Nationalities Papers, 2015
Vol. 43, No. 3, 437–456, http://dx.doi.org/10.1080/00905992.2014.969692

Routledge
Taylor & Francis Group

Imagining the mineral nation: contested nation-building in Mongolia

Sara L. Jackson*

Department of Geography, York University, N430 Ross Building, 4700 Keele St, Toronto, ON, Canada M3 J 1P3

(*Received 3 June 2013; accepted 23 September 2014*)

The development of the Oyu Tolgoi copper–gold mine, located in Mongolia's South Gobi province, promises to rebuild the nation after two decades of economic and social instabilities following the 1990 revolution. While the company promotes the mine as the teleological solution to Mongolia's development, the state and public remain ambivalent, as concerns about a resource curse and Dutch Disease loom. In this paper, I argue that Oyu Tolgoi remains contested due to tensions between corporate and state actors as well as public concerns about the potential negative political, economic, and environmental effects of mining. Debates over the Oyu Tolgoi investment agreement negotiations and the immediate repercussions of the agreement signing reveal how the dual teleologies of building mineral nations crystallize in the neologism "Mine-golia." This paper begins to fill a gap in the literature on mineral nations which privileges the role of the state, leaving how corporations engage in nation-building underexamined.

Keywords: nation-building; resource curse; Dutch Disease; Mongolia; "Mine-golia"

Representations of Mongolia as a mineral nation are writ large along Ulaanbaatar's busiest streets and public spaces. In 2012, two of the most striking images were the billboards shown if (Figure 1(a) and 1(b)), produced by the Oyu Tolgoi mining company and located across the street from Parliament and the nation's symbolic Sukhbaatar Square. Similar to Oyu Tolgoi's other promotional materials, the billboards draw from national symbols and feature Mongolian company employees and nomadic herders. Figure 1(a) shows the commemoration of the summer 2012 *Naadam*, the national holiday that celebrates independence and the three "manly" sports of horse racing,[1] wrestling, and archery. The boy wears a hard hat with Oyu Tolgoi's logo and a *deel*, the traditional Mongolian jacket. The slogan reads "clear health, with energy" and "Happy Naadam." Figure 1(b) from 2011 features a mine employee under the slogan "We are building Mongolia's future." While the image of the boy melds Mongolia's nomadic tradition with the promises of mining, the worker suggests a more industrialized vision of the nation similar to the visions of socialist-era nation-building (see Sneath 2003).

What the interplay of these unifying slogans and images of mining workers, technological advancement, happy nomads, and cultural tradition suggests is that Mongolia need not compromise its national culture for modernity and economic development. The billboards

*Email: sarajack@yorku.ca

© 2014 Association for the Study of Nationalities

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press



Figure 1. Two of Oyu Tolgoi's nation-building billboards in Ulaanbaatar (a) and (b) Photos by the author.

project a confident, unified nation and a shared vision of the future where mining development brings progress. The repetition of traditional symbols reproduces the mine as part of the nation's historical trajectory, providing a clear example of how Oyu Tolgoi promotes the promise of national strength, unity, and ultimately nation-building through mining.

However, what these images do not show are contestations over the transformation of Mongolia into a mineral nation. While large-scale mining projects were developed in Mongolia during the socialist era, mining did not become a focus of national economic development until the late 1990s when the country opened to foreign investment. At the same time, the state lacks experience negotiating with transnational companies over mines of the scale of Oyu Tolgoi, and its development highlights tensions between state and corporate actors. Infrastructure development, which damages pasture and water resources that nomadic herders depend on for their livelihoods, amplifies public anxieties. Thus the history of Oyu Tolgoi, its relationship to the Mongolian public and state, and its potential for nation-building are much more complex than the billboards portray. Debates over control of the mine, economic instability, and environmental degradation continue to shape public skepticism of the promises of mining to rebuild the nation.

In this paper, I explore the development of the Oyu Tolgoi mine as a lens onto broader questions about Mongolia's mining boom. I argue that despite billions of dollars invested and mining infrastructure constructed, state and public actors continue to question the possibility that Oyu Tolgoi can realize the national *telos* represented in Figure 1(a) and 1(b). The history of Oyu Tolgoi reveals underpinnings of debates over mining and Mongolia's future. What I contribute to the literature on mineral nations is an examination of how a transnational corporation explicitly engages in nation-building and how tensions over the direction of the nation have emerged. The contribution is timely given Mongolia's current transition to capitalism and emerging role as a global supplier of mineral resources. After elaborating on the dual teleologies of mineral nations, I provide a brief history of mining in Mongolia and an overview of Oyu Tolgoi. Then I discuss the mine's recent history and ongoing debates over agreement negotiations that crystallize through the neologism "Mine-golia."

This paper draws from over 10 months of fieldwork conducted in Mongolia between 2010 and 2012. Eighty-four semi-structured interviews were conducted with key informants, including current and former residents of mine-affected areas, government officials, company representatives and consultants, and civil society leaders. Five focus-group discussions were conducted with residents in the region around Oyu Tolgoi and with young

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

professionals in Ulaanbaatar ($n = 24$). Document collection and online media sources complement the fieldwork to illustrate the national conversation in Mongolia that articulates perceptions of the promises and perils of building a mineral nation.

Dual teleologies of mineral nations

An interdisciplinary literature explores nation-building as processes through which states attempt to convince a group of people that they share an identity and territory (Penrose and Mole 2008; Light 2011; Polese 2011). Classic studies explore the origins of nations as "imagined communities" (Anderson 1983/2006) that depend on "invented traditions" (Hobsbawm 1983/2000) to articulate shared visions of the present, past, and future (see Gellner 1983/2006; Smith 1986). While this literature reveals the historical contingency of nations, it also suggests that nation-building projects are teleological and will resolve the "problem" of defining and unifying the modern nation (see Mitchell 2002; Mitchell 2003). More recently, scholars have examined how economic development in addition to shared culture informs state strategies to unify the nation (Allen 2010; Virág 2012), arguing that the legitimacy is contingent on "rights to a share in the material and symbolic resources that define the nation" (Penrose and Mole 2008, 278). To demonstrate these shared rights to resources, states may employ economic nationalist policies, including support of domestic industries, such as mineral extraction, to unify the nation through symbols of economic development (Pickel 2003; Nakano 2004). Scholars contend, states and corporations project industrialization as the desired outcome of national economic development (see Coronil 1997; Ferguson 1999; Edensor 2002). Thus, economic development as a nation-building project aims to construct not only Anderson's (1983/2006) "imagined communities," but also what Agnew (2004) calls "material communities."

Agnew (2004, 225, author's emphasis) argues that the world organized into nation-states creates communities that are not only imagined, but also "*material* communities of interest and identity in which large numbers of residents see their fate tied to that of the national state." Thus promises of economic development are deeply intertwined with nation-building projects and public perceptions of belonging. Moreover, Agnew suggests that nation-building is contingent upon an intangible sense of nationness, directed and defined by industry, infrastructure, and technology. However, extensive scholarship on resource extraction illustrates how particular imagined and material communities in mineral-rich countries promise great wealth, but at the same time threaten economic, social, and environmental devastation (see Girvan 1976; Coronil 1997; Ferguson 1999; Maxwell 2004; Watts 2004; Auty 2005; Halvaksz 2006; Walton and Barnett 2007; Gledhill 2008; Reeves 2011; Sæther, Isaksen, and Karlsen 2011; Jell-Bahlsen and Jell 2012). Thus the extractive industries literature suggests how resource wealth can simultaneously be a desirable and undesirable means to build mineral nations, informing both Oyu Tolgoi's portrayal of nation-building and the caution with which the Mongolian state and public approach mining.

A central text in contemporary scholarship on building mineral nations is Coronil's (1997) *The Magical State*. Coronil argues that material conditions and metabolic relationships between nature and society underpinned the imagined communities that gave rise to Venezuela as an oil nation in the twentieth century. Drawing on Marx, Coronil (1997, 34) contends that commodities, "As symbolic tokens of society's productive power … form a system of signification through which domestic value is represented; in this sense they are 'national' commodities." Wealth became politicized, as oil rents provided the state a material basis to develop infrastructure and urbanization symbols of national strength

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

and belonging. Yet, Coronil also demonstrates how political instability resulted from the failure of the state to realize development promises, which were contingent upon high oil prices and loans from international financial institutions. Thus he suggests that the promises of oil wealth juxtaposed with fluctuations in global commodities markets and political instability represent an undesirable outcome of building mineral nations.

Despite the 1970s oil shocks and the ensuing economic collapse of mineral nations throughout Latin America and Africa (Gledhill 2008; Saad-Filho and Weeks 2013), building mineral nations continues to depend on a teleology of Western development (Ferguson 1999) that includes the entrenchment of neoliberal reforms that deregulate and reregulate national economies to facilitate the expansion of transnational corporations into new resource frontiers, such as Mongolia (Bridge 2004; Tsing 2005). Without the financial and human capital to exploit mineral resources independently, international institutions advise developing countries to adopt policies that facilitate corporate activities (Saad-Filho and Weeks 2013). However, Bunker and Ciccantell (2005) argue that the portrayal of national histories, for example that of the USA, as pre-destined due to abstract laws rather than political economic responses to material conditions deceive developing nations into pursuing mining agreements that undermine local development. "When such mystifying interpretations are successful, they become hegemonic, achieving the complicity of the subordinate supplier nation with trade policies that benefit the industrial core while prejudicing the economy and environment of the extractive periphery" (Bunker and Ciccantell 2005, 26). Thus the promises of nation-building through mineral wealth often perpetuate global economic inequalities.

The failure of economic development and democracy in mineral-rich countries is commonly referred to as a "resource curse" or "Dutch Disease." Resource curse implies the potential for national fragmentation, violence, corruption, economic instability, and environmental degradation associated with countries lacking regulatory structures to ensure the sound reinvestment of resource rents (Girvan 1976; Le Billon 2001; Watts 2004; Auty 2005; Bebbington et al. 2008; Reeves 2011; Sæther, Isaksen, and Karlsen 2011). Similarly, Dutch Disease[2] refers to the vulnerability of state coffers to global commodities markets, overinvestment in mining infrastructure, underinvestment in non-mining sectors, inflation, underemployment, and debt (Coronil 1997; Auty 2005; Bunker and Ciccantell 2005; Rustemova 2011; Saad-Filho and Weeks 2013). Auty (2005) argues that vested interests benefit from rents in resource-abundant countries and encourage the reversal or postponement of reform policies that would reduce dependence on exports and shelter national economies from commodity price volatility. Former socialist countries of the "second world" are also subjected to a "resource curse" that threatens democratic reforms (see also Auty 2001, 2006). As foreign exchange rates rise during boom periods other sectors such as manufacturing and agriculture "become less competitive in the global market, and even domestically" leading to what is often termed "underdevelopment" (Zalik 2008, 43). Furthermore, Omeje (2006, 212) argues that oil-rich Nigeria can be described as a "rentier state" because of its dependence on "oil mining rents, taxes, and royalties" from transnational oil firms and state investments in oil companies, which encourages elites to reproduce state practices that support their own interests and networks. With rent-seeking behavior, the state has few incentives to increase its capacity to regulate the actions of oil corporations and leaves development programming to corporations "with the result that their efforts are mostly chaotic, appeasement-oriented and business-driven" (Omeje 2006, 214).

Some scholars contend that it is possible to realize nation-building promises, *if* states act transparently and re-invest mineral rents in infrastructure, education, and other public goods

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

to modernize the nation and improve the collective well-being of its citizens (Maxwell 2004; Auty 2005; Sæther, Isaksen, and Karlsen 2011). Other scholars contend that corporate actions that influence state institutions must be taken into account when assessing the political economic instabilities and environmental devastation wrought by resource extraction (see Sawyer 2002, 2007; Omeje 2006; Zalik 2008). Furthermore, reinvesting mineral rents to realize nation-building promises contradicts international institution loan conditions that constrained public investment in financially collapsed mineral nations, such as Zambia (Ferguson 1999) and Venezuela (Coronil 1997), as well as post-Socialist nations, such as Mongolia (Rossabi 2005). Despite claims of more responsible mining practices, continued reliance on transnational corporations to develop mining industries further entrenches neoliberal policies that encourage the extraction minerals with little regard for the economic, social, and environmental costs of mining (see Zalik 2004, 2008; Bebbington et al. 2008; Kaup 2010).

Scholars also examine how states contest corporate ownership of the nation's resources. For example, Russia and Kazakhstan (Domjan and Stone 2010; Palazuelos and Fernàndez 2012) have asserted state power over mineral resources to challenge foreign corporate ownership and to claim larger stakes in the nation's mineral wealth, in what is often pejoratively referred to as "resource nationalism" (see Vivoda 2009). Nonetheless, states continue to rely on the financial and human resources of transnational corporations, limiting the extent to which "resource nationalism" challenges corporate power (Kaup 2010).

Non-state actors, particularly mining-affected populations, also question how transnational corporations and states deploy mining as a nation-building strategy (Watts 2004; Kirsch 2007; Walton and Barnett 2007; Bebbington et al. 2008; Gledhill 2008; Jell-Bahlsen and Jell 2012). Bebbington and Humphreys Bebbington (2011, 142) argue that despite different approaches to mining in Latin America, arguments like "the subsoil belongs to the nation, and that it should be extracted so that its benefits can be shared by that nation" ring false among affected residents. They argue that opposition to mining arises because "The spaces that bear the brunt of the externalities generated by extraction are in the vicinity of the wells, mines, pipelines and smelters" while the "benefits and opportunities accrue in other spaces" (Bebbington and Humphreys Bebbington 2011, 142). However, the idea that mineral wealth should bring benefits to the nation has staying power even among separatist movements that threaten the integrity of post-colonial nation-states, such as Nigeria (Okonta 2008; Zalik 2008). In Papua New Guinea, where mining promised but failed to rebuild the nation, scholars have found that local residents are not opposed to mining so much as unequal distribution of benefits, unequal compensation for resource loss, and unmitigated environmental effects (Halvaksz 2006; Walton and Barnett 2007; Jell-Bahlsen and Jell 2012). Thus the actions and attitudes of state and non-state actors toward mining are complex and cannot simply be stated as for or against mining as a nation-building strategy. At the same time, the concept of "resource curse" belies the actions of corporations from Northern states that facilitate the extraction of mineral resources at the least cost to the producers and at the highest costs to local residents (see Girvan 1976; Sawyer 2002, 2007, 2010; Bunker and Ciccantell 2005).

The mineral nation literature reveals nuanced attention to the dual teleologies of nation-building, identifying the promises and perils of mineral extraction. With the deregulation and reregulation that accompany neoliberal policies (Peck and Tickell 2002), corporations play a growing role in the promotion of mineral nations. However, with a few exceptions (Labban 2008), corporate roles remain relatively absent from the literature on emerging mineral nations in Central Asia, which focuses on how states facilitate or hinder foreign investment and the challenges that resource wealth poses to democratization (Auty 2001,

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

2005, 2006; Rustemova 2011). Although Watts (2004) argues the "oil complex" conceptualizes relationships between corporations, states, and the nation, how corporations reproduce mineral nations as material and imagined communities requires more attention. To address this gap, I discuss how Oyu Tolgoi has promoted Mongolia as a mineral nation, and some state and public responses. To illustrate the formative role that corporations play, I focus on the negotiation and construction phases of Oyu Tolgoi as Mongolia became more deeply embedded in the global economy after 1990.

Mining and economic development in Mongolia

Despite Mongolia's relatively recent entry into global commodities markets, knowledge of the nation's mineral wealth is not new. In the past, national attitudes toward land management privileged nomadic herding. For example, digging the soil and collecting minerals are often portrayed as antithetical to Mongolian customs, and moral cosmologies view nature and people as interconnected (High 2013). However, mining has contributed to Mongolia's economy since well before the Socialist era, including small-scale turquoise, copper, and gold mining at Oyu Tolgoi. Large-scale mining developed during the Socialist era and emerged as a national development strategy in the late 1990s.

Mongolia's mining activities first became industrialized through cooperation with the Soviet Union. From 1921 to 1990, aid from the USSR was intended to remake Mongolia into a modern socialist society with a focus on "collectivization of the herds, industrialization, and urbanization" (Rossabi 2005, 31). These activities were intended to bring progress and development to Mongolia, to build "the material and technical base for socialism" (Sneath 2003, 47). Mongolia supported the Soviet empire through exports of copper, molybdenum, uranium, and fluorspar from northern and eastern provinces. Coal was mined primarily for domestic consumption. To develop mining, railways were built, engineers and other professionals were trained in universities across the Soviet Bloc, and towns were established to provide supporting industries and housing for miners and their families. National surveys conducted with Soviet scientists in the 1970s and 1980s identified mineral deposits, such as Oyu Tolgoi. From the 1950s to 1980s, the percentage of industry that contributed to Mongolia's Net Material Production increased as agricultural percentages decreased (Rossabi 2005, 34). By 1989, 70% of exports went to the Soviet Union and other Comecon states, the majority of which were minerals (Dorian 1991; Sneath 2003). However, unbalanced trade relations tied the state to the USSR, which by the late 1980s provided 30% of Mongolia's GDP as aid.

In late 1989, student protests in Ulaanbaatar's Sukhbaatar Square against authoritarianism spread to mining workers in Erdenet, provoking a national revolution (Rossabi 2005). Mongolia emerged as a new democracy in early 1990. With the decline of the Soviet Union and its financial support, Mongolia's democratic transition initiated an economic transformation as international financial institutions submitted the former command economy to a "free market experiment" in exchange for loans. As neoliberal austerity policies destabilized economies throughout the Soviet Bloc in the 1990s, *de*collectivation, *de*industrialization, and *rural*ization swept across Mongolia (Fernandez-Gimenez 1999; Rossabi 2005; Bruun 2006). Thousands of unemployed urban Mongolians relocated to the countryside to herd livestock. While herders increased livestock numbers to support their families, mining continued to play a dominant role in the national economy. Sneath (2003, 43) notes that by the mid-1990s between one-third and one-half of Mongolia's exports derived from the joint Russian–Mongolian Erdenet mine.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

After the Soviet Union collapsed, Mongolia lost its principle investor and sought to repay between $US 11 and 17 billion to Russia through mineral exports (Rossabi 2005).[3] Foreign loans from international financial institutions and other donors comprised up to 25% of Mongolia's GDP in the 1990s (Sneath 2003), and the state was encouraged to stimulate foreign interest in mining to repay debts. In an early assessment, Dorian (1991, 43) argued, "the long-term economic outlook of Mongolia is promising, as development of the nation's extensive minerals and energy resource base continues to expand in the midst of reform." By the early 2000s, attention to Mongolia's vast resources and increased openness to foreign investment coincided with the Chinese demand-driven global commodities boom (Bridge 2004). However, Mongolia lacked the capital, human resources, and infrastructure to develop the mining sector. From 1990 to 2004, 13.7% of foreign aid to Mongolia was channeled to the mining sector (Fritz 2007, 198). The Asian Development Bank and the United Nations viewed Mongolia's lack of private land ownership as problematic for capitalist development and encouraged privatization policies, including expanded mineral exports (Sneath 2003; Reeves 2011). However, austerity measures that conditioned loans combined with a drop in commodities prices led to a loss of improvements in Mongolia and the public suffered from decreased services and neglected infrastructure (Sneath 2003, 2010; Rossabi 2005; Bruun 2006; Reeves 2011).

Although the socialist-era mines continued to operate after 1990, the infrastructure was limited to producing minerals for export to the Soviet Union and coal for domestic power as Mongolia's trade relations reoriented toward China, South Korea, and Japan. To attract foreign investment, socialist-era-proven mineral reserve estimates had to be recalculated to conform to international standards (Camisani-Calzolari 2004; Tvalchrelidze 2011). Furthermore, the state needed to cultivate new markets for its minerals. The North American Mongolian Business Council, founded in 1990, was among many new transnational links that supported the state's transition to capitalism and created new investment opportunities. Soon after, with the assistance of the then Prime Minister Purevdorj, the first international conference on Mongolia's mineral wealth in North America was organized in Denver, Colorado (interview 2012).

Expectations for the new national direction and sources of wealth needed for national economic growth were also communicated to resource-rich regions, such as South Gobi province. A retired *soum* (county) official said that he learned about Khanbogd's mineral wealth from a central government cabinet minister in the early 1990s. The minister said that within a few years foreign investors would flock to the region and "in the future we would be rich and have lots of mining … . Four years later Oyu Tolgoi came" (interview 2012). Yet, in the early to mid-1990s, while state mining cooperatives were opened to foreign investment, the state also limited development of mineral resources in part to protect the environment for future generations (High 2012). However, in 1996, when the Democratic Party coalition gained power in Parliament, its pro-market leaders[4] implemented a wave of liberal economic policies. The 1997 Minerals Laws were at the time considered some of the most liberal in the world and similar to those of other emerging markets (Bridge 2004). In 1997, Mongolia also joined the World Trade Organization, which encouraged foreign investment and national economic development through mineral exports (High 2012).

The new Minerals Law radically restructured not only how foreign and Mongolian companies could explore for and exploit minerals, but also the division of national space. Subsequent mineral exploration and exploitation leases ignored boundaries of watersheds, wetlands, and other fragile environments (Murray 2003; United Nations 2006). While small to mid-sized mining companies expanded operations across the

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

country, so did illegal artisanal miners, pejoratively labeled "ninja miners."[5] As national pariahs, the state and national media often blame ninjas for polluting streams, rivers, and lakes, portraying them as the "wrong kind" of miners for national development (High 2012). International institutions, state actors, and transnational corporations argue that the solution to Mongolia's economic issues and unregulated mining are large-scale mines, such as Oyu Tolgoi.

Overview of Oyu Tolgoi

The Oyu Tolgoi copper-porphyry gold mine is located 80 kilometers north of the Chinese border in Khanbogd *soum*, South Gobi province. The company name derives from the turquoise deposits (*oyu*) that covered a hill (*tolgoi*) about 40 kilometers southwest of the *soum* center. Identified by socialist-era geologists, evidence of mining activities at the site dates back to the Bronze Age. Defined in the 2006 Minerals Law as a strategic deposit, Oyu Tolgoi "may have a potential impact on national security, economic, and social development of the country … or has a potential of producing more than five percent of total Gross Domestic Product in a given year" (Mongol Ulsiin Ikh Khural 2006). Mongolia's 15 strategic deposits are exempt from environmental regulations stipulated in the Law on the Prohibition of Minerals Exploration in Water Basins and Forested Areas, which the Parliament approved in 2009.[6] Without the strategic deposit exception, Oyu Tolgoi Company would not be able to mine their open pit because the ephemeral Undai River runs through the license and feeds a *hailaas* (Siberian Elm) forest. The exception demonstrates a state preference for large-scale mines over small and medium-scale operations, which are not perceived to be as vital to the national economy, and therefore can be subjected to stricter environmental regulations.

According to Rio Tinto (2013), the International Monetary Fund anticipates that Oyu Tolgoi will increase Mongolia's GDP up to 35% by 2021. As of mid-2014, the Canadian firm Ivanhoe Mines[7] owns a 66% stake and the Mongolian state-owned company Erdenes holds 34%. The global mining giant Rio Tinto began managing Oyu Tolgoi's operations in 2010 and acquired a 51% stake in Ivanhoe in January 2012. In July 2013, exports from the open pit began, and the deep shaft cave-block mine is expected to go into operation in 2016 – pending government negotiations. Rio Tinto (2013, 1) states "Estimates indicate that Oyu Tolgoi contains 2.7 million tonnes of recoverable copper and 1.7 million ounces of recoverable gold in reserves." At full production, Oyu Tolgoi's yearly production is estimated at 430,000 tons of copper, 425,000 ounces of gold, as well as silver and molybdenum by-products (Rio Tinto 2013). The mine is projected to generate $US 30 billion in tax revenues over 50 years. A Human Development Fund was established in 2008 to redistribute mining royalties and to buttress the state's legitimacy by granting the public a share in the mineral wealth.

To develop Oyu Tolgoi, Ivanhoe and Rio Tinto sought capital investments of $US 6.2 billion for the first stage of development, with a total $US 12 billion needed for full development of both the open pit and shaft mine (IFC 2013). In 2013, the World Bank's financial arm, the International Finance Corporation, granted Oyu Tolgoi a $US 1 billion loan. The European Bank of Reconstruction and Development is also assembling a $US 1.4 billion loan package (EBRD 2013).

Yet the significance of Oyu Tolgoi is not only its size, but also its promise to rebuild Mongolia. With billions of investment dollars pouring in, and billions more expected in the coming decades, many state and corporate actors argue that revenues from Oyu Tolgoi and other large-scale mines will bring economic development, rebuilding Mongolia

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

as a mineral nation. However, many Mongolians express concerns that the prosperity that foreign investment promises will be compromised by corruption, non-mining sector economic stagnation, and environmental degradation. On the one hand, the promotion of Oyu Tolgoi as *the* solution to the nation's problems contributes to rising expectations of national economic development. On the other hand, there is mounting disenchantment with the promises of mining.

Oyu Tolgoi's emergence as national narrator

The history of Oyu Tolgoi and emergent contestations over nation-building began during the late 1990s. In 1996, the Australian mining giant Broken Hill Proprietary (BHP) acquired Oyu Tolgoi from Magma Copper and in 1997 began further exploration. Due to limited results, BHP opened the mine to a joint venture. In May 2000, the junior Canadian firm Ivanhoe Mines acquired the rights to Oyu Tolgoi. Shortly after recommencing exploration, Ivanhoe announced expanded copper and gold estimates. Ivanhoe also purchased shares in other mining companies, such as South GobiSands and Entrée Gold, which were exploring for coal and gold (respectively) in the region. Thus while under-regulated gold mining activities drew national attention to the negative environmental and social effects of mining (Murray 2003; Byambajav 2010; Sneath 2010; High 2012), Ivanhoe acquired more Mongolian mining leases.

To develop Oyu Tolgoi, Ivanhoe needed investors for the multi-billion dollar construction project. As Oyu Tolgoi's reserve estimates grew, Ivanhoe's chairman, Robert Friedland, became a major promoter of mining in Mongolia.[8] He presented at international investment forums publicizing not only the financial rewards of Oyu Tolgoi, but also Mongolia as a new mining frontier recently opened to foreign investment. Friedland and other promoters of Mongolia, including elected officials, frequently reminded audiences of Mongolia's location next to China – despite ongoing public concerns about Chinese influence and even territorial annexation (interviews 2011, 2012; personal communications 2009–2012; see Bulag 1998).

Friedland also portrayed Oyu Tolgoi as the mine that will rebuild Mongolia (Figure 2). At an infamous 2005 presentation given to investors in Florida, Friedland compared Oyu Tolgoi's activities to the Guggenheim's development of Chile's copper industries in the early twentieth century. However, the Guggenheim's investments in Chile were neither always profitable nor immune from global economic conditions (Girvan 1976; Glaser-Schmidt 1995). Nonetheless, Friedland argued that just as the Guggenheim's built a railroad and other infrastructure in Chile, Oyu Tolgoi would do the same for Mongolia. He stated, "we are not building a mine, ladies and gentlemen, we are building a mining country like Chile. We are working very closely in partnership with the Mongolian government, and this is definitely the place to be" (Friedland 2005, 2–3). The comparison with Chile, an economically developed nation built on copper extraction (Maxwell 2004), and the company's easy relationship with the government promoted Mongolia as an investment-friendly country. Furthermore, he clearly articulated Oyu Tolgoi as a nation-building project that contributes to material as well as imagined communities, transforming Mongolia into a mineral nation (Coronil 1997; Agnew 2004).

During the same presentation, Friedland made comments that by 2006 had circulated among the Mongolian public and threatened the future of Oyu Tolgoi. Despite his nation-building rhetoric, Friedland's more crass descriptions of Oyu Tolgoi's profitability led to public objections in Mongolia that Ivanhoe was deceiving the government and people. Claims that "the amount of money that this block cave can draw off is terrifying"

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press



Figure 2. An Oyu Tolgoi van parked outside of its former Ulaanbaatar headquarters in 2010. The phrases read "Oyu Tolgoi deposit," "natural environment," "stable development," and "our future is near." The camel silhouette against the sun is the company logo. Photo by the author.

and that "the cash flows just from Hugo [deposit] … [are] at a billion and a half dollars a year" were intended to stimulate investors (Friedland 2005, 10). But comments such as "You're in the T-shirt business, you're making T-shirts for 5 bucks and selling them for 100 dollars. That is a robust margin" and suggestions that the Gobi was an empty landscape with "lots of room for waste dumps without disrupting the populations" created a public outcry (Friedland 2005, 9; 6). Although Friedland claimed reactions to his comments were overblown, they were credited with fomenting public protests against Ivanhoe and culminated in the public burning of effigies of Friedland and Mongolian elected officials. In reaction, the Mongolian Parliament instituted a 68% windfall tax on mineral ore exports. The Mongolian public response to the tax was mixed. Some felt that it would inhibit the business environment, whereas others thought that it would ensure Mongolia receives its fair share from mining revenues (Combellick-Bidney 2012).

Thus agreement negotiations stalled because Ivanhoe's efforts to generate investment backfired. The delayed negotiations also indicated how the public could challenge corporate power to define the terms of the agreement and the direction of national development (Okonta 2008). To improve its domestic image and to renew investor interest, in 2006 Ivanhoe initiated a partnership with Rio Tinto. According to a Mongolian civil society leader, the purpose was to "soften" the company's image after public relations disasters wrought by Friedland's statements and Ivanhoe's haphazard community relations' efforts (interview 2011). Several American business development NGO leaders argued that Ivanhoe, as a junior mining company, lacked the expertise, experience, and capacity to develop a mine of Oyu Tolgoi's size and significance (interviews 2012). Similar to other large acquisitions, Rio Tinto acquired from Ivanhoe "the conflictive and difficult community relations" generated during exploration phases (Bebbington et al. 2008, 900).

Signing the agreement

In 2008, the government attempted to push through legislation to ensure the signing of the agreement before parliamentary elections, but failed because Ivanhoe and Rio Tinto would

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

not agree to a state share of 51%. Then on 1 July 2008, two days after parliamentary elections, a riot erupted in Ulaanbaatar. Four people were killed by the police and one died from carbon monoxide poisoning in a fire that gutted the Mongolian People's Revolutionary Party (MPRP) headquarters. According to Bulag (2009, 130), before the election, the MPRP "had been under heavy criticism from many quarters, especially radical social protest groups and ultranationalist groups, for rampant corruption, including the selling of Mongolian land and mineral resources to foreigners" (see Reeves 2011). Thus, concerns about the negative impacts of mining took a nationalist turn. When the Democratic Party lost the election, protesters claimed that the MPRP falsified the results,[9] but the election results were not overturned. Negotiations between the government, Ivanhoe, and Rio Tinto continued.

In January 2009, the government amended the Minerals Law to decrease state ownership in strategic deposits from 50 to 34% where non-state entities conducted major exploration activities. In August 2009, Parliament voted to repeal the 68% windfall tax, to take effect in 2011. As Parliament was creating resolutions to facilitate the agreement, two Ivanhoe lawyers published a letter to Parliament in the *UB Post*, a Mongolian English language newspaper affiliated with the national *Unuudur* newspaper. The lawyers stressed urgency to sign the agreement as "the first step to an exceptional leap in economic and social development" to launch the nation into "a new era of responsible use of Mongolian minerals resources by way of creating thousands of jobs, opening up business opportunities, and developing infrastructure" (Sumiyabazar 2009a, 1). Articulating Mongolia's future at a crossroads, they argued,

> One way will attract foreign investment, develop a world-class mining sector, strengthen an independent economy and create an open economy and society. The other way will lead to a closed economy with the faith of investors and donors belied, limiting the scope of industry, and to direct dependence on its neighbors. (Sumiyabazar 2009a, 1)

In urging Parliament to hasten, the lawyers argued that failure to sign the agreement in a timely manner was a threat to Mongolia's teleological development as a mineral nation, which Oyu Tolgoi symbolizes as a catalyst.

Parliament's published response was biting. In a response letter, they rebuked the tone and spirit of the lawyers' letter as impatient, arrogant, and condescending. They argued that the "Oyu Tolgoi deposit has significant importance for our nation's future development. The letter intends to intervene [*sic*] Mongolia's internal affairs, national state, independence and way of development" (Sumiyabazar 2009b, 1). The Members of Parliament stated that they are the governing, elected body of the Mongolian people and that the lawyers demonstrated a lack of ethics. Furthermore, the Members of Parliament contested the assertion that Oyu Tolgoi would usher in a new era for Mongolia. Rather, they argued that the democratic and economic transformations of the last 20 years had redefined Mongolia's future.

> Therefore, we do not think that any company [*sic*] is necessary to define our nation's road to prosperity, and State of Mongolia would like [*sic*] remind you that people of Mongolia do have the rights to make decision on their own without interference of [*sic*] foreign party. (Sumiyabazar 2009b, 1)

The letter concluded with a request for an apology and hope for cooperation. Their response illustrates how Members of Parliament perceived the transition to a market economy as more significant to the nation's history than mining and that a corporation cannot determine the nation's future.

Despite this publicized row, the investment agreement was signed on 6 October 2009. The agreement lasts for 30 years and includes a range of mine-related activities from

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

exploration to rehabilitation, including supporting infrastructure. The state holds a 34% share through the state-owned company Erdenes and Ivanhoe Mines Mongolia holds a 66% share. After 30 years, Ivanhoe Mines Mongolia may apply for a 20-year exploitation license renewal and the state may increase its share to 50%. Ninety percent of Oyu Tolgoi's employees must be Mongolian citizens under the Minerals Law; however, the agreement makes exceptions to reduce the percentages for construction and mining activities. Oyu Tolgoi is also required to conduct environmental monitoring, to publish environmental protection plans, and to establish mine closure plans and funds for rehabilitation. The agreement creates a framework for holding Oyu Tolgoi comparatively accountable for employment, infrastructure development, and environmental rehabilitation, promoting the idea that mining will usher Mongolia into a new era. Thus on the surface, the agreement offers promises of nation-building, including economic development and environmental regulation.

In a public statement, Friedland welcomed the agreement signing on an auspicious day in Tibetan Buddhist[10] astrology.

> This is the godfather of new beginnings for Mongolia, whose revered founding leader helped shape the history of the world. Today, there is a new, outward-looking determination rising among Mongolians, who have resolved to draw on the country's remarkable and largely untapped mineral wealth to help build an independent nation for the millennium. (Mukherjee 2009, 2)

Friedland frames Oyu Tolgoi as part of a teleological trajectory of Mongolian national history beginning with Chinggis Khan and ending with political and economic independence through mining. Evocations of the past facilitate demonstrations of modernity while suggesting an idealized sense of shared history (see Anderson 1983/2006; Hobsbawm 1983/2000; Mitchell 2002, cf. Renan 1996) and renewal of the nation (Johnson 2001). Thus, at the moment of Oyu Tolgoi's "birth," Friedland directly connects the mine to Mongolia's origins, marking the mine as part of the nation's destiny.

The state's reaction to the agreement was more cautious. The President of Mongolia, Ts. Elbegdorj, in a speech to Parliament on the eve of the signing of the agreement, welcomed it as a "responsible decision." The agreement, he argued, would open Mongolia's doors to a "colossal" investment. He identified Oyu Tolgoi as the solution to the realities the nation has faced since 1990, suggesting that capitalism marks a new period in the nation's history in which mining plays a growing role.[11] The agreement, Elbegdorj stated, expresses the people's desire and will to promote national interests and security, met through national consensus. "By settling on the Oyu Tolgoi Agreement, our whole nation, our firm one family of Mongols has made a step forward together. I congratulate you all, I congratulate the people of Mongolia" (Elbegdorj 2009, 4). However, after his congratulatory remarks, Elbegdorj expressed caution against corruption and mismanagement of resource revenues.

> It's nice to have natural wealth. And it's right to utilize these resources. Yet, a question arises – how do we spend the revenues we generate from minerals, which perhaps could be the hardest challenge we may face. We have made promises to our people. We will work to translate into reality these promises. On the other hand, how do we avoid the "resource curse," an undesirable upshot, which still troubles many nations and countries? In a country with non-transparent, unjust, irresponsible public service, mining revenues become not a source of growth, but a cause of relapse. In an unjust society with biased laws, big money creates big problems. Few enjoy prosperity, and most fall into abject poverty. (2009, 4–5)

Here, Elbegdorj articulates the dual teleologies of building a mineral nation. Rather than promoting an idealized mineral nation, built through the circulation of wealth, he communicates uncertainty about the promises of mining. He paints a grave picture of what the

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

nation could look like if the government unwisely manages revenues. Elbegdorj internalizes "resource curse" as a state pathology, absolving corporate actions and obscuring how global capital networks create the conditions for the dangers he describes (see Girvan 1976; Bunker and Ciccantell 2005; Omeje 2006; Okonta 2008; Zalik 2008). At the same time, he suggests the state's role in ensuring citizens' welfare.

Despite expressions of caution, many critics argue that the negotiation process itself was not transparent and is evidence of corruption, contradicting nation-building promises. Reeves (2011) suggests that the state is more concerned with Mongolia's reputation among foreign investors than the public and more interested in developing rather than regulating mining. Similar to perceptions of the failed 2006 negotiations (see Combellick-Bidney 2012), several NGO leaders and government officials I interviewed argued that the 2009 negotiations took place behind closed doors. An official from the Ministry of Justice argued that the agreement terms were kept secret from the public and even from many government ministries until the formal announcement. An NGO leader complained that she could only see the agreement before it was finalized using the "friends of friends" method. Another NGO leader said that despite being told at meetings with Oyu Tolgoi and the government that civil society groups would have access to documents, they were not provided. Furthermore, despite Oyu Tolgoi's claims that local populations were involved with the process, many people living in Khanbogd *soum*, including several government officials and local leaders, stated that the agreement and subsequent infrastructure permits were signed by the central government without local permission. However, according to a representative from a donor institution, Oyu Tolgoi did not have to follow principles of Free Prior and Informed Consent because of the timing of the agreement and because nomadic herders are not considered "Indigenous" (interviews and focus-group discussions 2011, 2012). While a representative from Rio Tinto later told me that the company follows guidelines to consider the traditional land resource needs of people, such as nomadic herders, the company continues to avoid use of "Indigenous" in Mongolia (personal communication 2013). Hence, both Oyu Tolgoi and the state's discourses that frame the agreement as a product of national consensus conceal contestations over how and when the negotiations took place (see Bebbington and Humphreys Bebbington 2011). Perceptions of secret agreement negotiations also demonstrate how the public was excluded, in reality and symbolically, from making key nation-building decisions.

After the agreement

To many, Mongolian state secrecy is a legacy of socialist-era centralized decision-making coupled with corruption, which is perceived to be widespread throughout Mongolia (interviews 2011, 2012; see Fritz 2007; Reeves 2011; Zimmermann 2012). Rossabi (2005) argues that state economic policies implemented in the 1990s in exchange for loans from international financial institutions failed to consider Mongolian customs of favoritism and nepotism, which encourage corruption. Throughout the 2000s, corruption in Mongolia grew as the state's budgets and capacity to govern declined and investment in mining increased (Fritz 2007). Donor institutions have been unsuccessful in "supporting the development of institutions able to contain corruption," as lending practices created the conditions for corruption (Rossabi 2005; Fritz 2007, 202; see Saad-Filho and Weeks 2013). Fritz (2007) argues that mining revenues without appropriate regulatory structures promote corruption and as mentioned earlier, suspicions of mining-related corruption fueled the deadly 2008 riots and contribute to concerns about a resource curse (see Auty

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

2005, 2006). According to Transparency International's Corruption Perception Index, Mongolia's corruption may be in decline, or at least there is some optimism due to the Anti-Corruption Agency's efforts and state investigations of mining companies, including Ivanhoe.[12] Nonetheless, research participants discussed *perceptions* of corruption ranging from the initial selling of the mining license to Ivanhoe, to illegal campaign donations, to permits for water and transportation infrastructure (interviews, focus groups 2011, 2012). Thus, without institutions with the capacity to manage increased revenues and to regulate mining practices, promises of nation-building begin to ring hollow as perceptions of a resource curse intensify.

Moreover, amidst public ambivalence about the agreement and the government's ability to make good on its promises, the state began distributing cash payments to the public in the winter of 2010, which coincided with the return of harsh weather conditions called *zud* that killed millions of livestock (see Sternberg 2010). Hence, the payments became a short-term fix to the long-term economic decline of the nomadic herding economy (see Fernandez-Gimenez 1999; Bruun 2006; Sneath 2010). While the state established the Human Development Fund in 2008 to invest mining rents in infrastructure, education, and healthcare, benefits were distributed as cash handouts to fulfill presidential campaign promises made in 2009. Beginning in 2010, monthly payments were given to each adult (21,000MNT/$US 15) and to seniors and students (70,000MNT/$US 50). While some state the handouts came from early royalty payments from Oyu Tolgoi (Isakova, Plekhanov, and Zettelmeyer 2012), other rumored sources include loans given to the state by Oyu Tolgoi to develop the mine and the World Bank (personal communications 2010, 2011; Reeves 2011). The payments continued through 2012, contributing to high rates of inflation at 10.1% in 2010, 9.2% in 2011, and 14.3% in 2012.[13] Research participants argued that stores raised their prices when the checks were distributed. Thus, cash handouts made little difference to Mongolian standards of living and became a material sign of the failure of nation-building promises (interviews, focus-group discussions 2011, 2012).

With mounting public discontent, Members of Parliament in the fall of 2011 submitted a resolution to increase the state's stake in Oyu Tolgoi. Although the resolution failed, calls to renegotiate became an issue in the 2012 Parliamentary elections, raising concerns about "resource nationalism" among pro-foreign investment circles (interviews 2012; see Vivoda 2009). However, renegotiations also offered a chance to mitigate growing concerns about environmental impacts. As a retired *soum* official in Khanbogd suggested, renegotiation provided an opportunity to improve local water rights, a growing concern among mine-affected residents (interviews and focus groups 2011, 2012).

Despite promises that Oyu Tolgoi heralds a new era, the signing of the agreement and the state and public responses that followed reveal challenges to the promises of nation-building. Corruption, inflation, and environmental issues are symbolic of the challenges of building a mineral nation that come to the fore in debates about "Mine-golia."

Mine-golia?

The confluence of nation-building discourses and contestations over what the Oyu Tolgoi agreement means for the nation are highlighted in debates over "Mine-golia." The neologism is frequently used to describe how the nation's development potential is intricately linked to mining. While foreign investment to develop mining industries and rebuild the nation has emerged as *the* solution to the Mongolia's development challenges, "Mine-golia" remains contested. In 2009, the global strategist Parag Khanna presented a TEDTalk[14] on the future of national borders where he described how Mongolia is

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

transforming into "Mine-golia" (see Khanna 2008). Tied to China's economic expansion into new resource bases, Khanna argued that "Mine-golia" represents the buying of spaces, not territorial conquest.[15] In 2010, Khanna appeared on Mongolian TV in an interview with the popular journalist, Jargalsaikhan. In the interview, Jargalsaikhan suggested that "Mine-golia" does not sit well with many Mongolians. Khanna reassured viewers that nobody wants to be "owned" by another country. However, he argued that this vision of "Mine-golia" should not be viewed as "ominous." Khanna contended,

> When I say "Mine-golia" … in Mongolia, people should not react and say that is a horrible thing. That's not true. First of all, there are fifty or sixty or seventy countries in the world that would beg to be called "Mine-golia" because it is a brand. And it is a true statement that Mongolia has vast natural resources to offer the world. (Jargalsaikhan 2010)

Khanna identifies Mongolia's natural resources as the envy of other developing countries. However, while many Mongolians are optimistic that mining will bring new opportunities to rebuild the nation, "Mine-golia" remains a question. Thus "Mine-golia" crystallizes the dual teleologies of mineral nations: the promises and the perils.

For example, an article from the Mongolian website *gogo.mn* entitled "Mongolia or Mine-golia?" discusses how listing companies such as Oyu Tolgoi on the Hong Kong stock exchange will continue to wreak ecological devastation, something that angers many Mongolians. The author argues "A Mongolian national 'Mongolia,' not 'Mine-golia' is possible depending on who profits and what kinds of problems arise" (Enkhdelger 2012, 3, my translation). Another article from the daily newspaper *Orloo* asks "New Mongolia? Or Mine-golia?" (Bayarmaa 2012). The author describes Mongolia's expected double digit GDP growth in the next decade. However, Bayarmaa (2012, 2, my translation) argues that while inconspicuous consumption in Ulaanbaatar increases and "thousands and thousands of students strive to work for Oyu Tolgoi," herders in the Gobi region are suffering. Diminished water resources, desertification, and shrinking pasture create difficulties for herders as mining development expands. She also raises the specter of "Dutch Disease," which has entered Mongolian popular discourse as concerns about inflation and lack of investment outside of the mineral sector are linked to environmental concerns (interviews, personal communications 2010, 2011, 2012; Reeves 2011). To counter these fears, state officials have begun to promote Mongolia's more diverse national industries and visions.[16] A televised debate in the fall of 2012 between Ganbaatar, MP and critic of Oyu Tolgoi, and Bayarstogt, who participated in the agreement negotiations as Minister of Finance in 2009, is another example of a highly publicized forum through which the nation's future and state decision-making have been questioned.[17] Thus the reproduction of Mongolia as a mineral nation remains publicly contested and debated as Mongolian state and non-state actors remain ambivalent about the promises of mining and Oyu Tolgoi as a nation-building project.

These critiques of "Mine-golia" from Mongolian news sources[18] connect Oyu Tolgoi to broader concerns about mining and challenge the ability of the company to produce a unified narrative about the direction of the nation in cooperation with the state and public. While none of the research participants referred to Mongolia as "Mine-golia," they implicitly critiqued the "mine" in "Mine-golia" when they questioned who owns the mine, who benefits, and what are the negative environmental effects of becoming a mineral nation.

Conclusion

Although Oyu Tolgoi promotes mining as Mongolia's future, mining development has politicizing effects. Ongoing public concerns about how revenues are distributed and the

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

environmental impacts of mining confront the promise that mining brings development and will renew the nation. The billboards shown in Figure 1(a) and 1(b) show a unified vision, yet I have shown how Oyu Tolgoi's relationship with the public remains divisive. How the company conceptualizes the nation's teleology conflicts with the state and public's more cautious approaches to mining. Oyu Tolgoi reproduces the mine as part of a teleological movement toward an ambiguous stage of "development" and the public ambivalently accepts this vision. The state more directly acknowledges this image, while negotiating for control on its own terms.

This paper enriches the literature on resource sovereignties and nation-building to illustrate the powerful role of transnational corporations in the reproduction of national discourses and their influence on public perception and debate. The appropriation of national symbols generates a sense of familiarity with the mine, rendering it symbolically Mongolian while the majority share of the company remains foreign owned. Yet, the mine remains deeply contested as a symbol of tensions over the direction and definition of the nation, as the "Mine-golia" debate suggests.

I have also suggested how a transnational corporation promises to transform Mongolia and how state and non-state actors challenge corporate control of the national vision. While Oyu Tolgoi claims that the mine will rebuild the nation through economic development and limited environmental impacts, state and non-state actors express caution that symptoms of a resource curse and Dutch Disease are beginning to emerge. The state's solutions to public dissatisfaction with the development of Oyu Tolgoi include offering cash handouts and demanding greater stakes in strategic deposits, but the public remains skeptical of how mining is taking place and degrading the environment, leaving the "mine" in "Mine-golia" open to debate.

Acknowledgements

The author thanks the special issue editors, two anonymous reviewers, Elizabeth Lunstrum, Anna Zalik, Steven Flusty, Peter Vandergeest, and Rebecca Watters for their feedback. The author also thanks her research assistants T. Tuul, G. Bat-Erdene, and H. Undarmaa and special thanks to J. Sarantuya, G. Sukhgerel, N. Bayarsaikhan, and L. Battsengel for their ongoing research support. Any errors are her own.

Funding

This work was supported by the Canadian Social Sciences and Humanities Research Council Doctoral Fellowship, a Field Research Fellowship from the American Center for Mongolian Studies and the Henry Luce Foundation, as well as the York University Provost Dissertation Award, Fieldwork and Research cost funds, Cohnstaedt Peace Studies Award, and York Centre for Asian Research Albert C. Chan Award.

Notes

1. Young boys are the jockeys.
2. Named after the Netherlands' neglected non-mineral producing sectors in the 1960s.
3. Dorian (1991) estimated $6 to 18.8 billion. Ivanhoe's purchase of $50 million of government bonds raised concerns "about a possible quid pro quo" arrangement (Rossabi 2005, 201). A prominent civil society leader suggested that Ivanhoe paid-off some of Mongolia's debt to Russia to facilitate the Oyu Tolgoi agreement (interview 2012).
4. Ts. Elbegdorj was the Prime Minister from 1996 to 2000, elected President in 2009 and re-elected in 2013.
5. Named for plastic pans carried on their backs, reminiscent of the Teenage Mutant Ninja Turtles.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

6. Known as the "Long Name Law" and often perceived to target artisanal miners.
7. In August 2012, Ivanhoe Mines became Turquoise Hill, the English translation of Oyu Tolgoi. For clarity, I refer to Ivanhoe Mines.
8. And infamous worldwide (see McNish 1998).
9. Independent observers declared the election fair (see Dickie 2008).
10. Tibetan Buddhism is the majority religion in Mongolia.
11. For a discussion of periodizations of Mongolian history, see Kaplonski (2004).
12. See http://blogs.ubc.ca/mongolia/2012/corruption-transparency-international/.
13. Statistics from the National Statistics Office.
14. See http://blog.ted.com/2009/09/28/mapping_the_fut/.
15. Available on YouTube with Mongolian subtitles.
16. Prime Minister Altanhuyag called for national economic diversification at the 2013 Mongolian economic forum (http://ubpost.mongolnews.mn/?p=3235). Elbegdorj expressed similar concerns in a 2012 interview (http://www.president.mn/eng/newsCenter/viewNews.php?newsId=718).
17. In Mongolian: http://www.youtube.com/watch?v=nbjNbxeRn10. For an English summary, see http://www.themongolist.com/blog/parliament/36-the-debate-november-23–2012.html.
18. Other Mongolian examples of "Mine-golia" include a summary of an American National Public Radio series (http://mongolnews.mn/i/32494) and a series of reports called "Mine-golia, the Truth Collection" (http://tsag.mn/index.php?option=com_content&view=article&id=1123:-minegolia-3&catid=91:ulstur&Itemid=751).

References

Agnew, John. 2004. "Nationalism." In *A Companion to Cultural Geography*, edited by J. S. Duncan, N. C. Johnson, and R. H. Stern, 223–237. Oxford: Blackwell Publishing.

Allen, David. 2010. "New Directions in the Study of Nation-Building: Views Through the Lens of Path Dependence." *International Studies Review* 12 (3): 413–429.

Anderson, Benedict. 1983/2006. *Imagined Communities*. London: Verso.

Auty, Richard M. 2001. "Transition Reform in the Mineral-Rich Caspian Region Countries." *Resources Policy* 27 (3): 25–32.

Auty, Richard M. 2005. *Resource Abundance and Economic Development*. Oxford: Oxford University Press.

Auty, Richard M. 2006. "Transition to Mid-Income Democracies or to Failed States?" *Energy, Wealth and Governance in the Caucasus Central Asia*, edited by Richard M. Auty and Indra de Soysa, 3–16. London: Routledge.

Bayarmaa, J. 2012. "'ШИНЭ' Монгол буюу 'MINE-GOLIA.'" Orloo. Accessed November 15, 2012. http://www.orloo.info/readfull/uul-uurhai/9402-mine-golia

Bebbington, Anthony, Leonith Hinojosa, Denise Humphreys Bebbington, Maria Louisa Burneo, and Ximena Warnaars. 2008. "Contention and Ambiguity: Mining and the Possibilities of Development." *Development and Change* 39 (6): 887–914.

Bebbington, Anthony, and Denise Humphreys Bebbington. 2011. "An Andean Avatar: Post-Neoliberal and Neoliberal Strategies for Securing the Unobtainable." *New Political Economy* 16 (1): 131–145.

Bridge, Gavin. 2004. "Mapping the Bonanza: Geographies of Mining Investment in an Era of Neoliberal Reform." *Professional Geographer* 56 (3): 406–421.

Bruun, Ole. 2006. *Precious Steppes*. Lanham, MD: Lexington Books.

Bulag, Uradyn. E. 1998. *Nationalism and Hybridity in Mongolia*. Oxford: Clarendon Press.

Bulag, Uradyn. E. 2009. "From Mongolia to Mine-golia." *Asian Survey* 49 (1): 129–134.

Bunker, Stephen G., and Paul S. Ciccantell. 2005. *Globalization and the Race for Resources*. Baltimore, MD: John Hopkins University Press.

Byambajav, Dalaibuyan. 2010. "Mobilizing Against Dispossession: Gold Mining and a Local Resistance Movement in Mongolia." *Journal of the Center for Northern Humanities* 5 (5): 13–32.

Camisani-Calzolari, F. A. 2004. "National and International Codes for Reporting Mineral Resources and Reserves: Their Relevance, Future and Comparison." *The Journal of the South African Institute of Mining and Metallurgy* 2004 (June): 297–305.

Combellick-Bidney, Sarah. 2012. "Mongolia's Mining Controversies and the Politics of Place." In *Change in Democratic Mongolia*, edited by Julian Dierkes, 271–296. Boston, MA: Brill.

Coronil, Fernando. 1997. *The Magical State*. Chicago, IL: University of Chicago Press.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

Dickie, Mure. 2008. "Mongolia Poll Riots Trigger State of Emergency." *Financial Times*, 3 July: 6.
Domjan, Paul, and Matt Stone. 2010. "A Comparative Study of Resource Nationalism in Russia and Kazakhstan 2004–2008." *Europe-Asia Studies* 62 (1): 35–62.
Dorian, James P. 1991. "USSR–Mongolia: A Minerals Association About to End." *Resources Policy* 17 (1): 42–53.
EBRD. 2013. "Oyu Tolgoi". Accessed November 15, 2013. http://www.ebrd.com/pages/project/psd/2012/41158.shtml
Edensor, Tim. 2002. *National Identity, Popular Culture and Everyday Life*. Oxford: Berg.
Elbegdorj, Tsakhiagiin. 2009. "Better for the Nation Make One Step Forward Than for the Leader Gallop Alone." *President of Mongolia*. Accessed November 15, 2013. www.president.mn/eng/newsCenter/viewNews.php?newsId=53
Enkhdelger, L. 2012. "'Mine-Golia' юу, 'Mongolia' юу." *Gogo.mn*. May 30. Accessed November 15, 2012. http://economics.gogo.mn/news/105961
Ferguson, James. 1999. *Expectations of Modernity*. Berkeley, CA: University of California Press.
Fernandez-Gimenez, Maria E. 1999. "Sustaining the Steppes: A Geographical History of Pastoral Land Use in Mongolia." *Geographical Review* 89 (3): 315–342.
Friedland, Robert. 2005. "Nothing Like it on Planet Earth – Robert Friedland's Tour d'Tolgoi." *Resource Investor*, 3 July. Accessed December 10, 2009. http://www.resourceinvestor.com/News/2005/3/Pages/Nothing-Like-it-on-Planet-Earth—Robert.aspx
Fritz, Verena. 2007. "Democratisation and Corruption in Mongolia." *Public Administration and Development* 27 (3): 191–203.
Gellner, Ernest. 1983/2006. *Nations and Nationalism*. Oxford: Blackwell.
Girvan, Norman. 1976. *Corporate Imperialism*. New York: Monthly Review Press.
Glaser-Schmidt, Elisabeth. 1995. "The Guggenheims and the Coming of the Great Depression in Chile, 1923–1934." *Business and Economic History* 24 (1): 176–185.
Gledhill, John. 2008. "'The People's Oil': Nationalism, Globalization, and the Possibility of another Country in Brazil, Mexico, and Venezuela." *Focaal* 52 (1): 57–74.
Halvaksz, Jamon. 2006. "Cannibalistic Imaginaries: Mining the Natural and Social Body in Papua New Guinea." *The Contemporary Pacific* 18 (2): 335–359.
High, Mette. 2012. "The Cultural Logics of Illegality: Living Outside the Law in the Mongolian Gold Mines." In *Change in Democratic Mongolia*, edited by J. Dierkes, 249–270. Boston, MA: Brill.
High, Mette. 2013. "Believing in Spirits, Doubting the Cosmos: Religious Reflexivity in the Mongolian Gold Mines." In *Ethnographies of Doubt*, edited by M. Pelkmans, 59–84. London: I.B. Tauris.
Hobsbawm, Eric. 1983/2000. "Inventing Traditions." In *The Inventing of Traditions*, edited by E. Hobsbawm and T. Ranger, 1–14. Cambridge: Cambridge University Press.
IFC. 2013. "Oyu Tolgoi LLC". Accessed November 15, 2013. http://ifcext.ifc.org/ifcext/spiwebsite1.nsf/ProjectDisplay/SII29007
Isakovo, Asrel, Alexander Plekhanov, and Jeromin Zettelmeyer. 2012. "Managing Mongolia's Resource Boom." EBRD Working Paper No. 138.
Jargalsaikhan, D. 2010. "de facto: with Parag Khanna, Minegolia." Accessed November 19, 2012. http://www.youtube.com/watch?v=Wa_h7W2nayw
Jell-Bahlsen, Sabine, and Georg Jell. 2012. "The trans-national Gold Curse of Papua New Guinea." *Dialect Anthropology* 36 (3–4): 317–341.
Johnson, Nuala C. 2001. "From Time Immemorial: Narratives of Nationhood and the Making of National Space." In *Timespace*, edited by J. May and N. Thrift, 89–105. London: Routledge.
Kaplonski, Christopher. 2004. *Truth, History, and Politics in Mongolia*. London: Routledge.
Kaup, Brent Z. 2010. "A Neoliberal Nationalization?: The Constraints on Natural-Gas-Led Development in Bolivia." *Latin American Perspectives* 37 (3): 123–138.
Khanna, Parag. 2008. *The Second World*. New York: Random House.
Kirsch, Stuart. 2007. "Indigenous Movements and the Risks of Counterglobalization: Tracking the Campaign against Papua New Guinea's Ok Tedi mine." *American Ethnologist* 34 (2): 303–321.
Labban, Mazen. 2008. *Space, Oil and Capital*. London: Routledge.
Le Billon, Philippe. 2001. "The Political Ecology of War: Natural Resources and Armed Conflict." *Political Geography* 20 (5): 561–584.
Light, Nathan. 2011. "Genealogy, History, Nation." *Nationalities Papers* 39 (1): 33–53.
Maxwell, Philip. 2004. "Chile's Recent Copper-Driven Prosperity: Does it Provide Lessons for Other Mineral Rich Developing Nations?" *Minerals and Energy* 19 (1): 16–31.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

McNish, Jacquie. 1998. *The Big Score*. Toronto, ON: Random House.
Mitchell, Timothy. 2002. *Rule of Experts*. Berkeley, CA: University of California Press.
Mitchell, Jon P. 2003. "Looking Forward to the Past: National Identity and History in Malta." *Identities* 10 (3): 377–398.
Mongol Ulsiin Ikh Khural. 2006. *Minerals Law*. Ulaanbaatar, June 5.
Mukherjee, T. 2009. "What the Oyu Tolgoi Agreement Contains and What it Means for Mongolia." *Mongolian Mining Journal*, 9 Oct. Accessed December 6, 2009. http://www.mongolianmining journal.com/index.php?pid=1&sec=view&id=281
Murray, William. 2003. "Informal Gold Mining and National Development: The Case of Mongolia." *International Development Planning Review* 25 (2): 111–128.
Okonta, Ike. 2008. *When Citizens Revolt*. Trenton, NJ: Africa World Press.
Omeje, Kenneth. 2006. "The Rentier State: Oil-related Legislation and Conflict in the Niger Delta, Nigeria." *Conflict, Security & Development* 6 (2): 211–230.
Nakano, Takeshi. 2004. "Theorising Economic Nationalism." *Nations and Nationalism* 10 (3): 211–229.
Palazuelos, Enrique, and Rafael Fernández. 2012. "Kazakhstan: Oil Endowment and Oil Empowerment." *Communist and Post-Communist Studies* 45 (1): 27–37.
Peck, Jamie, and Adam Tickell. 2002. "Neoliberalizing Space." *Antipode* 34 (3): 380–404.
Penrose, Jan, and Richard C. Mole. 2008. "Nation-states and National Identity." In *The SAGE handbook of political geography*, edited by K. R. Cox, M. Low, and J. Robinson, 271–284. London: Sage.
Pickel, Andreas. 2003. "Explaining, and Explaining with, Economic Nationalism." *Nations and Nationalism* 9 (1): 105–127.
Polese, Abel. 2011. "Language and Identity in Ukraine: Was it Really Nation-Building?" *Studies of Transition States and Societies* 3 (3): 36–50.
Reeves, Jeffrey. 2011. "Resources, Sovereignty, and Governance: Can Mongolia Avoid the 'Resource Curse'?" *Asian Journal of Political Science* 19 (2): 170–185.
Renan, Ernest. 1996. *Qu'est-ce qu'une nation? What is a nation?* English translation by Wanda Romer Taylor. Toronto: Tapir Press.
Rio Tinto. 2013. *Oyu Tolgoi*. Accessed November 15, 20. http://www.riotinto.com/ourbusiness/oyu-tolgoi-4025.aspx
Rossabi, Morris. 2005. *Modern Mongolia*. Berkeley: University of California Press.
Rustemova, Assel. 2011. "Political Economy of Central Asia: Initial Reflections on the Need for a New Approach." *Journal of Eurasian Studies* 2 (1): 30–39.
Saad-Filho, Alfredo, and John Weeks. 2013. "Curses, Diseases and Other Resource Confusions." *Third World Quarterly* 34 (1): 1–21.
Sæther, Bjørner, Arne Isaksen, and Asbjørn Karlsen. 2011. "Innovation by Co-Evolution in Natural Resource Industries: The Norwegian Experience." *Geoforum* 42 (3): 373–381.
Sawyer, Suzana. 2002. "Bobbittizing Texaco: Dis-Membering Corporate Capital and Re-Membering the Nation in Ecuador." *Cultural Anthropology* 17 (2): 150–180.
Sawyer, Suzana. 2007. "Empire/Multitude—State/Civil Society: Rethinking Topographies of Power Through Transnational Connectivity in Ecuador and Beyond." *Social Analysis* 51 (2): 64–85.
Sawyer, Suzana. 2010. "Human Energy." *Dialectic Anthropology* 34: 67–75. doi:10.1007/s10624-009-9122-9
Smith, Anthony. 1986. *The Ethnic Origins of Nations*. Oxford: Basil-Blackwell.
Sneath, David. 2003. "Lost in the Post: Technologies of Imagination, and the Soviet Legacy in Post-Socialist Mongolia." *Inner Asia* 5 (1): 39–52.
Sneath, David. 2010. "Political Mobilization and the Construction of Collective Identity in Mongolia." *Central Asian Survey* 29 (3): 251–267.
Sternberg, Troy. 2010. "Unravelling Mongolia's Extreme Winter Disaster of 2010." *Nomadic Peoples* 14 (1): 72–86.
Sumiyabazar, Ch. 2009a. "Letter by Rio Tinto and Ivanhoe." *UB Post*. 11 Aug. Accessed December 14, 2009. http://ubpost.mongolnews.mn/index.php?option=com_content&task=view&id=3408&Itemid=37
Sumiyabazar, Ch. 2009b. "Letter by Mongolian Parliament." *UB Post*. 11 Aug. Accessed December 14, 2009. http://ubpost.mongolnews.mn/index.php?option=com_content&task=view&id=3407&Itemid=37
Tsing, Anna Lowenhaupt. 2005. *Friction*. Princeton, NJ: Princeton University Press.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press

Tvalchrelidze, Alexander G. 2011. "Commodities and Information: Black Holes in the Information Sharing System." In *Philosophy and Synergy of Information*, edited by P. J. Kervalishvili and S. A. Michailidis, 144–153. Amsterdam: IOS Press.
United Nations. 2006. *Mining and Human Rights in Mongolia*. Ulaanbaatar: Centre for Human Rights and Development.
Vivoda, Vlado. 2009. "Resource Nationalism, Bargaining and International Oil Companies: Challenges and Change in the New Millennium." *New Political Economy* 14 (4): 517–534.
Virág, Attila. 2012. "The Cultural and Geopolitical Dimensions of Nation-Building in the Ukraine." *Society and Economy* 34 (4): 619–641.
Walton, Grant, and Jon Barnett. 2007. "The Ambiguities of 'Environmental' Conflict: Insights from the Tolukuma Gold Mine, Papua New Guinea." *Society and Natural Resources* 21 (1): 1–16.
Watts, Michael J. 2004. "Antinomies of Community: Some Thoughts on Geography, Resources and Empire." *Transactions of the Institute of British Geographers* 29 (2): 195–216.
Zalik, Anna. 2004. "The Niger Delta: 'Petro Violence' and 'Partnership Development'." *Review of African Political Economy* 31 (101): 401–424.
Zalik, Anna. 2008. "Liquefied Natural Gas and Fossil Capitalism." *Monthly Review* 60 (6): 41–53.
Zimmermann, Astrid E. 2012. "Local Leaders Between Obligation and Corruption: State Workplaces, the Discourse of 'Moral Decay,' and 'Eating Money' in the Mongolian Province." In *Change in Democratic Mongolia*, edited by J. Dierkes, 83–109. Boston, MA: Brill.

https://doi.org/10.1080/00905992.2014.969692 Published online by Cambridge University Press