On 27 June 2004, some one million voters went to the polls in Mongolia to elect 76 members of the Great State Hural, Mongolia’s parliament. The ruling Mongolian People’s Revolutionary Party (MPRP) lost its two-thirds majority and half its parliamentarians. But the Motherland Democracy Coalition (MDC), a coalition of Mongolia’s most influential opposition parties, fell short of achieving a majority of its own. After the election, a grand coalition government was formed, paving the way for profound legal, social, and economic reforms.

1. Background

In July 2000, the MPRP won a landslide victory in the parliamentary election; the winning party captured 72 of the 76 seats at stake, so ousting the government of the Democratic Alliance. A year later, the MPRP retained the presidency; with 57.9% of the vote, Natsagiyn Bagabandi was re-elected as head of state. With these victories, the MPRP assumed control over all the most powerful political institutions in Mongolia. However, the party was restrained in its exercise of the full range of constitutional powers, winning praise from international organisations such as Freedom House (2004).

Mongolia’s transition to a market economy has been smooth compared with that of other former communist countries. GDP growth, in particular, has remained
steady, with the country recovering within a few years from the initial recession during the transition (Cheng, 2003). Growth increased from 1.1% in 2000 to over 5% in 2004; and inflation fell steadily from 11.6% in 2000 to approximately 5% in 2004. And during its term of office, the MPRP government succeeded in lowering the unemployment rate from 4.7% to about 3.5%. Most importantly, the MPRP government succeeded in convincing Russia to write off Mongolia’s debt of $11 billion. Despite this economic progress, poverty remains a serious problem. According to recent estimates by the World Bank and the United Nations Development Program, 36% of the population lives below the poverty line.¹ Unsurprisingly, poverty and economic development were the main issues addressed by both major parties during the election campaign.

2. Electoral system

Mongolia’s new constitution came into force in February 1992. According to Article 21, the parliament consists of one chamber and has 76 members, elected for 4-year terms. In April 1992, parliament passed a new election law, stipulating that members of the Great State Hural were to be elected by plurality vote in 26 electoral districts, with district magnitudes ranging from two to four. This ‘block vote’ system tends to exaggerate disproportionality, since most voters tend to vote a straight party ticket and the plurality party then wins as many seats as are on offer. And so it proved in 1992, when the electoral system helped the MPRP to an unexpected landslide victory in the 1992 parliamentary election, when it captured 92.1% of the 76 seats with less than 60% of the votes cast. This disparity was widely considered to be not just unfair but also unfavourable to Mongolia’s political development (Brick et al., 1992). In January 1996, parliament amended the election law, such that all 76 members of parliament are now elected by plurality vote in single-seat constituencies. (This system, while compatible with great disproportionality—as in the 2000 election—tends to favour the larger parties somewhat less than the block vote.) The first election under the new system was held in June 1996.

3. Campaigning

On 12 April 2004, the General Election Commission (GEC) announced that national elections would be held on 27 June. The election law stipulates that the campaign period begins with the registration of candidates, which begins days after the GEC’s official announcement, and ends 24 h before polling day. So, in 2004, the official campaign lasted between 40 and 60 days depending on the candidate’s registration.

Registration is open to candidates nominated by parties and coalitions, and to independents provided they collect at least 801 signatures from voters in their targeted electoral district. Each candidate has to pay a deposit of MNT 10,000 (around $8.90); the entire deposit is returned to those elected, and half is returned to

those achieving at least the average vote share of all candidates in the district. In total, 244 candidates registered with the GEC\(^2\); all but 15 were nominated by the seven political parties taking part in the election.

In February, the Party of Civil Courage, the Democratic Party, and the Motherland Mongolian Democratic New Socialist Party agreed to form the MDC coalition. Apart from the MDC, only the ruling MPRP nominated candidates in each of the 76 constituencies. The Republican Party (RP) contested 35 seats, the Mongolian Party of National Unity (MPNU) put up a candidate in 23, while the Mongolian Conservative Unity Party (MCUP), the Mongolian Green Party (MPG), and the Mongolian Liberal Party (MLP) contested just a handful of seats each. The average number of candidates contesting each constituency decreased from nine in 2000 to just three in 2004, significantly increasing the chances of candidates from the main opposition camp.

There are minor restrictions on campaign activities. There is no legal limit on candidates’ expenditure during the campaign, but they must maintain a record of their spending. Posters, flyers, and other campaign materials may be distributed only at designated public places. The conduct and publication of opinion polls is illegal during the final week of campaigning. According to the election law, the GEC may arrange for free airtime on public television and radio for political advertisements. Aside from these broadcasts, candidates, parties, and coalitions may place advertisements on TV and radio at their own expense.

Legislation in 1998 bans the censorship of public information and requires the privatisation of the media industry. The government, however, has delayed implementation of this provision, and thus retains a dominant position among broadcasters: it runs the only national TV station, and state-owned radio remains the major source of information for those in rural areas. Although the number of independent media outlets has increased significantly over the years—mainly regional TV stations and FM radio broadcasters—these too are indirectly controlled by the government, which reacts to criticism with libel suits and tax audits. Journalists tend therefore to practise self-censorship. Moreover, severe financial difficulties make journalists and media outlets susceptible to financial inducements from politicians. For instance, it is common practice for media outlets to accept financial assistance from politicians in exchange for news coverage.\(^3\)

In this context, it is unsurprising that the broadcast media tended to help the government’s cause during the 2004 campaign. Opposition candidates were reportedly less successful in obtaining media coverage; in particular, there were complaints that state-run television only accepted payments from MPRP candidates.\(^4\)

According to a survey, 74% of the observed election television coverage favoured MPRP candidates; so did 80% of radio broadcasts (Soros Foundation, 2004).

\(^2\) The average age of candidates was 44; 36 of the 244 candidates were women (data provided by the GEC).

\(^3\) According to a global survey of media independence by Freedom House, Mongolia’s media is only partly free (Freedom House, 2004).

\(^4\) Mongoliin Medee, 3 June 2004.
In addition, MPRP spots accounted for about 80% of the total airtime taken up by campaign advertisements on radio and television.

Mongolia’s print media are more diverse, and voters could choose from a wide variety of newspapers, representing both opposition and government views. Two out of every ten news stories were neutral, and almost one in three stories was supportive of the MDC. Nevertheless, more than half were in favour of the MPRP (Soros Foundation, 2004). And the ruling party’s dominance of advertisement space extended to the press: 70% of newspaper advertisements were placed by the MPRP. Since voters in Mongolia were largely dependent on the broadcast and print media for electoral information, the dominance of the MPRP was significant.5

Another issue of concern during the campaign was the illegal use of state-owned infrastructure and public officials. More than 160 campaign events were held on state-owned premises; in most cases, no rent was paid. And over a thousand civil servants—plus their state-owned vehicles—were actively employed in campaigning and canvassing. The MPRP took full advantage of its incumbency (Soros Foundation, 2004).

4. Election issues

Polls conducted several weeks prior to the official registration period put the MPRP at around 50%, and the MDC trailing at a mere 29%.6 These figures, along with knowing that the governing party would mobilise the entire state apparatus (including its media) to secure a victory, left the opposition camp aware that it needed to be united and to find issues that would attract voters. The latter was difficult, given that Mongolia’s economy had undeniably performed well under the MPRP. Nonetheless, economic success had not cured Mongolia’s endemic poverty, which the opposition took advantage of by placing welfare benefits at the core of its campaign strategy. Candidates nominated by the MDC coalition used speeches, posters, leaflets, and advertisements to publicise their intention to implement far-reaching welfare programs, such as increasing child benefits, instituting housing development programmes for about 40,000 families, providing subsidies for English courses at schools, and more general improvements in education.

The MPRP began its campaign by condemning the MDC’s plans as unfeasible, characterising them as an election gimmick, but later decided to focus its own campaign on social welfare. The party’s candidates promised a one-time subsidy of MNT 500,000 to families living below the poverty line; another MNT 100,000 to every family with a newborn child; and the same amount annually to families with three or more children. In addition, the MPRP pledged to set up a pension fund offering subsidies to elderly people in need, and promised a housing programme in the capital, Ulan Bator, that would benefit 10,000 families.

After social welfare, the economy was the most important campaign issue, with extravagant promises from both major parties. The MPRP offered a guaranteed

6 Survey conducted by Sant Maral, March 2004.
annual growth rate of at least 7%, and pledged to increase the productivity of the agricultural sector, to double the exports from the mining industry, and to create 145,000 new jobs. MDC candidates spoke of a guaranteed economic growth rate between 6 and 10%, and promised a 5-year tax exemption for shepherds, a radical reform of the tax system, and to encourage foreign companies to invest in Mongolia’s agriculture. In foreign policy, both major parties emphasised the need for Mongolia to maintain its participation in UN peacekeeping operations. The MPRP stated its aim to sign a free-trade agreement with the USA, while the MDC promised closer political and economic ties with South Korea.7

During the election campaign, MPRP’s candidates sought to represent themselves as responsible and experienced politicians. The party received support from the General Secretary of the Socialist International, who visited Mongolia in early June and participated in the MPRP’s campaigning. The leadership also worked especially hard at shrugging off the party’s communist past, and, on several occasions, party representatives emphasised that the MPRP would now be a social democratic party modelled on Tony Blair’s ‘New’ Labour. The MDC, on the other hand, tried to run a united and programmatic campaign, although their candidates were not above personal attacks on their rivals. Despite the efforts of the opposition camp, few people doubted an MPRP victory, especially following a rash of opinion polls in mid-June. The MPRP continued to command around 50% of the vote, while the MDC was credited with between 32% and 36%. No poll suggested that the proportion of undecided voters exceeded 10%.8

5. Results and implications

The initial results astonished the public and international observers. The MDC and MPRP captured 36 seats each. The MPRP lost half its seats from the previous election, whereas the coalition parties increased their share from three to 36 seats. The ruling party, however, immediately filed a complaint to the election commission about voting irregularities at two polling stations in district 59 (Ulan Bator) and at one polling station in district 24 (Uvurkhangai). The administrative court ruled the election in both constituencies invalid, thus reducing the MDC’s seat tally to 34.9 The results reported in Table 1 exclude the two disputed seats.

Turnout was 82.2%, more or less unchanged from 2000. The MPRP won 49% of the vote, down around 8 percentage points on the last election; the parties of the MDC gained 7 percentage points, winning 44% of the vote. Despite losing the disputed seats, and therefore dropping slightly below seat parity with the MPRP, the MDC was the real winner of this election. It benefited hugely from the unity it had lacked in previous elections, and which had long been the hallmark of the MPRP and its campaigns. The MDC coalition also gained by its welfare plans, which proved

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7 The party platforms were published in their entirety in newspapers: MPRP’s in Unen on 17 May 2004; MDC’s in Mongolin Medee, issues 100–102.
8 These opinion polls were conducted by Sant Maral, Prognose, and Universal.
9 Legal wrangling was still continuing in December 2004, with neither seat yet filled.
popular. Public opinion turned further against the MPRP in reaction to the party’s fairly blatant abuse of its advantageous media position during the campaign. 10

Given the capriciousness of MPs, and continuing uncertainty over the disputed seats, there was little optimism that either the MDC or the MPRP could govern alone, or in a slender majority coalition with the four other MPs, for 4 years. The major parties therefore decided in September 2004 to form a grand coalition government. The coalition agreement stipulates that the posts of Speaker and Prime Minister be held for 2 years on rotation, and that cabinet posts be shared equally among the two camps. A 4-year Action Plan was approved by the new cabinet, which promises far-reaching changes in Mongolia’s economy, environmental, and political system. 11 The economic measures focus on encouraging small businesses, through deregulation and an expanded micro-credit system. Environmental plans include the creation of a liability system for environmental damage, and the promotion of environmentally friendly fuels. Most notably, at least in this context, the Action Plan includes measures to limit electoral corruption. National TV and radio stations are to be transformed into independent public media outlets. And civil servants will be prohibited from participating in campaigns, and from misusing budget resources, state property or vehicles for campaign purposes. If the Action Plan is enacted, the next Mongolian election should take place in a freer and fairer political environment.

References


European elections in eight new EU member states

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1 Under the pre-Nice formula there would have been 788 deputies, the same number of deputies and observers from the new member states working in the parliament for several months prior to the election.

1. Background

Elections to the European Parliament in June 2004 were of particular significance in being the first to involve the eight new member states from East-Central Europe, following their accession to the European Union on May 1st 2004. Accession had been scheduled for May precisely to facilitate their participation in the European elections.

The new formula for allocating seats in the European Parliament, created in the Nice Treaty, entailed a reduced number of seats for the established member states (except Germany, previously under-represented) to accommodate the new members. The total number of seats increased from 626 to 732\(^1\); 151 seats were contested in East-Central Europe.