

THE PARADOX OF HIGH HUMAN DEVELOPMENT WITH PERSISTENLY HIGH POVERTY AND INEQUALITY IN MONGOLIA

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Introduction

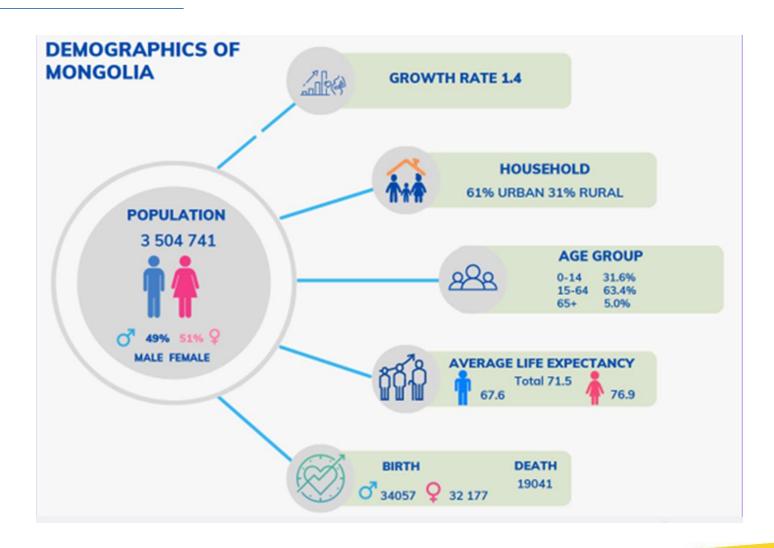
- Human well-being is at the centre of global development agenda (Loveridge et al, 2020, OPHI & UNDP, 2023).
- Poverty, inequality and climate change are the most pressing challenges to human well-being (Adger et al, 2022; OPHI & UNDP, 2023).
- Addressing the above issues is crucial for human wellbeing and sustainable development (Adger et al, 2022; Alkire & Kovesdi, 2020; Shiba, 2022).
- Primary goal of development foundations in all nations, including Mongolia should be to enhance human wellbeing.

Mongolia

Map of Mongolia



- Land size 1.5 million km²
- Population density 2 per km²

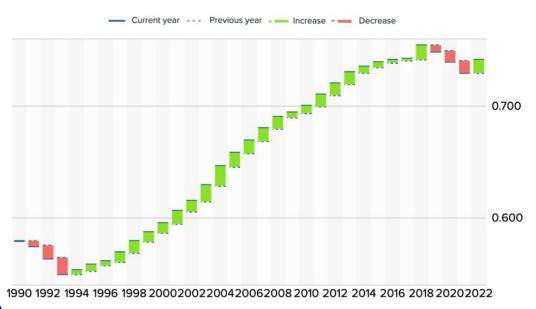


Source: Author & NSO, 2025

Problem Statement- High Human Development with Persistently High Poverty and inequality!

 Mongolia has high human development with an HDI of 0.741 in 2023.

• The country ranks 96 out of 193 countries in HDI.



Mongolia's HDI 1990-2022

Mongolia's human development progress 1990-2022

HDI	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita
Increased by 27.5%	Increased by 13.9 years	Increased by 4.4 years	Increased by 0.9 years	Increased by 2.3 times

Source: UNDP, 2020, 2022, 2023

Problem Statement- High Human Development with High Poverty and inequality!

- Mongolia's poverty remains high and unchanged. The poverty rate: 27% in 2012 and 27.8% in 2023 (World Bank, 2023; NSO, 2024).
- Disparities and inequalities among and within rural and urban territories are widening (Batbaatar et al, 2023, Dorjdagva et al, 2020; World Bank, 2023).
- The average temperature has increased by 2.14°C in the past 70 years (MET, 2024), which is almost twice that of the global average increase of 1.18°C (IPCC, 2023).
- Rural communities (herders) are the most exposed to climate risks, threatening their livelihood (Denchinlkhundev et al, 2021, Mijiddorj et al, 2020; Ren et al, 2017).

Research questions

This raises critical questions that the research aims to address:

 Research question: Why have poverty and socio-economic inequality remained high in Mongolia despite the country's progress in human development? How has the climate change influenced these dynamics?

Objective of the presentation:

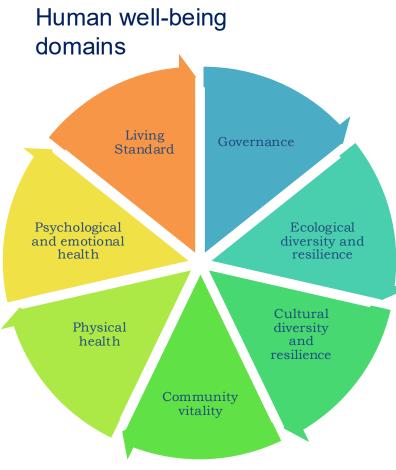
Highlight some initial findings on the level of wellbeing

Theoretical Framework

Nobel laureate economist Amartya Sen's capability approach:

- **Development is expansion of capability,** not just increasing income, consumption, health and education.
- Capability refers to people's freedom and opportunities to achieve what they can do or be.
- This approach recognises that different people and societies might have different capabilities.
- It advocates considering local contexts, cultural factors, and individual preferences when evaluating well-being.

Source: Sen, 1999; Alkire & Foster, 2011; Adger et al, 2022; Frediani, 2010, Schech et al, 2022



Source: Saikia et al, 2018

Flinders University Wellbeing Methodology

- Innovative and more comprehensive measurement tool.
- Capture both measurable outcomes and progress of lived experiences:
 - HDI's objective elements: statistical data on life expectancy, education and income;
 - GNH's subjective elements: Personal and community perceptions of wellbeing, happiness and quality of life.
- Calculating wellbeing:
 - Recode each variable either "dissatisfied" or "satisfied";
 - Use two cut/off points: one across variables in each domain and a second cut-off apply in overall across domains;
 - Add all the scores in each domain for the overall wellbeing satisfaction.

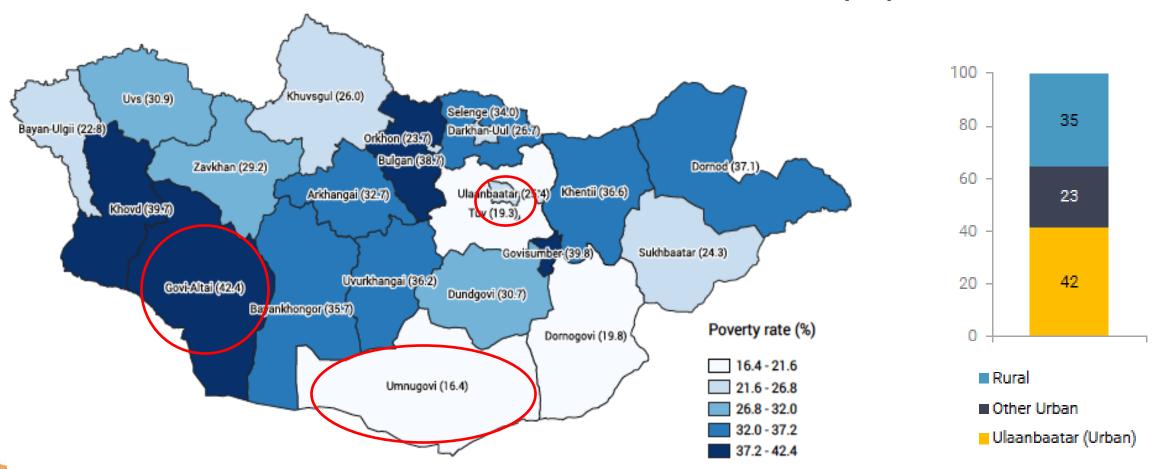
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Source: Saikia et al, 2018, 2021

Research sites

Poverty by provinces in 2020 and survey sites

Share of people with low income in 2020



Research method, sampling & data collection

- A mixed method research (quantitative and qualitative).
- Six locations are purposively selected to include high and low levels of poverty and extreme and moderate climate.
- A total of 592 households are selected from all locations by systematic sampling in each location.
- Household surveys are conducted online by using Qualtrics.
- Analysis is done by using SPSS and NVivo.

Household survey

No	Research site	Total number of households	Reasons for selection	Sample size	Sampling fraction (%)	
1	Umnugobi, Dalanzadgad	842	Low poverty and less dzud in rural	106	12.5	
2	Umnugobi, Bayandalai	419	Low poverty and high dzud in rural	61	14.6	
3	Gobi-Altai, Esonbulag	554	High poverty and high dzud in rural	64	11.6	
4	Gobi-Altai, Sharga	361	High poverty and less dzud in rural	62	17.2	
5	Songinokhairkhan district 3 horoo	2,311	High poverty in urban	236	10.2	
6	Sukhbaatar district 2 horoo	565	Low poverty in urban	63	11.2	
Total		5,052		592	11.7	

Note: A dzud is an extreme weather event with temperatures dropping to -30°C or lower, with strong winds, heavy snow

and ice.

Source: Author, 2025

Household survey photos







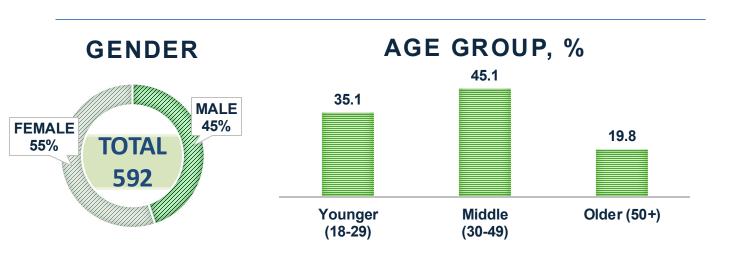


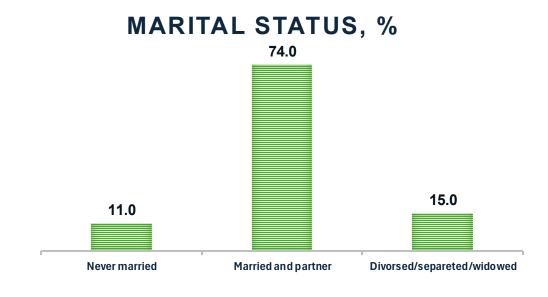






Household survey

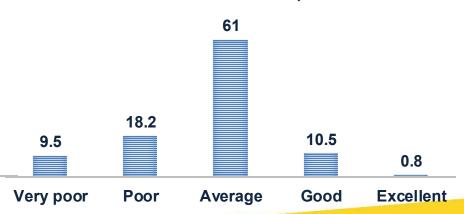




EDUCATION LEVEL

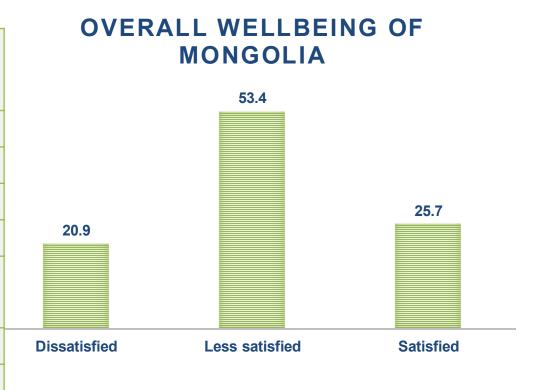


SELF-RATE LIVING STANDARD, %



Results, analysis & discussions

Wellbeing domains	Dissatisfied, %	Satisfied, %	
Living standards	71.1	28.9	
Education	70.1	29.9	
Health	79.2	20.8	
Emotional wellbeing	36.5	63.5	
Environment and climate change	88.1	11.8	
Community vitality	29.4	70.6	
Governance	89.2	10.8	



- Satisfied 2 domains
- Dissatisfied 5 domains
- Governance, climate change and health are lowest

- 20.9% have completely dissatisfied
- Majority 53.4% have less satisfied
- 25.7% have satisfied

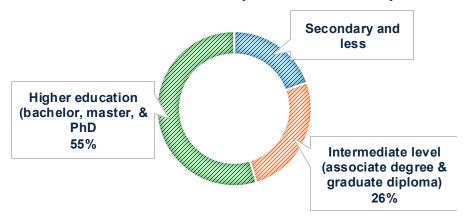
Source: Author, 2025

Results, analysis & discussions

WELLBEING DISTRIBUTION BY DEMOGRAPHIC CHARACTERISTICS



WELLBEING BY EDUCATION (SATISFIED)



WELLBEING BY INCOME (SATISFIED)

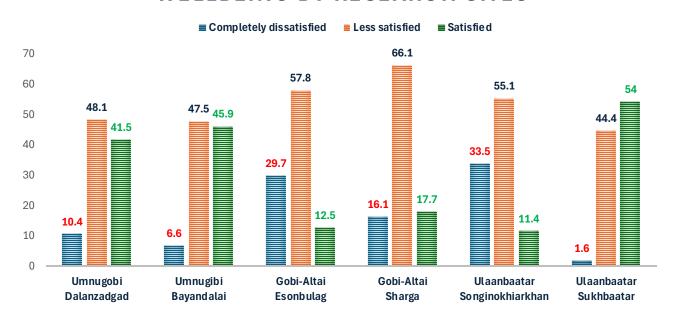


Higher education and income level have greater wellbeing satisfaction

Source: Author, 2025

Results, analysis & discussions

WELLBEING BY RESEARCH SITES



- Overall wellbeing by research sites significantly reflects the poverty level.
- High poverty sites demonstrate higher in dissatisfaction at 29.7% in Esonbulag, 16.1% in Sharga, and 33.5% in Soniginokhairkhan.

WELLBEING CORRELATIONS ACROSS DIMENSIONS

	OWB	LSW	EDQ	HEW	EMW	CCW	COMW	GOVW
OWB	1	0.607**	0.632**	0.582**	0.671**	0.420**	0.703**	0.431**
LSW	0.607**	1	0.430**	0.390**	0.336**	0.263**	0.313**	0.282**
EDQ	0.632**	0.430**	1	0.439**	0.326**	0.252**	0.308**	0.331**
HEW	0.582**	0.390**	0.439**	1	0.310**	0.341**	0.257**	0.358**
EMW	0.671**	0.336**	0.326**	0.310**	1	0.180**	0.559**	0.219**
CCW	0.420**	0.263**	0.252**	0.341**	0.180**	1	0.202**	0.378**
COMW	0.703**	0.313**	0.308**	0.257**	0.559**	0.202**	1	0.189**
GOVW	0.431**	0.282**	0.331**	0.358**	0.219**	0.378**	0.189**	1

^{**.} Correlation is significant at the 0.01 level (2-tailed). Sig. (2-tailed was <0.01 to all domains).

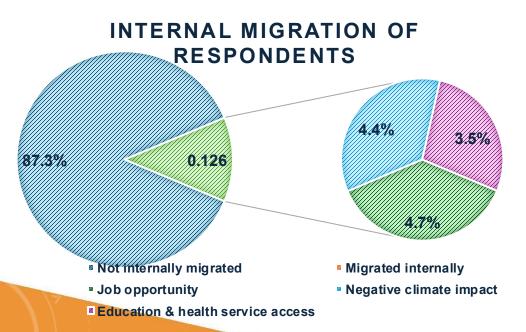
• All seven dimensions show significant positive correlations to overall wellbeing satisfaction in Mongolia.

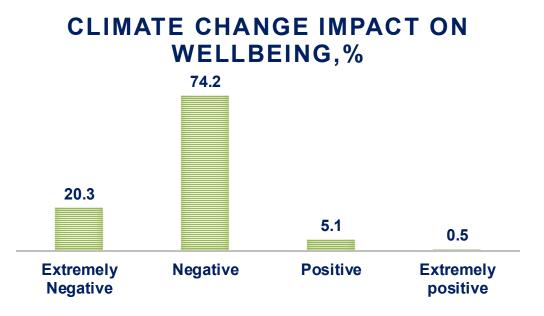
Climate change impact on wellbeing

Poverty factors

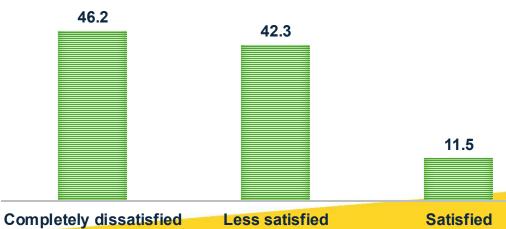
Factors	Mean value
Poor governance	3.3
Negative climate impact	2.86
Unfavourable socio-economic conditions	2.86
Own capability	2.3

Note: SPSS Correlation is significant <0.01) to all dimensions (max 4.0 & min 1.0)









Conclusion

- The contradiction between human development and human wellbeing in Mongolia is unravelled by using a multi-dimensional well-being analysis.
- High HDI of 0.741, yet overall. 74.3% are not satisfied with their wellbeing.
- More than 70% are "Dissatisfied" in every domain except the Emotional and Community Vitality domains.
- Two of the domains exhibiting the highest "Dissatisfaction" are Environment/Climate Change and Governance.
- Policies and strategies should target the demographic groups with higher "dissatisfaction" levels, so that the well-being of these groups, and that of the nation can be improved.
- These groups are: Males, Middle/Older age-groups and the Never Married.

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Thank you for your attention

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