

# Gingrichites promote 'Contract on Mongolia'

by Michael O. Billington

Mongolia is a country of just over 2 million people, spread sparsely over a vast expanse the size of western Europe. But, because it sits strategically between Russia and China, the British and the fanatics in Newt Gingrich's "Conservative Revolution" circle in the United States, have put considerable effort into operations to control and manipulate this impoverished nation of nomads.

Consider the damage already done to the U.S. economy by the "Contract with America," and the potential devastation if the Nazi-like policies are not thoroughly rejected by the voters on Nov. 5. Then, imagine if the same approach were applied to one of the poorest, most backward countries on Earth—then you have a picture of Mongolia today.

The headline of the report on Mongolia in the fall 1995 newsletter of the International Republican Institute (IRI) reads: "Mongolians Use 'Contract with America' to Develop Election Strategy." Below the headline is a message from Newt Gingrich to the Mongolians:

"IRI's cooperation in providing 'Contract with America' experts will be most useful to you as you conduct your work." This "contract" is well on its way both to destroying Mongolia, and creating yet another crisis on China's border—part of the British plan to dismember China and break up the potential for railroad-based development policies, linking China with Russia and the nations of Central Asia and Europe—the "land-bridge" approach to Eurasian development. The U.S. government-funded IRI is actively running destabilization programs in Russia, Myanmar, Cambodia, Vietnam, and within China itself, in the service of British geopolitical objectives (see last week's issue for Roman Bessonov's report on programs in the former Soviet Union).

The IRI report describes how, in 1992, they began building a coalition of opposition parties to take power from the party associated with the previous Communist leadership, which had won the 1992 elections by an overwhelming majority. The IRI succeeded in getting their chosen candidate, Punsulmaagiyn Ochirbat, elected to the Presidency in 1993, and, in the June 1996 parliamentary elections, took 48 of the 76 seats. George Bush's secretary of state, James Baker III, recipient of the IRI's Freedom Award, was very active in "election monitoring" in Mongolia.

To reveal the actual beneficiary of the IRI's efforts, the *Times* of London editorialized on the "Mongolian Renaissance" following the June election, including a box entitled,

"Ulan Bator's Love Affair with Britain." Said the *Times*: "Mongolia has triumphantly confirmed its place in the vanguard of peaceful democratic change in Asia." The British are proud of their "special position" in Mongolia, as a result of the fact that for 25 years, after 1963, they were the only western country that maintained an embassy in Soviet-allied Mongolia. The IRI, run by the hard-core Republican Anglophiles of the Bush and Kissinger apparatus, is proud to do service for this British "special position."

## Sachs and shock therapy

The IRI began their operations in Mongolia in 1992 in collaboration with Jeffrey Sachs, the Harvard punk who is credited with imposing shock therapy on the ex-Soviet republics and eastern Europe. Shock therapy, while providing enormous profits for international speculators and other criminals, also "succeeded" in transforming the economic crisis left by the fallen Soviet leadership into a total collapse, and probable civil war.

Sachs and a team of his Harvard yuppies were also brought in to direct Mongolia's economy. The crucial Soviet supply of oil and other necessities had been terminated with the sudden 1991 collapse of the Soviet Union and Mongolia's independence. Sachs's "solution" was austerity: a 30% cut in the government budget, massive price increases, and the creation of a stock market! Of the 2,600 state factories, 2,200 were rapidly privatized. Every citizen was offered a chit worth \$250, as a voucher to purchase stock—supposedly transforming the nomads into "capitalists," without ever having to leave their yurts.

The results were to be expected. A country which had exported meat to the U.S.S.R. was soon facing a collapse in agriculture, and massive food shortages. A few of the Mongolians who had been trained at Harvard, still in their 20s, were put in charge of the economy under Sachs's direction, and proceeded to lose nearly \$100 million in the foreign exchange markets. While this is a paltry sum for the world speculators in the class of Sachs's sponsor, George Soros, it represented 80% of the total national budget for the impoverished nation.

Enter the IRI. Insisting that the problems were the result of "half measures" in raising prices, privatizing, and cutting government services, due to the resistance to shock therapy by the elected government, the IRI organized a coalition between two opposition parties—the National Democratic Party and the Mongolian Social Democratic Party. The chairman of the coalition credited IRI with their success in winning the Presidential election in 1993, and said, "We feel continued support from IRI will allow us to gain control of the parliament in 1996. Without it, the democratic process could wither and die." Apparently, "democracy" depends upon multimillion-dollar foreign sponsorship and direction of one party over the others.

When the "Contract with America" spurred the Republican sweep of the U.S. Congressional elections in 1994, the

IRI dropped all pretenses and wrote up a parallel “contract” for the Mongolian coalition to use in the 1996 parliamentary elections. The contract’s 200 sound-byte promises included privatizing 60% of the remaining state property, price “reform,” tax cuts of 20-30%, and the “right” for the nomad herders to use barter trade. With IRI-funded media operations to sell their scheme, the sophisticated voters of Mongolia voted in the “contract.”

By September of this year, the country’s largest coal mine was forced to shut down, when it could not pay its freight bills to the railroads. With winter setting in, all five coal-fired power plants are reporting low coal supplies and may have to shut down. Much of the country depends on small generators scattered across the country, which depend on fuel oil imported from Russia—but the \$30 million cash needed to buy it may not be available this year. Many of the small stations have already closed, and energy is being rationed. The “contract” mentality of the IRI controllers of the new government rules out any “big government” solutions, such as upgrading the energy system; instead, they have implemented a 50% increase in energy prices.

There is little available for the international speculators to steal in Mongolia. The interests of the British are purely geopolitical, as evidenced by the *cultural* aspect of the operation. The same *Times* of London editorial quoted above, praising the outcome of the June 1996 elections, also states: “Revived patriotism and political reform [have] rapidly become firmly entwined in the popular mind—a process in which the rehabilitation of Genghis Khan, the great 12th-century Mongolian conqueror, played an important part.” The *Washington Post* went so far as to name the barbarian Genghis Khan as “man of the millennium” in January 1996.

The message is not lost in Beijing. Although Europeans’ memory of Genghis Khan is generally restricted to the devastation and genocide spread across Europe, the Middle East, and Central Asia by his Mongol hordes, the Chinese remember the Mongol occupation of their country for over a century, that resulted in general depopulation and the destruction of the greatest creative epoch of Chinese history, the Confucian Renaissance of the Sung Dynasty.

Although Mongolia certainly represents no aggressive threat today, the adulation of the Mongol Empire kindles ambition for a “Greater Mongolia”—ambitions easily manipulated by British geopoliticians. There are three areas which have significant Mongolian populations today—the Russian republic of Buriyatia, the Chinese autonomous region of Inner Mongolia, and the Mongolian Republic itself, called Outer Mongolia in China. Since the 1991 independence of Mongolia and the virtual takeover by the IRI apparatus, ethnic Mongolian “nationalists” in Inner Mongolia have launched underground opposition movements against the Chinese, demanding reunification with the Mongolian Republic. In a 1994 report issued by London’s International Institute for Strategic Studies (IISS), calling for China to be split up into



*Jeffrey Sachs, the “shock therapist” who destroyed the economies of Bolivia, Poland, and Russia, also launched the “free market” assault on Mongolia, in collaboration with the International Republican Institute.*

several regions, Inner Mongolia, like Tibet and the northwestern region of Xinjiang, were slated to be removed from Chinese sovereignty. Violence by the minority Mongolian separatists in Inner Mongolia has increased over the years, leading to arrests and severe warnings from Chinese government officials.

The British are also using the Dalai Lama to fan the flames of separatism and “Greater Mongolia.” The Dalai Lama, who ruled over one of the most backward, impoverished, and dictatorial regimes in history, before the Chinese occupation of Tibet in 1951, has been used ever since as a tool in British operations against China. In August 1995, the Dalai Lama spent a week in Mongolia, with support from London’s Tibet Foundation, holding meetings to revive Tibetan Lamaism, the religion of the genocidal Khans of the 13th century.

The Chinese have monitored the “Greater Mongolia” movement—and its foreign sponsorship—since at least the 1992 arrival of Sachs and the IRI. A March 1992 internal circular of China’s State Security Bureau, leaked to the press, accused foreign-sponsored activists in Ulan Bator of advocating the unification of Inner Mongolia, Outer Mongolia, and Buriyatia, and of sponsoring dissidents inside China. The circular also reported that the Dalai Lama advocated the “Greater Mongolia” scheme during one of his visits. The IRI’s parent body, the National Endowment for Democracy (NED), is one of the foremost sponsors of the Dalai Lama’s operations internationally.