. The Indian side shall offer 2 scholarships to Mongolian nationals for post-graduate/higher studies in India. Subject of specialisation shall be decided through diplomatic channels.

Es. Div.

8. The Monoglian side shall invite 4 scholars to the 5th International Congress of Mongolists to be held

in Ulan-Bator from 14 to 21 September, 1987. Immediately after the Congress, the scholars of the two countries will exchange views on the related issues of the Mongolian studies.

U.G.C.

9. Indian side shall provide facilities to 2 Mongolian students for learning Hindi.

ICCR

10. Mongolia shall similarly provide facilities to 2 Indian students for learning Mongolian language.

ICCR

II. Culture and Art

11. Both sides shall exchange art publications and colour reproductions of masterpieces of art on reciprocal basis.

N.M.

12. Both sides shall exchange a writer to exchange views on translation of works of literary merit of each other's country.

S. Akademy

13. Both sides shall encourage exchange of books and publications between the State Library of the

Mongolian People's Republic and the National Library of Calcutta of the Republic of India.

NLC

14. During the validity of the programme both side shall exchange a group of performing artists not exceeding 20 persons for a period of 2 weeks.

ICCR

III. Sports

15. During the validity of the programme, the Mongolian side shall invite an Indian team to participate in international free style wrestling competition to be held in Mongolia.

D/Sports

16. The Indian side shall invite a Mongolian team to participate in the Asian Wrestling Championship to be held in India.

D/Sports

17. Both sides shall extend invitations to the other side to participate in international competitions to be organised in their respective countries. During the visit of the sportsmen the both sides shall organise friendly matches between them.

D/Sports

18. The Indian side shall send to Mongolia a 10-member team of Judokas, one manager and one coach during the first quarter of 1988.

D/Sports

IV. Information and mass media

19. The Indian side shall extend invitations to the Mongolian side for participation in the International film festivals organised in India.

M/I & B

20. The Indian side shall receive one Mongolian producer for the final approval of the documentary film about the MPR for a period of up to 14 days.

M/I & B

21. Both sides shall exchange a journalist engaged in the Government information agencies for a period of a week.

M/I & B

22. Both sides shall exchange radio and TV programmes and musical recordings, documentary films depicting the various facets of life and culture in the two countries.

M/I & B

23. Both sides shall observe each other's National Days through their respective radio and television organisations.

M/I & B

24. Both sides shall organise film weeks of feature and documentary films of each country.

M/I & B

25. Both sides shall encourage exchange of acquaintance visit by officials working in the government owned media organisation and those responsible for coordination in the government of such media units, for exchange of views and gaining experience.

M/I & B

V. Agriculture research and education

26. Both sides shall continue cooperation in the field of agricultural research and education according to a separate Protocal signed between the two Governments on the subject.

DARE

APPENDIX IV

Agreement between the Government of the Mongolian People's Republic and the Government of the Republic of India on cooperation in the field of science and technology.

The Government of the Mongolian People's Republic and the Government of the Republic of India (hereafter referred to as the Contracting Parties),

Considering that development of scientific and technological relations shall be of mutual benefit to both the countries;

Mindful of strengthening cooperation between the two countries, particularly in the field of science and technology;

Desiring further that such cooperation will promote the development of existing friendly relations between the two countries;

HAVE AGREED as follows:

Article - I

The Contracting Parties agree to promote development cooperation in the fields of science and technology between the countries on the basis of equality and mutual advantages and shall define by mutual consent various areas in which such cooperation is desirable, taking into account the experience which scientists and specialists of the two countries have gained and the possibilities available.

Article - II

Cooperation between the Contracting Parties in the fields of science and technology may be effected by means of:

- i) Exchange of scientists, research workers, specialists and scholars;
- ii) exchange of scientific and technological information and documentation;
- iii) organisation of bilateral seminars and courses on problems of interest to both countries;
- iv) joint identification of scientific and technological problems, formulation and implementation of joint research in industry, agriculture and other fields and exchange of experience and know-how resulting therefrom.

Article - III

1. The Contracting Parties shall promote cooperation between their respective organisations, enterprises and institutions concerned with science and technology in both countries with a view to concluding, if necessary, appropriate protocols or contracts within the framework of this Agreement.

2. Protocols or Contracts, which shall be the basis for developing cooperation between organisations, enterprises and institutions concerned with science and technology in both countries, shall be concluded in accordance with the laws and regulations in force in the respective countries. Such protocols or contracts shall, if necessary provide for:
 - i) Recompense for licensing know-how or utilisation of patents;
 - ii) Exchange of patents, joint application for patents based on joint projects of research and development and conditions for their commercialisation by either party or jointly by them in a third country;
 - iii) Conditions of introduction into production and realisation of output; and
 - iv) Financial terms and conditions.

Articles - IV

The Contracting Parties agree that the delivery of the equipment for joint research and for pilot plant studies, instituted in furtherance of this Agreement will be effected in the manner discussed and agreed upon by both the Contracting Parties in each individual case. The delivery of equipment and apparatus from one country to another in the course of implementation of this Agreement shall be effected in accordance with the terms of the then existing trade agreement between the two parties or may be agreed between them.

Article - V

The Contracting Parties shall take steps to promote cooperation among scientific libraries, centres of scientific and technological information and scientific institutions for exchange of books, periodicals and bibliographies.

Article - VI

1. The objectives of this Agreement shall be realised through the implementation of programmes signed periodically. Such programmes shall define the range, subjects and forms of cooperation including financial terms and conditions.

2. The implementation of this Agreement is entrusted to the State Committee for Science, Technology and Higher Education from the Mongolian side and to the Department of Science and Technology from the Indian side.

Article - VII

Each Contracting Party agrees not to divulge information obtained by it or its personnel under this Agreement to any third party without the specific consent of the other party.

Article - VIII

Expenses for travel of the scientists and specialists between the two countries shall be borne by the sending country, while the expenses for accommodation and other expenses, such as pocket money, internal travel, medical facilities, etc. shall be borne by the host country, according to the terms mutually agreed upon between the Contracting Parties. In case of the sudden illness the host country shall provide free medical treatment and if necessary, hospitalisation of the scientists and specialists.

Article - IX

Each Contracting Party shall subject to its laws and regulations, secure to the citizens of the other Party, who stay on its territory, all assistance and facilities in the

fulfilment of the tasks entrusted with, according to the provisions of their Agreement.

Article - X

The Present Agreement will enter into force on the date on which the Contracting Parties notify each other of the completion of their respective legal procedures.

This Agreement shall remain in force for period of five years and shall be automatically renewed for further period of five years, unless either Party gives a written notice to the other six months in advance of its intention to terminate the Agreement. This Agreement may be modified by mutual consent.

Done at Ulaan Baatar on the 14th July, 1988 in two originals, each in Mongolian, Hindi and English language. All the texts being equally authentic except in case of doubt the English text shall prevail.

On behalf of the Government
of Mongolian People's
Republic.

On behalf of the Government
of the Republic of India.

(M. DASH)

(K.R. Narayanan)

Chairman, State Committee
for Science, Technology and
Higher Education.

Minister of State for
Science and Technology

INDO-MONGOLIAN JOINT STATEMENT

At the invitation of the president of India Shri Venkataraman, H.E. Mr. Jambyn Batmunkh, General Secretary of the Central Committee of the Mongolian People's Revolutionary Party and President of the Presidium of the Great People's Khural of the Mongolian People's Republic paid a friendly state visit to the Republic of India from 7th to 10th March, 1989. The President was accompanied by Madame D. Batmunkh and a high level delegation which included H.E. Mr. M. Peljee, Deputy Prime Minister, H.E. Mr. Ts. Gombosuren, Foreign Minister of Mongolia, H.E. Mr. B. Chimid, Head of Department, Presidium of the Great People's Khural of the Mongolian People's Republic and Others.

2. H.E. Mr. J. Batmunkh and Madame B. Dariimaa called on H.E. Shri R. Venkataraman, President of India and Smt. Venkataraman and met H.E. Shri Shankar Dayal Sharma, Vice President of India and Smt. Sharma. H.E. Mr. J. Batmunkh also held wide ranging discussions with H.E. Mr. Rajiv Gandhi, the Prime Minister of India. The talks were held in an atmosphere of warmth, friendship and mutual understanding which characterise the relations between the two countries.

3. During their talks the leaders reviewed the existing bilateral relations between Mongolia-India. They noted that

political relations were enhanced and the economic, scientific and technical cooperation between the two countries had been growing steadily in accordance with the principles and spirit of the Mongolo-Indian Joint Declaration of 1973. In this context, they expressed their satisfaction at the results of ongoing cooperation in cultural, medical and agricultural fields and in science and technology based on existing protocols and agreements. The new protocols and work programmes to be signed in the forthcoming years would take this cooperation to even higher levels. They expressed their interest in identifying new areas for cooperation including joint ventures, trade promotion and a great exchange of scholars and researchers.

4. During the state visit by the Mongolian leader a Mongolian Studies Chair was inaugurated at the Jawaharlal Nehru University in New Delhi and a two-year programme for the implementation of the 1988 Mongolo-Indian agreement on cooperation in the field of Science and Technology was signed.

5. In their discussions on international issues, the leaders welcomed the improvement in the general climate of international relations and the fact that confrontation is giving way to dialogue. They reiterated the need to sustain this trend and strengthen the thrust in favour of international cooperation and development which has been

consistently advocated by the Nonaligned Movement. Prospect of nuclear disarmament has reawakened the hope that human and material resources could be directed towards global development instead of being wastefully squandered on the arms race. The new international situation poses challenges while presenting opportunities for nonaligned countries in their struggle for safer and more just world order. The two countries will continue to work together in UN and other fora to further this process.

6. Mongolia-India will exert their efforts, as fellow Asian nations, to strengthen peace, security and cooperation in the region and to consolidate the principle of non-use of force in the relations among states and participate in the search for ways and means to resolve such global problems and protection of the environment and the ensuring of ecological equilibrium in the interest of the whole of mankind.

7. During their talks and meetings, both sides apprised each other of recent developments that augur well for improvement of their relations with the countries in their neighbourhood. It was noted that friendly and cooperative relations between India and China would contribute positively to peace and stability in Asia and the world. They considered the prospect of a Sino-Soviet summit as an important development and hoped for a positive outcome of the meeting.

8. The two sides took note of the positive changes in the regional situation in Indo-China particularly with regard to the question of Kampuchea. The two sides welcomed the Jakarta Informal Meeting process, the initiative taken within the framework of the non-aligned movement, the dialogue in Paris and bilateral discussions between various countries on the Kampuchean question, Mongolia and India urge the continuation of dialogue leading to a negotiated political settlement that ensure the sovereign independent, peaceful, non-aligned status of Kampuchea.

9. Recent developments in Afghanistan were reviewed by the two sides and concern was expressed at the continuing tense situation in Afghanistan. Noting with satisfaction that the Soviet troops had been withdrawn from Afghanistan in accordance with the Geneva Accord both sides emphasised the importance of the implementation of the Geneva accord in letter and spirit by all the parties concerned. Agreeing that the preservation of the sovereignty, territorial integrity, political independence and nonaligned character of Afghanistan was essential for a peaceful solution of the Afghan problem, the two sides expressed the view that the Afghan people should be permitted to decide their own political destiny independently and without outside interference and intervention.

10. Mongolia and India emphasised the need for relaxing tension in the Korean peninsula and expressed their support for constructive initiatives and dialogue aimed at the peaceful reunification of Korea.

11. The two sides welcomed the constructive and realistic declaration of the Palestinian National Council in Algiers and subsequent developments which have created a positive climate for the resumption of the Middle East Peace process. They emphasised that without a just and comprehensive settlement of the Palestinian question based on the restoration of the inalienable rights of the Palestinian people, including the right to self determination and an independent State in their homeland, there can be no durable peace in the region. They reiterated their call for the early convening of a UN sponsored international conference on the Middle East with the participation of all concerned parties including the PLO. They pledged support for all efforts to reach an early solution of this long outstanding problem.

12. The two sides reviewed the situation in Southern Africa. They noted with concern the continued resort to repressive policies by the South African apartheid regime and expressed their conviction that the application of comprehensive mandatory sanctions remains the only effective peaceful means available to bring about the dismantlement

of the abhorrent system of apartheid. The two sides noted with satisfaction that agreement has been reached on the process for Namibian independence commencing on April 1, 1989. They underlined the conviction that arrangements to be made by the United Nations to implement Security Council Resolution 435 should make all necessary provisions for the conduct of free and fair elections to the constituent Assembly which is to adopt the Constitution of Namibia. They look forward to Namibia graduating from a long period of colonial domination to full membership of the comity of independent nations.

13. The two sides held that the visit of President Shri R. Venkataraman to Mongolia and the visit to India by H.E. Mr. J. Batmunkh, General Secretary of the Central Committee of the Mongolian People's Revolutionary Party and President to Presidium of the Great People's Khural constitute new milestone in the relations between India and Mongolia.

14. H. E. Mr. Jambyn Batmunkh expressed his sincere thanks to President Shri R. Venkataraman and Prime Minister R. Gandhi the Government and People of India for the warm and cordial reception. The Mongolian leader invited President and Smt. Venkataraman, Prime Minister and Smt. Gandhi to pay a friendly visit to Mogolia at a time of their convenience. The invitations were accepted with thanks.

New Delhi, 10 March, 1989.

LAW OF THE MONGOLIAN PEOPLE'S REPUBLIC ON FOREIGN INVESTMENT *

(passed on March 23, 1990)

ARTICLE 1. PURPOSE OF THE LAW

The purpose of the Law is to define legal arrangement of foreign investment in the Mongolian People's Republic (MPR) on the basis of principles of equality and mutual benefit and regulation of relations in connection with such activities.

ARTICLE 2. DEFINITIONS OF THE LAW

1. An organization with foreign investment shall mean any enterprise or organization which is financed fully (100%) or partially by foreign legal person or individuals.

2. A foreign partner shall mean foreign legal person or individual a party to the investment.

3. A Mongolian partner shall mean an enterprise or organization which is Mongolian legal person or individual a party to the foreign investment.

4. "Constitutive document" shall mean treaties, agreements on setting up of organizations with foreign investment and also its charter.

* Unofficial translation from Russian

ARTICLE 3. SCOPE OF THE INVESTMENT

1. Foreign partner can invest any branch of national economy of the country unless the Law of the Mongolian People's Republic stipulates otherwise.

2. The Mongolian People's Republic shall first of all encourage foreign investment in the following spheres.

a/. Increase of export from Mongolia and import substitution production;

b/. Hi-tech production and rendering of services with the application of advanced technology;

c/. Manufacturing of deep processed finished goods based on Mongolian natural wealth, resources of various types of minerals and agricultural raw materials and execution of geological survey works;

d/. Development of infrastructure in national economy such as energy, road, transport and communication;

e/. Development of tourist industry and all corresponding services.

ARTICLE 4. LEGAL GUARANTEE

1. An organization with foreign investment shall act in accordance with this law and other related Law of the Mongolian People's Republic;

2. The Mongolian People's Republic shall protect the foreign partner's interests in accordance with its Law, universally accepted international norms, rules provided by the constitutive documents of the organization with Foreign investment. Foreign investment on the territory of MPR is not subject to nationalization;

3. In the case of amendments to this Law after entering into force of the constitutive documents on organization with foreign investment an organization itself shall decide whether to abide by constitutive documents or these amendments;

4. The foreign partner shall have the following rights;

a/. Participation in the management of the Organization with foreign investment;

b/. Transfer of rights and duties to any foreign or Mongolian partner;

c/. Receive profits in proportion to the invested capital, own and repatriate it abroad;

ARTICLE 5. FORMS OF INVESTMENT

1. Foreign and Mongolian participants can invest in the following forms;

a/. In cash (foreign and national currency);

b/. Building, equipments, machines and mechanisms, instruments, spare parts, component parts and other materials;

c/. Patents, technologies, know-how and other technical services;

d/. Mutually agreed other forms.

2. Share of foreign and Mongolian partners in the statutory fund shall be calculated on mutual agreement on the basis of world prices;

ARTICLE 6. PROCEDURE ON THE SETTING UP OF AN ORGANIZATION WITH FOREIGN INVESTMENT

1. Foreign and Mongolian parties shall submit their application on setting up of an organization with foreign investment together with the draft of the constitutive document to the Council of Ministers of the MPR and the decision on it shall be taken within 60 days after receiving an application;

2. Duration of activities of an organization with foreign investment and extension of its term shall be regulated in accordance with the constitutive document;

3. Organization with foreign investment shall be registered with the Ministry of Finance of the MPR.

ARTICLE 7. EXPORT-IMPORT OPERATIONS AND SUPPLYING OF AN ORGANIZATION WITH FOREIGN INVESTMENT

1. An organization with foreign investment shall carry, on its export and import operations connected with its own undertaking through foreign trade organizations of the MPR either jointly with the later or independently;

2. In connection with its activity an organization with foreign investment for procuring raw materials and other goods in the domestic market of the MPR and selling of its products in this market it shall make payments in tugriks and other mutually agreed currencies by world or bilaterlly fixed prices;

3. Corresponding organizations of the MPR shall facilitate the organization with foreign investment in procuring and buying of equipment, raw and other materials required for functioning of this organization;

ARTICLE 8. TAXES, DUTIES AND FINANCIAL TERM

1. The organization with foreign investment shall pay differentiated tax out of hard currency and tugrig profits received as result of its activity. The amount of such tax should not exceed 40% of the profits. The taxes should be paid in the currency of profits;

2. Organization with foreign investment shall have

income tax holiday in the course of three years since its inception;

3. Profits transferred abroad by foreign participant are not taxed;

4. No customs duty shall be imposed on goods of its own production for export and import of an organization with foreign investment;

5. Organization with foreign investment shall be under audit on the part of the MPR's financial organizations unless the constitutive document stipulates otherwise;

6. Organization with foreign investment can have accounts in the State Bank of the MPR in tugriks and any other currency.

ARTICLE 9. UTILIZATION OF NATURAL RESOURCES

Land, its resources, water, forest and other natural resources on the territory of the MPR can be utilised on payment to organization with foreign investment. It should ensure the requirements for environmental protection.

ARTICLE 10. EMPLOYMENT WAGES AND SOCIAL SECURITY

1. Organization with foreign investment shall recruit technical staff and workers for the functioning of it on contractual basis;

2. The salaries and other incomes of the employees of an Organization with foreign investment are subject to taxes in accordance with the Law of the MPR;

3. Foreign employees of Organization with foreign investment can repatriate their salary and other incomes free of any tax;

4. Social security of employees of an Organization with foreign investment shall be governed by Law of the MPR unless the constitutive document stipulated otherwise.

ARTICLE 11. SETTLEMENT OF DISPUTES

Any disputes that may arise in connection with functioning of an organization with foreign investment like:

- between such organization and state, cooperative, public organizations, enterprises of the MPR;
- between organization with foreign investment themselves;
- between participants of an Organization with foreign investment;

- between an organization with foreign investment and citizens.

Shall be settled through local courts and arbitration unless the constitutive document stipulates otherwise.

ARTICLE 12. MATERIAL RESPONSIBILITY

In case of actions in contradiction with this Law and provisions of the constitutive documents and damages and losses due to such actions an organization with foreign investment shall bear material responsibility.

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