

Comparative Study on Approaches of Economic Management Thought Development during the Nomadic Civilization in Mongolia and Its Heritage

B. Gantulga¹, A. Bolormaa (Ph. D)², G. Batkhurel (Sc. D)³, A. Ayush (Ph. D)⁴

^{1,3}*Graduate School of Business
Mongolian University of Science and Technology
Ulaanbaatar, Mongolia*

²*School of Foreign Languages
Mongolian University of Science and Technology
Ulaanbaatar, Mongolia*

⁴*School of Business Administration and Humanities
Mongolian University of Science and Technology*

Abstract: Study on approaches of economic management thought development during nomadic civilization was conducted by the social, historical and comparative methods and modeling based on the following thesis. To conduct the study, the researchers have worked with the archive and research materials from Mongolia and Khukhhot, China, and publications and chronologies written by domestic and foreign scholars and researchers from different scientific areas such as history, economy, and management. To name some publications and researches, we have worked on the five historical volumes of Mongolia (2004) and research materials dated to 23 years ago by professors of School of Computer Science and Management, STUM. We would like to suggest five eras that had a great impact on global development. The researchers have conducted a comparative study on personal and leadership characters, and management strategies of Mongolian khans of the nomadic civilization and found some common qualities of Mongolian leaders-khans. The culmination of this study was defining a Mongolian economic and management model of the nomadic civilization.

Keywords: nomadic civilization, management thought development, recent trends of Mongolian economic management

Introduction

It is already over 30 years for Mongolia after the transition from the centrally planned system into economic democracy however, the current condition requires the nation to develop in same speed as others matching the development approach of the 21st century and studying the worldwide business culture, classic and neoclassical theories in market economy and management. The impact of globalization on the world's is required to consider with the effect of international standards, procedures, rules and factors of organizational management and system. While the condition arisen requisite to explaining and solving new condition and issues in the 21st century by the latest theoretical approach as the effects of classic theory and models of market economy and management become less universally. However social and organizational managing rules of countries worldwide differ greatly in their spirits, we ought to design national economic development model and management concepts considering universal standards of the globalization period.

Learning the economic and management culture and experience worldwide to rebuild own economic and administration systems is highly significant to promote the socio-economic development adjusting them to own features. Mongolia, a country with quite long history and rich administrating and managing heritage of state, military, law and economy, is a nation that impacted on the civilization establishing its Great Empire. From this point of view, there is a facing issue to design an economic development of Mongolia, management concepts and philosophy, and Mongolian characteristics of management of the 21st century.

Literature Review

Numerous schools, styles and approaches of economic and management thought have been developed and altered in the world. The history of economic thought deals highly with the works and state policy and operations dated in the 2nd century B.C. by Eastern philosophers and thinkers from India, China, Greek, Rome and Mongol Hunnu Empire. Particularly, historians and scholars underlined that the affairs and actions by kings and thinkers from France, Arabia, China and Mongolia led the economic thought during the period between the 4th and 12th centuries since the Middleages. During the 13th and 17th century, the leading representatives of the development of scholastic economic thought are Foma Akvinsky (Italy), Ermolai-Erazm (Russia), Ibn Halidun

(Arabia), Thomas More (England), Thomas Canpanella (Italy), William Stafford, Thomas Mann (England), Antoine de Monchretien (France), I. Dabansat and A.Serra (Italy). From the 17th century to the late 19th century, the ground of economic science which contributed greatly to worldwide development of economic and management thought was drawn as well as sophisticated discoveries of economics.

Various thinkers and scholars contributed to the economic thought during the period: Thomas Mun (England) and A.Serra (Italy) who developed Mercantilism theory in market economy though; J. Kane designed the principles of classic political economy; A.Smith and D.Ricardo (England) funded a liberal economic theory; Sismondi (Switzerland) popularized an economic Romanism; Jean-Baptise Say (France) designed theory of market economy regulation; J. S. Mill and P.Prudin (England) pioneered state policy on economy; N. W. Senior and A. Marshall (England), and L. Walrass (France) drew the concepts of pure economy; R.Owen and Claude Henri de Saint-Simon (England), and Charles Fourier(France) developed the concepts of utopian socialism; and K.Marx and F.Engels (Germany) popularized Marxist concepts.

The next phase of the development of worldwide economic and management thought lasted between the mid 19th century and the mid 20th century. For instance: V.I.Lenin (Russia) developed theory on socialism; J. Keynes, G. Robinson and P. Sraffa (England), and P.Davidson (USA) designed the theory of state regulated economy, J. Stiglitz and O.Blanchard founded concepts of New Keynesian economics, E. Doman and D. Harrod completed dynamic analysis on micro economy; L. Musys, A. Pigou, E. Chamberlin and J. V. Robinson designed the theory on market regulated economy; I.A.Schumpeter and P. Samuelson developed the dynamic theory on economic development; I.Stone, F.A.Hayek, R.Lukas and M. Friedman designed theoretical concepts on supply economy; *J.Muth and P. Berrou developed theory of rationalexpectations*; M. Friedman designed monetary approach; L.Erhard (Germany) designed approach of social-rational market; J. Kenneth formed theory on industrialized economy; K. K. Vicsel, E. Lindell, and K. Errou (USA) and G. Beaucenin designed theoretical approach of social choice.

New approaches and concepts had been emerged in the worldwide economy and management theoretical thought in the 21st century since 1970, a modern development phase. The leading representatives of the phase are: Sir John Richard Hicks /General equilibrium theory/;Gunnar Myrdal /The Institutional Approach to Economic Theory/; John Stuart Mill /The economic theory of international capital transfer/;Herbert Simon /Studying decision-making/; T. Paul Schultz and A. Lewis /Model of development economics/; Solow. R. M /Theory of Economic Growth/; Drucker. P /A key concept of the knowledge economy/; R. Coase /Neo-Institutional theory/; J.Nash and J. Harshani /Game theory in economics/; A. Downs /Economic theory of Democracy/; W.Smith / Theory in probationary economy/; D. Keinman /Applied Psychology of Economics and Management/; F. Kidland / Dynamic theory of macro economy/; E. Prescott /Approach to optimal policy analysis/.Frederick Taylor, *Henry H. Gant* and Lillian Gilbert are the heading representatives who designed classic theory of market economy management and developed it as a scientific management. In addition, A.Fyol who pioneered Classical organization theory and outstanding scholars Henry Ford and U.Lindall who developed the theory have contributed greatly to the scientific management development. E. Mayo, D. McGregor, F. Gertsberg, Rensis. A. Likert, Chester Bernard, Hugo Munsteberg and Mary Parker Follett are scholars who developed theory of human communication as well as management as a human force, communication and psychology.

Scholars Herbert Simon, D. March, L. Kantrovich, Max Wieber, Rosentsveig, Kast Ralif and Stogyl used contributed to economics management model and decision-taking theory using mathematics and statistics, and to development of theoretical concept of management in great amount in the 19th and 20th centuries. Theories emerged by Abraham Maslow, David McClelland, Fredrich Gertsberg, Black Muton, Porter-Louler, Paul Hersey, and Ken Blanchard played key roles to develop theories of human and group promotion in the management as well as motivation and leadership. Concept of globalization has been spread since the last half of the 20th century in the management.

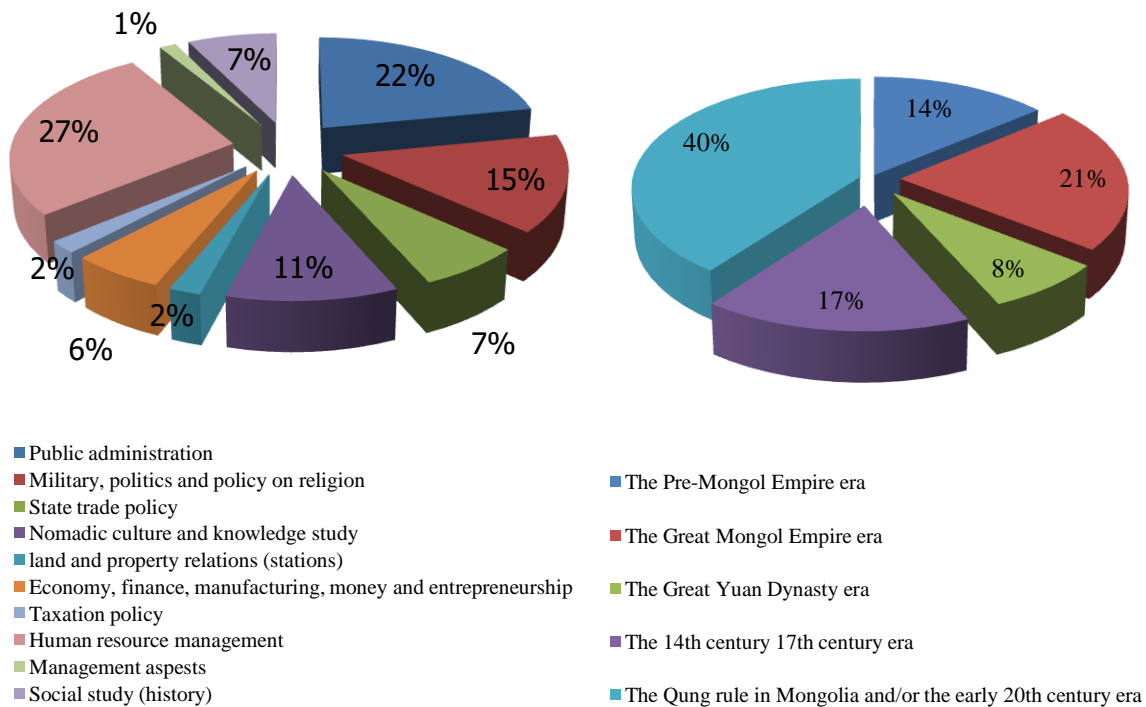
New concepts and approaches that we ought to learn are being presented in the 21st century: “Knowledge management” by P. Druker; “The theory and practice of learning organizations” by P. Senge, theory of “Trust in the balance” by R. Shaw. Study on development of economics and management thought of Mongolia shows that the nation has great history of the concepts and thought that inherited from many centuries ago. Management and policies on state and husbandry by Chinggis khan and other khans that ruled various nomadic empires, including the Xiongnu and the Mongol Empire during the 3rd century B.C. and 12th century A.D. in the area of Mongolia during contributed greatly to the history of economics and management thought of Mongolia. Over 35 khans inherited enormous management heritage from their great ancestor Chinggis Khan and enriched it with their policy and experience. Particularly, Chinggis, Ugudei, Timur, Khubilai and Ligden khans played key role to form Mongolian management and economics thought that based on nomadic culture. Studies on thought value and thought of Mongolians by the following scholars are basis to define characteristics of Mongolian thought: Sc.D L. Dagdan (18), Sc.D T.Ulzii (19), Sc.D Urbaneva Irina Safrinova (20), Sc.D Kh. Khavkh (21),

Sc.D N.Begz (30), Sc.D Ya. Khishigt (32), Sc.D Kh.Gundsambuu (33), Ph.D Ts.Baartartogtokh(77), Ph.D M. Otgonbayar (79), Ph.D G. Tseren(81), Ph.D Kh.Chagdaa (82), Ph.D S.Marta (100), Ph.D N. Tumor (110), Ph.D D. Ganbat (115), Ph.D M. Munkhtsetseg (125), Ph.D L. Odontuya (129), Ph.D S. Sanjaabadam (130), Ph.D B. Khishigsukh(139) and Ph.D Ch.Chimegbaatar (140). We have worked comparatively with over 20 scientific doctor dissertations and 72 philosophical doctor dissertations on Mongolian thought of economy and management and formed our conclusion.

Methodology and study

As mentioned in the literature review, we have studied many research works and publications on history of Mongolian economic and management thought, and management of Mongolian khans from different time period in English, Chinese, Arabian, Persian, Russian, Old-Mongolian script as well as research papers and publications on Chinggis Khan, management of the Great Empire of Mongolia, khans, heroes and some state activists of Mongolia produced by Mongolian scholars such as Sc.D D. Lkhashid, academic Namjim T, Tumurtogoo D, Boldbaatar J, academic Enkhtuvshin B, Dorj T, Luvsandorj P, Sc.D Gurjav L, Nyamzagd S, Tserendavaa G, Jaavaa T, Baysakh J, Ph.D Tsend N, Tserenpil D, Ayurzana Ts, Bayanjargal Ch, ErdenechuluunKh, Norjvaanchig B, Bayandalai D, PurevdagvaKh, Tserendorj D and Shuurav Ya. Particularly, we have worked comparatively on studies and publications that classified and investigated history of the worldwide economic thought written by Sc.D, Luvsandorj P, Tsendendagva G, Namjim T and Ph.D Byambaa D, Norjvaanchig B, Namsrai B and researcher and economist Tumurtogoo D. We have filed historical documents, chronologies and materials that are useful to define features of the teachings and experience of Mongolian economy and management development from the period between 2000 years A.D. ago to the 21st century and displayed in an appendix 1.

The period of nomadic civilization has an important role in the historical-attitude study on the development of Mongolian economic and management thought. The historical-attitude study on the development of Mongolian economic and management thought during the nomadic civilization was conducted in the five phases: “Pre-Mongol Empire period (4th century B.C. – 12th century A.D.)”, “Mongol Empire period (1160 – 1260)”, “Yuan Dynasty (1260 – 1368)”, “14th – 17th centuries A.D. (1368 – 1634)”, “Mongolia under Qing rule or the 20th century (1635 – 1920)” and we have worked with over 2000 documents. The present study was conducted according to the following economic management functions: The historical events were summed up: 412 events related to state management and administration; 278 related to political management and policy on religion; 126 related to state policy on external affair and foreign trade administration; 139 related to policy on history and society; 204 related policy on nomadic culture and knowledge area; 38 related to policy on land and property relation, 147 events related to policy on state economy, production management, state money, finance and tax and 538 events related to human resource management, leadership and management strategies of khans (Figure 1a) while a chronology of 194 historical events that contributed to the development of the world and national economic and management thought was drawn defining the development approach of Mongolian economic and management thought during the nomadic civilization. (Figure 1b).



1a. United chronology

1b. Chronology

Figure 1. United chronology of the events that related to the study on the development approach Mongolian economic management thought during the nomadic civilization

Our findings on the development of Mongolian economic and management thought at least define the historical events that are significant to the nation and worldwide economic management thought from the nomadic civilization as showed below.

A. Pre-Mongol Empire era (3rd century B.C. – 12th century A.D.):

- During the Xiongnu Empire 255-209 B.C., a tribe nobilities' meeting discussed whether a tribe leader will be re-voted or not. It was the basis of the power separation of the minority that represents majority's power and therefore, we can see it as a first form of joint management by a state.
- The Xiongnu Empire was established in 209-176 B.C. as a very first nomadic empire in Asia. In 198 B.C. a policy by the Empire on relation and governance Han state was drawn. Under the marriage alliance, Han state, China was allowed that north area from the Great Wall is Mongolian creating a management strategy of foreign affair by a state.
- Military system of the Xiongnu Empire was reformed as into a tumetu or tumt (10,000 warriors), a mingat (1,000 warriors), a zuut (100 warriors) and an arbatu (10 warriors) system that doubled function and branched structure of management system. State, military and husbandry were under one complex and combined management structure.
- Giyu Shanyu granted titles that differ khans who rule state and created a separate title of "a khan" in 174-161 B.C. During this period, state tax was regulated before 2000 years when tax theory was emerged and population census was conducted.
- Tianshihua, king of the Xianbei State (Sumbe) 156-181 A.D. drew a law set of the state and released a king decreed firstly and also classified state management positions and their function division.
- The Joujan state established the first state system reforming an arbatu as into a unit, a zuut as group and a mingat as a camp in 402-410 A.D.
- Firstly, the Turkic Buman khan formed communication devices in Mongolia in 552 A.D. and used them to exchange information and manage his state.
- Chindee, a khan of the Kidan state created level of state servants in 921 defining power, right and function for each level. Shelun, a military general established a tribe leaders' meeting and named it as "khuraldai" and etc.

B. Mongol Empire era (1160 – 1260):

- The biggest achievement in history of human beings that accepted worldwide is the development of economic and management thought and Mongolian management of the 12th and 13th centuries. We cannot see often the management which regulated various nations with different origin, culture and religion for hundreds of years throughout the wide territory of Euro-Asia under an Empire reaching the cultural, scientific and foreign affair achievements.
- We suggest to define the contributions by a Great Mongol Empire, Chinggis and other khans to the worldwide economic and management thought as:
- Chinggis Khan established a management “MINGAT SYSTEM” that divided his empire into three tumets and 95 thousand mingats in 1206.
- Chinggis Khan established the ground to develop management thought for international relation. It was the basis to expand foreign relation through SILK ROAD during Ugudei, Khubilai and Guyug khans’ rule. Horse station that was the start to build infrastructure elements within the policy on economy of the Great Empire was made was organized as a sun RAY shape.
- In 1210, three types of land were created and named them as state or mingat’s area, protected area and honored area.
- In 1207, state monetary policy was drawn and introduced a COIN with 12-year animals, dragon, sheep, garuda-bird and a man with a sword. The coin was with a diameter of 6.4sm, 55grin weight and 3.0mm in thick and a hole with a diameter of 7mm in its center.
- In 1217, Chinggis Khan sent a group of FOUR HUNDRED FIFTY TRADEMEN AND FIVE HUNDRED CAMEL LOAD with Valchikens to Horesm and it was a very distinctive action in state policy on foreign trade.
- In April 1219, Mongolian state developed its policy on weapon industry that was the ground to develop manufacturing.
- Leading organization of a state was “KHURALDAI.” Preparation and organization of khuraldai, and creation of unique custom to crown as a KHAAN were the first form of state top organization and parliament.
- In 1229, Ugudei khan established ministerial management structure forming a ministry of Internal affair and a committee of temporary affair which is a central administration system, and appointing relevant ministers. The first form of administration system was established.
- In 1251, Munkh khan created a top position that affairs state education issues.
- In 1254, Munkh khan used a resignation procedure initially in his generals who were fighting in Korea.

C. Great Yuan Dynasty era (1260 – 1368):

- Khubilaikhaan established a committee of Central affair in 1260, Authority of Animal husbandry in 1263, Ministry of Agriculture in 1270, Ministry of Monitoring in 1284 and Ministry of Culture in 1290 and appointed ministers and deputies. In addition, executive branch, and its function and structure were detailed.
- During Khubilai khan’s rule, an assembly of Mongolian nobles was established during the khuraldai that took place in Tals valley. Mongolian princes started to take part in state operation. Khubilai khan established an Academy of Science in 1275 designing a basis of state policy on science.
- Between 1320 and 1323, Lightening khan Shodbal implemented a project to reconstruct Mongolia that was a kind of legal planning policy by a state.
- In 1330, Tugstumur khan released apologetic decrees four times and it was the first case of state apologizing. In 1368, Togoontumur khan developed and forced into power policy to manage his nation and 17 concepts.

D. 14th century and 17th century era (1368 – 1634):

- The period (1399-1470) that lasted from Elbeg khan’s rule to Batmunkh Dayan khan for over 70 years is named as «a chaos» of Mongolian state.
- Batmunkh Dayan khan made a basis to reestablish Great Mongolia uniting independent and small nomadic tribes to his rule. Union of Mongolian khans and nobles succeeded due to people’s desire. The Dayan khan had his own principle that to make up his team to govern tribes from only his blood descendants.
- Since the mistake by Batmunkh Dayan khan that willed his nation to his 11 sons, Mongolia faced again with disintegration and collapse.

- In 1577, Tumen zasagt khan created a position to rule a nation and a government was headed by “chinsan” or premier minister who appointed by a king. Henceforth, the concept of “Prime minister” was cleared out and a new legal procedure was forced out into power.
- In 1603, Buyansetsen khan established a legal relation basis of Mongolian state developing “Little law” and reforming it several times.
- Qing king used “a maggot theory” to attract Mongolian selfish nobles.
- In 1629, Legdan Hutuhtu Khaan known as “Khaan of Chaharia” carried out a project to translate Ganjuur and write down it in 113 volumes in golden ink. Totally 33 scholars such as Gungaa-Odser, Bandidaa gush and Anand gush. New policies on keeping and inheriting state tradition and national cultural heritage of Mongolia were developed and implemented during the period.

E. Qung rule in Mongolia and/or the early 20th century (1635 – 1920):

- Since Oirat or Western Mongolia consisted of four tumts but Khalkh or Eastern Mongolia included forty tumts in 1640, a law “The Forty and the Four” was drawn and it was the legal act that regulates structure and relation of tumts of Mongolia.
- In 1642, V Dalai lama Luvsanjamts (1617-1682) established an administration of Galdan Palace and appointed a prime minister or “Desrid” to affair his administration. The first “desrid” was Sodnomravdan (1642-1685). Palace administration was legalized within the state management and management function was approved.
- In 1655, Qung divided Mongolia into a provisional or “khoshuu” structure: Khalkh was divided into 8 khoshuus, Western and Eastern parts. It is said that there were 8 khoshuus in Ar Khalkha, however Gersenz, the youngest son of Batmunkh Dayan Khan passed his land to his 7 sons dividing equally so then there were 7 khoshuus by 1691.
- In the second half of the 17th century, stronger and more respected khoshuu nobles stood out from all other nobles and started to administrate the rest. This kind of bigger union of aristocrats was named as an aimag or provision. Khoshuus were reformed as aimags and aimag governors were voted and appointed.
- In 1715-1720, Mongolians started to keep forcibly official livestock which was property of Qung king. If number of the livestock reduced Qungs fined Mongolians their own animal for every lost animal.
- Mongolians had amended their “Khalkha juram” law 22 times and followed it for two centuries. It confirms that Qung governance was not so powerful.
- In 1730, Khalkha nobles were paid annually by Qung Dynasty. For instance: Chin Wang-2500lan, 40 khui-silk, Jun Wang-1500lan, 20 khui-silk, Duke-800lan, 13khui silk, Prince-500lan, 10khui- silk, Count-200 lan, 7 khui-silk, 1st degree nobility-100lan, 7 khui-silk etc. It shows that Qung government had a flexible pay scale that relied on status and level for Mongolian nobles and followed it strictly.
- In 1853, To Wang aimed to have **business in various industries** developing agriculture, handcraft and sculpture except of their main industry in his khoshuu. Togtokhtur Wang /To Wang/ from Tsetsen khan province released teachings to hold household that was the start to implement khoshuu’s policy on its economic infrastructure.
- In 1860, the first Russian trade company opened in Ikhkhuree, the capital, providing other foreign businesses with possibilities to run their business in Mongolia.
- In 1900, a gold mining association “Mongol or” was established with joint investment of Russia and Belgium in Mongolia. It was the first **joint enterprise with foreign investment**.
- In 1911, VIII BogdJavzandamba was enthroned as Bogd Khan. Bogd Khan established a government with five ministries. Ministry of Internal affair was the first degree so then Da lama Tserenchimed, minister of the Internal affair worked as a prime minister. Structure and function of Mongolian government were formed and prime minister was appointed.
- On 30 November 1911, authority of Khalkha affair was established with 7 people such as chin van Khanddorj and Da lama Tserenchimed, and the leader was Chagdarjav. Mongolia ruled by “Bogd khan” declared its independence and sovereignty removing the Qung domination.
- In February 1914, upper and lower sessions of a state were established.

Comparative study on personal and leadership characters, and management strategies of Mongolian khans of the nomadic civilization

The study checked comparatively personal and leadership characteristics, and management strategies of 31 khans and activists /6 from the pre-Mongol Empire period, 6 from the Great Mongol Empire, 7 from the Yuan Empire period, 7 from the 14th and 17th centuries and 5 from the Qung rule period/ with totally 251 categories. The study shows that the khans and state activists shared common personal and leadership

characteristics: Khans from the pre-Mongol Empire period shared 58 common characters, khans from the Great Mongol Empire 45, authorities from the Yuan Empire period 76, khans from the 14th and 17th centuries 24 and state servants from the Qung rule period shared 48./ There are the most common 11 characters which were shared mostly among all the khans and state servants. As a personal character, there were brave- 18, bright-15, self-discipline-16, smart-21, fair-19 and patriotic-14 while leadership characters were as hard-working-16, struggler-15, able to state service-16 and decisive-14,as well as organizational skill-18 among leadership strategy.

The personal and leadership skill, and management strategies of Mongolian khans differed in characters due to the time period and situation, however the above result shows that some characters such as brave, bright, self-discipline, smart, fair, patriotic, hard-working, struggler, able to state service, decisive-and organizational skill were shared among khans and state activists mostly.

As the comparative study on personal characters of khans and state activists who ruled Mongolia for some time of its history shows the following personal characters were common among them:

Table 1 Common characters of the khans of Mongolia

<ul style="list-style-type: none"> - proud of his/her origin - dignified - stable - strict - friendly - listens to others, discusses with others - innovative - leader - patient - hard-working - aware of natural law - knowledge in nomadic culture - foreign language knowledge 	<ul style="list-style-type: none"> - risky - discipliner - team player - organizational skill - thought level - cautious - be ready for others against any events - vision - creative, labor liking - high knowledge on Mongolian history and tradition - ability to make speech
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Defining Mongolian economic and management model of the nomadic civilization: Nomadic culture and civilization is the biggest culture of human beings that ever had. Animal husbandry is the closest relation between human beings and animals and nature while being generous to animal and nature is the most humanitarian phenomena. Nomadic husbandry is a farming that demands low cost and respects natural law and adjust itself to it instead of changing and also without side effects on human beings and nature. In addition, the animal husbandry is the main activity to earn their livings by for Mongolians while it is the root of the distinctive nomadic culture. As an integral part of a nature in the frame of the nomadic culture, human beings have created and enriched nomadic culture and its values, and passed them to next generation protecting and improving natural resources.

Civilization development. Numerous scientists and researchers noted that the efficiency of nomadic husbandry is high per labor force, however, there is low production for a square of the farming. The tenth system that ten families live nearby was created due to the nomadic husbandry activities and needs to cooperate, exchange information and share experience and achievements while utilizing pastures all together, herding their animals, tanning hides and making felt, and building fence and caravan trading.

Table 2 Features of nomadic culture

<ul style="list-style-type: none"> - A Mongolian desires to keep the nature still, contact it directly and move wherever whenever they want. - A Mongolian likes to be same as a nature. - Nomadic people have much more cognitive sense. - “Khot ail” household system and kinship play key role in the nomadic lifestyle.

Mongolian distinctive feature originated from nomadic culture is to be connected with the nature and move freely in their vast steppe. Mongolians see a culture as a system to life flourishing so then they could completely establish nomadic.

Mongolian original and personal feature

Mongolians are people who are proud of their reputation and origin. Therefore, they have proverbs like “Honesty is the best policy” and “Sticks and stones may break my bones, but words will never hurt me”, and “The harshest sin is being told badly.”

Mongolian psychological feature

Historians say that the main reason to break out and fight against each other for Mongolian tribes and states relies on the original psychological gene of a Mongolian.

Mongolian thought feature

Mongolians always consider something in complex way of contents or structure, feature and situation, development and movement, and relation and conflict as they never think about something separately. As Mongolian say a child is connected with his/her mother by blood, lean body, milk, heart and energy.

Mongolian philosophy

Chandmani, concept of three and threesome as Mongolians say, is the reason why Mongolians consider anything three times, and express or explain in three ways. The people name the concept as a theory of three which contain, collect and unite anything. Thus, Mongolians have had philosophy that say people are connected with land where they **born, live and die** within the three time zones of **past, present and future**, and the three dimensions of **height, length and width**, and the three different processes of **origin, exist and disappearance**. These mentioned 9 things are all movements.

Respect for state and lords

Mongolians have aimed and fought for their country so then they have developed their country for thousands of years in the land that was inherited from their ancestors. Mongolians are the people who say “Bless State” when they pray. Vision, enormous intelligence, forgiveness, union and custom were the fundamental source of the state proper policy by Mongolians. As a result, state policies were appropriate and the whole nation kept their lives and country still.

Table 3 Mongolian native feature¹

Naturally gifted features	Distinctive features due to nomadic civilization	
	Positive	Negative
<ul style="list-style-type: none"> - Related to land, weather and environment integrally - Physical and psychological adaptability to environment - Mongolians had their own unique civilization to adjust to the environment thought and physically. - Mongolians had ability to understand or know internal nature of phenomenon intuitively not find out the reason. 	<ul style="list-style-type: none"> - excellent eye-memory and sense. - stands against hunger and a lack. 	<ul style="list-style-type: none"> - uncareful - bad time management - slowly and lazy - arrogant - extravagant
Naturally gifted features of a Mongolian	<i>Elders' feature</i>	
	Positive	Negative
<ul style="list-style-type: none"> - Mongolians believe in a person who differs in his/her outstanding intelligence patient among others and also stands for a nation and saves his/her origin; - Respectful for khaans, khans and nobles and the khaans, khans and nobles can stand for their people; - Young generations were educated about respecting parents, elders and following them; 	<ul style="list-style-type: none"> - intelligent - farsighted - cautious - experienced - educate youths 	<ul style="list-style-type: none"> - downhearted
	<i>Youths' feature</i>	
	Positive	Negative
	<ul style="list-style-type: none"> - more intelligent - energetic 	<ul style="list-style-type: none"> - not enough intelligence - inexperienced to manage

¹ Kh. Khavkh., “Naturally gifted nature of a Mongolian and its changing procedure”.:, “Our Mongolia” journal., 2005. №2 /24/

- Natural features of elders are respectability, high reputation, educating youths, intelligent and morality.	- learning skill and ability	and spend his/her energy
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State tradition of Mongolia

The followings are the fundamental principles of the state tradition of Mongolia:

- State system and structure is simple.
- Work division is specific and prefers strict principle and rule.
- The head policy in all phases of the state is to build trust.
- Prefers fair effort and honest heart.
- Deny cunning and crook.

The hypothesis that finding nomadic culture effects which is the basis of the management theory of Mongolia in **their intelligence and sense, and living** is right in the methodological way was confirmed. For this reason, American X and Y theories and also Japanese Y theory were designed to manage urban civilization. In other words, the theories cannot completely meet Mongolians who are nomadic. Beside it, U.Ouchi, an American scholar with Japanese origin formed a management theory for Japan recognizing that Japanese management does not work directly in American business environment which nearly same in its urban civilization.

Mongolian management thought is the classic model of “Mongolian brainstorm” that was based on natural law, international experience and culture which is a management relation where a leader chooses his/her managing theory, concept, strategy and ability adjusting to personal, psychological and thought. The management source of the period was “nomadic culture”, philosophical basis was “Zasakhuinbilegsurgaa²”, legal environment was “Law of earth”, theoretical basis was “Uyalga³ theory”, and thought basis was “to be independent”, and respecting “interests of an individual and nomadic family” and concept was “develop via inheriting”. Strategies to manage a person who lived in the nomadic period were as: labor management was “family relationship and establishing short or middle term contract”, decision-taking procedure was “key role of elders”, charging was “an individual”, qualification for human force was “knowledge on nomadic life and business, and various skills and abilities”, and controlling system was “duplex state control except internal simple control”, qualifications to be promoted were “traditional custom, experience and reputation” and materialistic interest was “family interest and right”(Figure 2).Extensive results carried out show that the following model was right for our economic thought.

² Root of *zasakhuin* is set or found meaning that this is established knowledge of shaping the state.

³ Root of this word means tie or rope

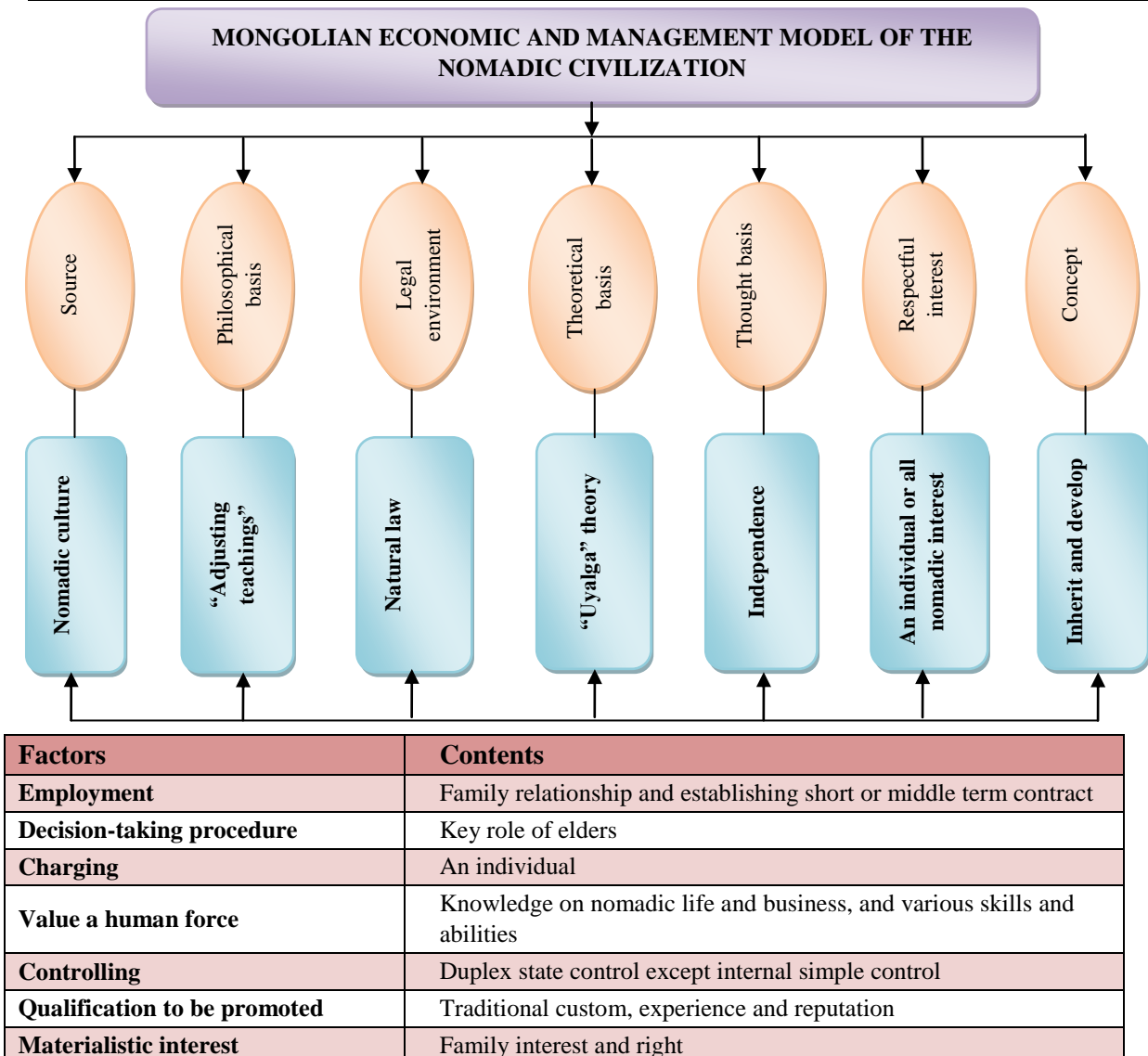


Figure 2 Mongolian economic and management model of the nomadic civilization

Conclusions

We recommend to divide the worldwide economic and management thought theory into 5 phases based on the approaches of the theoretical development avoiding from the classification according to the historical formation theory.

The researchers have attempted to define value of Mongolia and its worldwide and national significance, and to study the concept and approach of the economic and management thought development of Mongolia. As we see, there are many limitation issues to be studied and discovered in the research field:

- The worldwide significance of the economic thought during the Pre-Mongol era, and personal and psychological features of nomadic Mongolians;
- Research on “mon” theory, “ger” theory and “uyalga” economical theory; Three-theoretical management study such as “past”, “present” and “future” during the Great Mongol Empire;
- Study on “Mongolian brainstorm” in economic and management thought;
- Comparative study of Mongolian khans’ management strategy and managerial style heritage.

We have formed “MM” or Mongolian Management theory which expresses Mongolian’s management development framework of thought. To design the concept of the “MM” theory, we noticed its theoretical source as “Nomadic culture, thought”, and philosophical basis as “Management that focused on an individual’s interest”, legal environment was “Natural, and global environment law and international standards”, theoretical

basis was “Modern economic and management theory”, and thought basis was “to be independence”, and focusing interest is “Individual’s interest” and concept was “Teaching to respond integrating”

We have suggested the model of 21st centurial management philosophy, which based on Mongolian management “MM” theory.

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Appendix 1

Mongolian economic management thought development approaches in different nomadic civilization phases

№	Contents	Nomadic civilization					Total
		Pre-Mongol Empire	The Great Mongol Empire	Yuan Dynasty	The 14-17 th centuries A.D.	Qung rule and the beginning of the 20 th century	
1.	Public administration and governance	81	58	55	87	131	412
2.	Military, politics and policy on religion	46	18	50	61	103	278
3.	Policy on foreign affair and trade	41	23	14	15	33	126
4.	Nomadic culture and knowledge study	17	27	69	23	68	204
5.	Land and property relations (stations)	1	12	8	5	12	38
6.	Economy, finance, manufacturing, money and enterprise	7	16	31	17	40	111
7.	Taxation policy	10	19	12		5	36
8.	Human resources management	74+123	27+6	65+11	97+24	80+5	343+169
9.	Management aspects		1	9	7	9	26
10.	Public administration	27	4	35	38	35	139
	Total	304+123	205+6	348+11	350+24	516+5	1892