

Steppes towards privatisation

The change from a centrally-planned to a market-oriented economy has caused major upheaval in rural life in Mongolia. Robin Mearns hopes that the revival of traditional pastoral institutions and the change back from specialised to multi-species herds can help secure management of natural resources.

Robin Mearns

Ulzibayar and his wife live together with their three sons and their families in the Hangai mountain steppe area of central Mongolia. Between them they own a diverse herd of sheep, yak (cattle-like animals), horses and goats, totalling 455 animals or 235 bod (Mongolian livestock units). They live in a small camp of felt tents, and move in each of the four seasons of the year to new areas of pasture, up to 10 km apart. The four families work closely together, eg in wool clipping and hay-making. In the short summer growing season, the four men take turns herding the sheep, which they take to distant pastures for a week at a time, where the *otor* (rapid movement to put on weight) takes place.

Collectives of the recent past

Only two years ago the four families lived separately, as individual production units of a pastoral collective made up of some 1000 families. Ulzibayar had been a specialised yak herder. Almost all of the 100 yak he looked after belonged to the collective. He also kept a few private animals, including horses, sheep and goats, from which the family met most of its needs of dairy products and meat.

The collective produced mainly yak butter oil, which it delivered to the State. The individual herders had to meet an annual milk production target in return for their salary. If they produced more, they could sell the surplus privately, but market opportunities were very limited.

More important, with the large herd of yak allocated to him, Ulzibayar had to herd at least 170 bod on his own. This was the maximum number of animals he could possibly handle, let alone produce more than his quota. The same was true for each of his sons, whose families are still young. With little adult labour, they had difficulty in meeting the targets for wool or milk from their specialised herds of sheep or yak. They had to rely on the collective's tractor to move their base camp and on state-subsidised supplementary feed from



Mongolian pastoralists own a diverse herd of sheep, yaks, horses and goats. Multi-species herds are a conscious risk management strategy to deal with this bitterly cold environment. For example, goats survive better during winter if they can huddle together with sheep.

the collective to meet the strict production targets.

Privatisation sweeps Mongolia

What happened in the meantime was the start in 1991 of privatisation of collective animals and other assets. Changes of revolutionary proportions have been sweeping Mongolia as it embarks on the difficult transition from a centrally-planned to a more market-oriented economy.

The changes taking place in Ulzibayar's family are a microcosm of those affecting the rural economy as a whole. Rural life is in a state of upheaval, and it is not yet clear what kinds of institution at the local level will take over the roles previously performed by the pastoral collectives, in such crucial areas as livestock product marketing, input supply and service delivery, and ensuring sustainable grazing management.

Managing increased risk

In the pastoral collective, each herding family operated as specialised production unit, looking after a single species or even age class of animals. The collectives invested considerably in building shelters and stockyards and in providing supplementary feeds to reduce livestock mortality during the harsh winter-spring period. During the late 1980s, 10% of the overall state subsidies and transfers were accounted for by the long-distance transport of hay and fodder supplements.

Recent reforms have allowed individual herders much greater freedom to decide what to produce and how to organise their production. But the reduction of state sub-

sidies also shifted the burden of risk onto individual herders.

Most herders, like Ulzibayar, have already returned to the traditional practice of maintaining multi-species herds, and often a smaller number of certain classes of animals. This is a conscious strategy for managing risk. For example, goats survive better during winter if they can huddle together with sheep. A smaller percentage of breeding females means there are fewer vulnerable pregnant females and newborns during the bitterly cold and windy spring lambing season.

This will result in lower offtake. However, the state has imposed a meat quota even on privately owned animals. The herders responded by underreporting their animal numbers. At the same time, given inflationary pressures, low controlled prices for meat and general uncertainty in the economy, herders tend to hold animals back from the market and expand their herds.

Return to joint labour

To manage the increased labour demands of a more diverse herd, herders are also returning to the customary practice of living, moving and working with other families as autonomous herding units known as *khol ail* (Szykiwicz 1982).

Share companies have replaced collectives in providing services and inputs such as assistance with transport for making

...: changing pastoral strategies



Photo: Roger Mearns

Since 1991, privatisation has changed the lives of the pastoralists and they have to adapt their strategies. With appropriate forms of support, the traditional institutions might re-emerge during the transition to a market-oriented, but still pastoral rural economy.

nomadic moves, or supplementary hay and fodder, but without state subsidies they are expected to collapse. The herders will then have to return to local-level cooperation in hay-making, and to the use of pack and draught animals for moving.

New policy needed

Important changes in grazing management practices have taken place in Mongolia over the last 4-5 decades since the collectives were established. Pastoral mobility, so essential for ensuring access to forage in all seasons in the dryland areas of Mongolia, became more restricted within new, smaller administrative districts. The provision of services in the district centres gradually led to a reduction in the distances herders moved away from them. When pastures were used by only one animal species, palatable plants were selectively grazed and disappeared.

More recently, as the collective herds are being privatised, an increasing number of private animals are being kept by the sedentary inhabitants of the district and provincial centres. This puts considerable pressure on pastures close to settlements and has led to localised pasture degradation (DANAGRO 1992). On the whole, however, Mongolian rangelands are still in fairly good condition.

Re-emerging local institutions

Prior to collectivisation, a customary insti-

tution, the bag, played an important role in pasture land allocation and settlement of disputes at the local level. Under customary law written down in the Great Yassa of 1229, during the time of Chinggis Khan, individual khot ail had use rights over particular areas of pasture. The bag territory varied in size depending on ecological conditions: in more productive steppe areas the bag operated at the level of a single valley; in the drier, riskier areas of the Gobi desert it covered much larger areas.

With collectivisation, functions of the bag were largely taken over by the administration of the collective. However, evidence suggests that the bags continued to operate in many areas, albeit on a more limited scale. It is still uncertain whether the customary institution of the bag can re-emerge, as the khot ail has done, as a pastoral organisation capable of serving the interests of its members under a modern, market-oriented, but still pastoral rural economy (Batsagur et al 1992).

There are several ways in which the cooperative activities of herders like Ulzibayar and his sons may be supported. With appropriate forms of support, both the bag and the khot ail could replace some of the functions of the collectives or the new public share companies, where these are already disintegrating. They could perform multiple roles, eg as marketing and supply cooperatives.

The possibility of using rural credit funds to support such institutions is being explored by a new Association of Private Herders in Mongolia. Loans could be used, eg, for packaging traditional dairy products to improve their salability in

urban areas, or for buying simple hay-making equipment or seeds of high-quality forage plants. In combination with water-harvesting techniques in drier areas of the Gobi, these could encourage a return to greater local production of supplementary feed.

Avoiding land privatisation

At present a new land law is being discussed. It is widely acknowledged that privatisation of pasture is inappropriate. Long-term land leases over pastureland hold much greater promise. Leases would have to be issued to groups of herders rather than individuals, to allow for at least the current level of pastoral mobility between different ecological niches in different seasons; and to allow flexibility in use of different areas between years when necessary, to deal with environmental risk (drought, snow, predators, fire).

The bag shows promise as an appropriate level of grazing association to complement such new forms of land tenure, building on its customary functions (Mearns 1992). The terms of land leases should be carefully specified to provide for security of tenure at the group level - thereby creating incentives for productive investment in land improvements - and for regulation of pastoral land use to encourage sustainable land management.

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