Title: Urban governance in Russia: the case of Moscow territorial development and housing renovation

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Abstract:

This paper considers how the tensions inherent in authoritarian politics structure urban governance in the city of Moscow. The specific focus is on the policy of urban development and the programme of housing renovation introduced in 2017. The paper demonstrates a flexible governance arrangement, which responds to the interests and ideas of the country leadership, and involves the city-level bureaucratic decision-making, accommodation of economic interests and expert opinion, and consultations with the public. The latter have become more significant because of intensive protests paired with the belief in participatory urban governance on the part of the city administration.
Introduction

Urban governance represents a significant challenge for an authoritarian regime. The challenge lies in the duality of the relationship between a non-democracy and the urban dwellers. Cities with their educated, professional and wealthier populations offer important sources of social support and the recruitment grounds for the regime (Linz 2000, p. 187). In addition, authoritarian states use redistributive policies to maintain support of urban communities (Wallace 2013). Yet, the swelling numbers of urban residents attracted by such policies and the limits imposed by autocracies on the urban middle-classes, particularly the more educated and intellectually sophisticated strata, present a long-term threat to the regime survival. Thus, paradoxically, such regimes can be in danger at the time of their stability from the very groups that seemingly benefit the most from their rule (Linz 2000, p. 190).

This paper’s objective is to examine the politics of urban governance by a non-democratic regime in contemporary Russia using the case study of the housing renovation programme in the city of Moscow initiated in February 2017. Our analysis draws on contemporary literature on authoritarian systems. Recent research underlines the ‘dilemmas of authoritarian governance’ faced by authoritarian leaders vis-à-vis elites and the public and examines different institutional and participatory forms used to accommodate them (Gandhi 2008; Svolik 2012; Truex 2017). While the existing political science research on the Moscow renovation programme underlines the distributive nature and the careful design of this policy allowing to reward regime supporter and punish opponents (Smyth 2018), our argument underscores the consultative aspects of the programme and, therefore, its more spontaneous and flexible character. It involves the accommodation of different economic and social interests and is affected by the interests and ideas of the federal leadership and those of the city-level officials. The elite and public actors involved in the Moscow renovation scheme include a heterogeneous community of urban planners, developers and construction firms, and various groups among the Muscovites, supporters and opponents of the city’s urban policies.

Specifically, we show that the renovation programme is a product of a Moscow governance regime that emerged in the 2010s under Mayor Sergey Sobyanin. It is based on the wealth of the Moscow budget, and – following the ‘dilemmas of authoritarian governance’ logic – it includes the accommodation of the interests of and consultations with the economic elite (see Remington et al. 2013; Martus 2017); the expert community, whose important policy involvement we underline; and the public – represented via diverse consultative structures (Owen and Bindman 2017) and the protests (Cook and Dimitrov 2017). We demonstrate that with respect to the residents’ policy input, the authorities were prepared to deepen public consultations in response to the intensive protest activity. The belief
in the use of participatory mechanisms in urban development matters among at least part of Sobyanin’s administration and its expert advisors were crucial for this shift from superficial to meaningful consultations. We argue that such consultative nature of policy is characteristic of modern urban governance in the city of Moscow and is part of wider societal governance in contemporary Russia.

Methodologically, exploring the case of Moscow governance and its urban development programmes, we adopt a historical institutionalist approach to the study of policy and politics and the method of historical process tracing (e.g. Mahoney and Thelen 2010). Following this approach, we are attentive to the structural conditions, such as economic changes, institutional structure of an authoritarian system referred to above, which includes the need to maintain the popularity of authoritarian leaders in relation to the public and the elite and electoral cycles. We consider how these institutional factors affect policy and governance in interaction with actors’ interest and their ideas, and values held by the public. We are also attentive to the timings of different intervening events and the influence of policy legacies. Overall, in relation to the Moscow programme of housing renovation we argue two points. First, that this programme is a product of a specific governance regime established in the city. Second, that in order to understand the emergence of this programme we need to examine the policy processes involving policy legacies, actors, ideas, values and temporal intersections of events leading up to its introduction during the first half of 2017.

Programme of housing renovation in the city of Moscow and theoretical propositions

The programme of housing renovation in the city of Moscow initiated by Mayor Sergey Sobyanin and approved by President Putin in February 2017 has attracted much commentary among the domestic Russian audience and from the international observers (e.g. Seddon 2017). The programme promised to introduce significant improvements to the living conditions of many Muscovites, residents of old housing, much of which was built in the years of the early industrial construction in the 1950-1960s, colloquially called khrushchevki. These old five-story buildings were to be demolished and their residents rehoused into new high-rise blocks constructed nearby. The decision provoked much controversy. Mass protests broke out almost immediately after the Mayor announced the programme launch, peaked in May 2017 and did not stop until the end of the Summer 2017. Different interpretations of the rationale for this policy have been put forward.

The official narrative argued that the programme was designed to improve the housing conditions of the dwellers of residential buildings in which regular repairs were considered unfeasible due to the outdated technologies used
for the construction of this housing stock. A near ten thousand such buildings were identified throughout Moscow by expert urban planners. In addition, the Moscow administration emphasised that the programme was initiated because of the requests and consultations with the citizens. Specifically, voting for or against the inclusion of individual blocks of flats in the programme was established via the “Active Citizen”, an electronic portal the City of Moscow, and via local administrative offices. Other consultative procedures and structures associated with the development of the ‘Law on Renovation’, adopted by 1 July 2017, were emphasised as well. These included public hearings at the State Duma and its working group with the krushchevki residents formed in June 2017, municipal councils which deputies originally requested the initiation of the programme in February 2017, the Moscow Public Chamber, and the Moscow City Duma.¹

Among critical voices, however, an influential piece of investigative journalism by the Vedomosti newspaper published in May 2017 highlighted flaws in the official argumentation for the programme (Vinogradova et al. 2017). The Vedomosti article was titled “Moscow is demolishing not the worst (housing)” demonstrating that many buildings included in the programme were located in areas that their residents found comfortable, with better than average provision of the local infrastructure including recreational zones, adequate health and educational facilities, and convenient transport links. The article argued that the dwellers of the khrushchevki were alarmed by the uncertainty regarding the quality and location of the replacing accommodation. Vedomosti showed that the residents had demanded major repairs for their buildings rather than the overall renovation as it was envisaged in the city of Moscow plan. The article implied an economic rationale behind the decision. Raising low-rise buildings in the cozy inner Moscow districts would allow new high-rises of higher density to be put up in their place ensuring hefty profits for the Moscow construction industry, that by 2016 was suffering from the aftermath of the economic downturn.

Further journalistic and then scholarly analyses soon followed. An article in the Meduza, an on-line resource, (Golunov 2017) argued that the primary rationale behind the programme was political. Meduza detailed that the programme was in preparation since 2014 by the Moscow urban planning department, with an aim to improve the quality of the housing stock and the urban structure of the capital. However, with the new presidential and mayoral election cycle approaching the political department ceased upon the programme seeing in it an opportunity to impress the Muscovites with the generosity of the authorities. In a somewhat similar vein, the analysis by a famous geographer, Natalia Zubarevich, emphasised the ability of the Moscow government to afford such a large-scale

redevelopment project. The analysis pointed to a spectacular surplus of the Moscow city budget which only in the first half of 2017 amounted to RUB210 billion, allowing the per capita spending of the Moscow government to by far exceed that of any other region in the country (Neklessa 2017).

Regina Smyth (2018) develops the political theme further. Her analysis builds on the literature on authoritarian distribution (Magaloni 2006) which argues that targeted social spending is distributed by the regime at the local level to shore up public support. Smyth considers Moscow renovation programme as a mechanism to reward the regime supporters and punish its opponents, particularly those who voted for an opposition politician Aleksei Navalny running for the Mayor’s office in September 2013. The study finds support for the hypothesis that the regime used the Moscow renovation programme to reward and punish votes with the redistribution of public goods – housing renovations in this case – and that this action was fine-tuned to the level of local municipalities, to echo Beatriz Magaloni’s argument. Yet, Smyth also finds support for the official rationale that residents of older and poor-quality buildings were to berehoused by the programme. Based on these observations, reached on the basis of a statistical analysis of residents’ surveys, the study concludes that “the policy fulfils more than one function” (Smyth 2018, p. 4), serving as a reward-and-punishment regime, solving housing problems in the capital and offering rents to the economic elite, i.e. the lucrative construction industry.

The redistributive lens and the use of statistical analysis, through which Regina Smyth examines the Moscow case, resonates with comparative research on urban politics, which studies long-term effects of redistributive policies favoring cities for the survival of authoritarian regimes. Jeremy Wallace (2013) argues that the overconcentration of the population in capital cities represents a problem for autocracy because tight urban living facilitates collective action against the authorities. Wallace also argues that autocracies tend to put in place the Faustian-bargain-style policies of redistribution towards cities at the expense of the countryside. In the short run, that placates discontent, but the long-term effect is detrimental. Rural dwellers seeking a better share are attracted to urban areas. Their population density grows, while resources available per capita diminish. High population density leads to quick transformation of growing grievances into disruptive anti-regime protests. As a result, the life span of autocracies with the over-concentration of the population in capital cities is significantly shorter compared to those that manage to preserve a more decentralized urban structure.

In this paper, however, we propose to step away from the focus on redistribution, including a carefully designed “reward and punishment” regime that such distribution may involve, and from the use of statistical analysis when analyzing urban policies of autocracies. Instead, we would like to develop further Regina Smyth’s observation
about the *multi-functionality* of the Moscow renovation project, with the “reward and punishment” of voters rationale being only one of many. In order to unpack those extra functions – while keeping in mind that those policy processes are still part of the wider authoritarian governance process – we draw on a different section of comparative authoritarianism literature. Specifically, we use the scholarship which concentrates on the structures that limit authoritarian rule (Boix and Svolik 2013) and allow regimes mastering such techniques survive longer. This literature argues that autocracies face “two dilemmas of governance,” *vis-a-vis* the elites and the public (Gandhi 2008; Svolik 2012). The former expect access to rents while the latter look to the regime for the continuous improvement in their well-being. Both groups, however, also want to have influence over policy. Jennifer Gandhi writes: “They are often after more than rents alone. They want participation in policy-making” (Gandhi 2008, p. 71). Authoritarian institutions are helpful here. Parties and parliaments serve to coopt opposition groups and provide ways for distributing rents to the elites and the public. These partisan institutions are complemented by a great variety of participatory mechanisms attached to different levels of the state administrative hierarchy. These involve real-time and online consultations with the industry, civil society, spontaneous groups within local communities and individual citizens, who in this way have an ability to put forward their views on the matters of importance (Jayasuriya and Rodan 2007; Truex 2017; Khmelnitskaya 2017a; Owen and Bindman 2017). Such argumentation chimes with the findings of the classic literature on authoritarian regimes that such polities are inherently pluralistic (Linz 2000).

Thus, we would like to test the hypotheses generated by this alternative political science explanation for the programme of housing renovation in Moscow: that this policy was a result of the politics of balance among the elite actors – including state bureaucratic, intellectual expert communities and business elite – and the public. The analysis in this article shows that finding a balance was important not merely within one specific category of actors, for instance state administration dominating the rest and skewing policy in their favour. A similar process is examined by Linda Cook (2007) with the case of post-communist social policy development. Rather, a more inclusive balancing within and across different groups of actors and accommodating interests and ideas supported by these different groups was observed. Moreover, the use of the historical institutionalist approach (Mahoney and Thelen 2010) allows us to appreciate the long-term ‘in time’ nature of Moscow urban governance processes. Thus, when examining the politics of the programme of urban renovation in Moscow, we consider balancing of different interests and ideas as they unfold in time and interact with policy legacies and public attitudes. We argue that such flexible balancing arrangement represents a mechanism of a limited authoritarian governance in the city.
of Moscow, and more broadly in contemporary Russia, with respect to managing urban politics and winning support among the urban communities for the national and city political regime.

The argument contributes to the understanding of the sources of stability and mechanisms of preferences accommodation in contemporary Russia in the absence of true democratic representation of interests in its political system.

**The programme of housing renovation in the city of Moscow: the case study**

The programme of housing renovation in the city of Moscow initiated in February 2017 represents one of many policies belonging to the broad domain of urban development in the Russian capital. Urban development links to the issues of economic and spatial development and of housing development. Housing development is dominated by a widely shared basic understanding that housing is an important, problem-ridden area which concerns everyone and is connected to demography. Below we analyse attitudes and ideas of the main actors involved.

**Attitudes and ideas of urban development**

We start with the public. Broad public attitudes towards housing in Russia stem from several factors. The first is historically low housing mobility rates. On average, Russians live in the same accommodation for nearly 20 years (HSE 2011), which is high compared to the average of five-six years spent in a single dwelling by the households in the West. Low housing mobility stems from a well-documented historic housing shortage, which since the collapse of communism has been replaced with the shortage of affordable housing throughout the post-socialist space (Tsenkova and Polanska 2014; Puzanov 2013). Another factor connected to public attitudes relates to the strong civic activism that developed in the Russian housing sphere. Because housing is expensive, urban land is scarce and the post-Soviet urban development practices have been chaotic, strong housing movement has developed in many Russian cities including Moscow, in response to the actions of the local authorities infringing on the rights of the residents (Vihavainen 2009; Greene 2014; Argenbright 2016; Evans 2012). In Moscow, evictions, demolitions and the destructions of city greens, such as in the Moscow district of Butovo in the mid-2000s, the Rechnik cooperative and Khimki forest generated some of the hottest protest episodes before the electoral fraud protests of December 2011. This is how one scholar describes the scene in Moscow with respect to the housing movement:
Although they are rarely written about in the press, and even many experts are unaware of them, the entire history of Putin’s Russia has seen several small protests in Moscow every week, most of which involve housing either demolition and/or eviction orders that are perceived as unfair; construction of new residential and commercial buildings in what used to be yards, parks, and playgrounds; failure of local officials to provide adequate maintenance; and so on (Greene 2014, p. 155).

It may be argued that Russia’s contemporary housing movement has historical roots in the Soviet period. While the Soviet participation campaigns were seen as largely evoking the sense of a ritual involvement among the citizens (see Gill 2010, p. 88), research shows that there were pockets of genuine participation as far as the housing sphere was concerned. Recent work by Susan Reid (2018) reveals the sense of genuine public engagement with the urban environment that emerged among the dwellers of the newly constructed khrushchevki housing estates from the 1960s onwards. Noting these attitudes and values held by the urban dwellers towards their housing is important for understanding the people’s reaction to the renovation plans of the Moscow government.

Yet, there are other important actors and ideas which we need to examine in order to understand the programme. We start from the top of the executive hierarchy. With regard to Moscow housing renovation project, most relevant are Vladimir Putin’s priorities concerning general economic development and the improvement of the demographic situation. His speeches emphasise that the government should prioritise development in terms of economic growth and international competitiveness. For example, in the latest post-inauguration decree from May 2018 Putin outlined the task of bringing Russia into the group of the world’s five largest economies.² Russia’s complex demographic situation has been one of Vladimir Putin’s priority themes since the start of the presidency in the early 2000s and was also reflected in the 2018 decree ‘On the national goals’ (see Zubarevich et al. 2018). Housing development was often mentioned as one of policy objectives connected to both demography and economic development. The link between housing and the demographic situation comes through in Putin’s speeches when he endorses policy measures to improve housing conditions for families with children (Khmelnitskaya 2017b). Such policy statements by the president communicate policy agenda to the public and to the elites.

Russian president works with many advisors within the presidential administration, the government and its ministries. There are also close advisors working at high-profile civil society organisations and councils, such as the Presidential Economic Council. They are usually divided into statist conservatives and liberals (Fortescue 2017). Putin, in the meantime, as the literature on policy-making in Russia argues and in accordance with the theory of controlled authoritarian pluralism advanced here, is careful not to give an overwhelming support to one among the competing bureaucratic factions and close societal allies (ibid; Khmelnitskaya 2017). President Putin has been seen as effective in allowing the factional competition to even out policy differences, while his role was especially effective in introducing issues on policy agenda and bringing a long policy process to conclusion (see Martus 2017).

Dmitry Medvedev, Russian president between 2008 and 2012 was generally regarded as a caretaker president and a less effective policymaker compared to Putin (ibid). Nonetheless, Medvedev was associated with several distinct policy priorities, which included technology, environmental issues, modernization of the economy and public administration using modern approaches to governance, notably e-government, participatory policy-making and implementation involving representatives of the communities affected by policy (Owen and Bindman 2017).

Moving a level down, to the ministerial policy bureaucracy, different groups among the ministries supported policies related to the development of Russian cities and the city of Moscow specifically. For example, over past ten years, the idea of the agglomeration of urban territories has been discussed and plans adopted by the Ministry for Economic Development with the participation of expert advisors (Gorodetskaya et al. 2017; also Argenbright 2018, p. 235). The plan of urban development aiming to create 15-20 urban agglomerations throughout Russia’s territory to become centres of the economic growth was unveiled as part of the Strategy of Spatial Development in February 2019 (Kriuchkova and Butrin 2019).

Moscow is Russia’s largest, most prosperous, and most unequal city (see below, and Zubarevich 2013). In the mid-2000s many policy-makers and experts were excited about the idea of turning Moscow into an international financial centre (Sutela 2012, pp. 183-4). The economic growth of the 2000s and an international discourse about cities as centres of economic and human development placed a spotlight on Moscow, Russia’s very own global city. As such, Moscow had to compete for skilled workforce. Developing urban environment and infrastructure which could be attractive to such professionals started to be perceived as important. The plan developed by the

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3 Agglomeration of closely located urban centres with an objective of advancing their economic development achieved due to synergy effects.
Ministry of Economy in 2008 (Sutela 2012, p. 242) included the improvement of urban infrastructure, environmental conditions, public transportation and international transport links. Such changes were to make the city attractive in the global competition for talent.

The excitement connected to the opportunities of urban re-development in conjunction with the economic growth of the 2000s resulted in a great deal of new urban research centres, university departments, international cooperation and community initiatives emerging in Moscow (Khmelnitskaya 2017a; Evans 2017). The topic of urban development became extremely trendy. A simple example of the use of the terminology connected to urban planning (gradostroitel'nii) has significantly increased in the usage of the Russian language since the early 2000s. Important research institutes working in the sphere of urban planning and housing included the Strelka Institute for Planning and Design established in 2009; as well as the others that emerged during the post-communist transition and influential research institutes that date back to the Soviet period.

In addition to the policy community concerned with economic and urban development, another policy stream and an associated group of bureaucratic actors worked with housing development and demographics. These actors were associated with the social ministries: the Ministry of Labor and Social Assistance, the Ministry of Health and the Ministry of Construction. These actors saw the objective of improving housing affordability and housing conditions as a way to increase living standards of families with children and as an incentive for them to have second and further children. The first measure in this policy direction was the 2007 ‘Affordable Housing’ National Project. In 2018, following the Presidential decree ‘On the national goals’ noted earlier, government policymakers developed the national project ‘Demographics’ which contained measure to improve housing conditions for families with children (Zubarevich et al. 2018). Foremost of these were subsidized mortgages and maternity capital benefits. Overall, the objectives of these policy-makers to improve fertility and the demographic outlook in the country relied on a steady development of the housing sphere: new housing construction and affordable housing finance.

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Ideas of national economic, financial, demographic and housing development discussed by federal level actors were projected to the local level of the city of Moscow, where they created tensions between expert ideas, economic and political interests. These intersected with the political developments and trends in the national economy to produce policy constellations and policy failures preparing the ground for the introduction of the renovation programme. At the local level in Moscow, the intense competition started in the late 2000s over the development of the new Moscow city plan, Genplan.

During the 2000s President Putin had an uneasy relationship with the Mayor of Moscow, charismatic and controversial Yurii Luzhkov. The tension dated back to the time of Putin’s assent to power and the competition between pro-Putin Unity party and the bloc of regional governors, OVR. This tension between the federal centre (Putin) and the Mayor of Moscow (Luzhkov) added an edge to the local level plans and policies. The two simultaneous uneasy tasks to build affordable housing for the Muscovites, and turn Moscow into a ‘World city’, i.e. finding space for the city re-development projects in the late 2000s culminated in the elaboration of the City Genplan. Two competing ideas were: urban densification and the extensive development of the city beyond its boundaries, also known as urban expansion. We will give more details of these options below, here it can be noted that such options reflect the two basic modes of urban development in response to the population growth and economic development, as reflected in writing of urban scholars (e.g. Touati-Morel 2015). The distinction between ‘densifiers’ and ‘expansionists’ has long roots in the Russian urban development tradition and resembles intellectual debates taking place in the 1920 between so called ‘urbanists’ and the ‘de-urbanists’ (Gill 2010, p. 81):

\textit{The former sought the concentration of people, industry and facilities in urban conurbations, while the latter favoured a much more decentralized approach with the population being scattered and travelling to smaller urban centres to work via a highly developed transport and communications network. The most radical even favoured the complete physical destruction of Moscow as an urban centre. The de-urbanists were a small minority} (Gill 2010, p. 81).

The fortunes of the two ideas and their expert carriers were closely related to Moscow socio-economic context (also see Zubarevich 2013). Property prices in Moscow were the highest in the country. According to the Russian statistical agency data, the price of one square meter of housing in Moscow in 2019 was on average RUB 158
thousand, whereas in the rest of the country housing cost around RUB 53 thousand on average.\textsuperscript{7} House prices in
the capital were, in other words, triple compared to what they were in the rest of the country. Average monthly
earnings, by contrast, were only twice as high; RUB66 thousand in Moscow vs RUB33 thousand in Russia on
average in 2018.\textsuperscript{8} Moreover, inequality in the capital was higher than anywhere else in the country. Generally,
64.9 percent of the Russians had incomes below their regional average, whereas for Moscow it was nearly 70
percent.\textsuperscript{9} In addition, many frustrations of the Muscovites related to the housing sphere. Many of them, even
though they owned their apartments, were cash poor yet had a need of improving their housing conditions.
Purchasing housing in the capital was an insurmountable challenge. Government policies of mortgage assistance
for families with children\textsuperscript{10} were of a lesser help in Moscow unless the city could find a way to build more
affordable accommodation. In addition, Moscow residence carried the reputational benefits and Muscovites were
rather reluctant to move to the suburbs or other regions where prices were lower. For example, the Moscow public
was outraged when one of property developers suggested that the capital is for the rich, and everyone else who
cannot afford buying in it should “get out and smell lilac”\textsuperscript{11} in other more affordable locations.\textsuperscript{12}

Another important trend, noted earlier, was that urban development of Moscow during the mayor-ship of Yuri
Luzhkov became a highly contentious issue. During the 1990s and 2000s, the needs of the city and opportunities
for business elites were accommodated through the means of chaotic ‘densification’, or what became known as
‘pin point’ construction. This was much to the annoyance and disagreement of the local residents, who protested
virulently against the authorities’ plans claiming corruption being the primary motive for the urban development
projects. The reaction of the administration to the protests was far from peaceful. Arrests, intimidation and
selective accommodation of urban protestors’ demands were the tactics applied by the city government (see
Greene 2014; also Argenbright 2016).

\textsuperscript{7} The price of a square meter in accommodation of an ‘ordinary/average’ quality in the secondary market in the

\textsuperscript{8} Average monthly earnings in 2018, see \url{https://www.gks.ru/folder/13397} accessed October 2019.


\textsuperscript{10} The Maternity Capital subsidy of RUB 457 thousand had significantly weaker purchasing power in the capital
given its property prices compared to other regions.

\textsuperscript{11} A reference to a common complaint particularly among the pensioners about the poor environmental situation
and the quality of air in the city.

\textsuperscript{12} Author’s interview with a local resident, July 2014.
The situation in Moscow in the late 2000s was deeply unsatisfying for the country leadership. In addition to the old feud between Putin and Luzhkov, the electoral concerns for the capital were an important consideration. The share of vote for the United Russia in the parliamentary elections of December 2007 in Moscow was well below the country average of 64.3 percent. In some of the Moscow districts, it was as low as 49 percent.13 During the presidential election of March 2008 the picture varied greatly from one district to another,14 yet it also demonstrated some of the lowest showings for the ruling elite in the country. The unpopularity of the city development policies, housing unaffordability and the lack of options were hardly helping the support for the regime. Research finds that the single predictor of regional heads staying in office was delivering high vote in federal elections (Reuter and Robertson 2012). The situation, moreover, was hardly satisfying for the bureaucratic and economic elites either. Policy plans were difficult to implement, whereas construction – the concern for the economic elites – was stifled by public scandals. This was a tough setting in the light of the ‘dilemmas of authoritarian governance’ according to which elite actors and the public need to be rewarded, and occasionally consulted. This dilemma spelled the following demand in terms of the Moscow city development: the need to give Muscovites a chance to buy in Moscow at an affordable price and give Moscow construction industry space to build.

The proposal of one of the groups of expert actors, “expansionists,” was to extend the Moscow territory beyond the city boundaries (Kul’tura 2011).15 Such development was seen as an acknowledgement of the already existing agglomeration in the Moscow region. The territory with a greenfield space without complex land property rights and with better environmental conditions would allow new attractive housing to build meeting the needs of the public and businesses. Moreover, new comfortable space for living with developing transport infrastructure would permit the creation of new work places, promote entrepreneurship and reduce commuter traffic. Besides, experts highlighted that the expansion plan had to be viewed as a flexible and evolving process, rather than a static permanent decision.

What seemed to be a majority among experts and city bureaucrats, however, were against the plan. They continued to support the “densification” option as a more sustainable, green and fit for a modern capital near-by living.

14 Voting results for some city districts were below 60 percent with Russia average of 70.28 percent vote share for Dmitry Medvedev, see http://www.cikrf.ru/banners/elect_president/results/index.php accessed October 2019.
Experts at the influential Genplan Institute argued that the expansion would be the worst option of all possible (Argenbright 2018, p. 222). Others, such as the Institute for Urban Economics, argued that Moscow is already growing in an unsustainable manner with the new-built high-rises on its periphery being devoid of a functioning transport solution and necessary infrastructure (e.g. Kosareva 2015). The advice was for the city to find internal territories for sustainable urban development. These could be found in the redevelopment of the areas covered by older buildings and obsolete industrial zones, as argued by the Institute for the Land Use (Argenbright 2018, p. 222). Yet, politically this was a tough policy idea to implement. “Densification” had a bad connotation in the city due to the uncontrolled policy of chaotic spot construction and reconstruction of landmark buildings under Luzhkov.

Thus, the expansionist view seemed politically more feasible. It was partially adopted in the 2010 city of Moscow development plan (Genplan) creating two new territories beyond the ring road in the West of Moscow. The industry was pressing to build in these prestigious directions.16 Developers hoped that the land in the new enclaves beyond the ring road would be free from complex property rights. The timing of the late 2000s was significant. This decision of the Luzhkov’s administration to make more land available for housing construction was a response to the effects on Russia and Moscow of the global financial crisis of 2008, which strained the Moscow budget and Luzhkov’s machine politics. The crisis made less funds available both for elite opportunities for business and social projects in the Russian capital. One of the social projects which had to be suspended was the original Luzhkov’s programme of khrushchevki rehousing initiated by the city of Moscow in 1999 and running until 2010 (Gunko et al. 2018, pp. 304-5). Another type of pressure on Luzhkov’s administration was from the federal leadership. Research finds that by the second half of the 2000s Putin had consolidated his power in elite networks (Baturo and Elkink 2016). This meant that the federal leadership could go after powerful and independent Luzhkov, especially since by the late 2000s neither the local elites nor the public preserved much affection for him. Luzhkov was dismissed in the midst of an acute housing dispute, over the Rechnik cooperative on the Moscow Western outskirts (Economist 2010). An appointment of a city manager Sergey Sobyanin was made soon after. With the previous record of being head of the Presidential Administration and earlier on city manager of Tyumen’, another important and rich city, Sobyanin was the authorities’ man believed to be qualified to run the complex capital. The appointment by Dmitry Medvedev stamped the policies of Sobyanin’s early

16 See Gunko et al. (2018) on Moscow ‘vectors of prestige’.
mayorship with specific ideas of national development cherished by the President: innovation, technical modernization, transparency in government and participation of the public.

Under Sobyanin, from 2010 onwards, diverse forms of consultation, communication, engagement of different communities such as students and professionals, from both national and international audiences, have been attempted in connection to the development of city plans (Khmelnitskaya 2017a). A new US-educated Moscow chief architect was appointed in 2012. Such connections linked the city administration to the community of urban experts behind the Moscow Urban Forum and the Strelka Institute, with their ideals of connectivity, smart city, technology and public participation. Zhelnina (2020) writes that the Strelka institute became the city administration’s key partner and supplier of ideas for Moscow urban development. The possibilities for less intensive traffic, greener options, professional and technological cluster development were meeting aspirations of Dmitry Medvedev for Russia’s technological modernization and of the expert actors in the federal ministries referred to above. The timing that allowed such ideas to briefly flourish was determined by the constellation of economic factors, power politics and policy preferences of the country’s top leadership.

Such ideas resulted in a marked change in the treatment of the Moscow public. Robert Argenbright writes of a difference in Luzhkov’s and Sobyanin’s approaches to city governance: ‘Sobyanin’s government ... has been smarter, respectful of the citizenry, and much more open to public opinion’ (2016, p. 112). Such consultative forms often were of a formal character and concerned insignificant issues (ibid; Zhelnina 2020), this nevertheless represented a step change from the Luzhkov’s era of public disengagement, intimidation and violence against Muscovites protesting over urban issues. The caution that Sobyanin exercised in relation to the sensitive issue of Moscow territorial development was evident in the fact that when he assumed office, the issuance of new construction permits in the city came almost completely to a standstill. Gunko et al. write: ‘The issuance of new permits for construction was suspended, while most previously agreed contracts were terminated. As a result, the pace of mass housing construction reduced threefold by 2012: initiation of new projects became very rare ’ (2018, p. 297).

An alternative solution seemed to have been found. In order to ease the pressure on the inner-city land, Luzhkov’s solution of the mild extension in the General Plan was taken to the next level. A massive expansion of the city was initiated in June 2011 by Dmitry Medvedev’s decree and completed by July 2012 (Argenbright 2018, p. 223; Gunko et al. 2018, p. 297). The Moscow territory was expanded two and a half times by adding two new administrative districts of Troitskii and Novomoskovskii.
The expansion seemed a workable way out of tensions within the city over urban land. It allowed both the elites hungry for the profit opportunities to build in Moscow and Muscovites in need of improving their housing conditions, and encouraged by various federal programmes concerned with demographics, a chance to buy in Moscow. Besides the policy took in advice of the part of the urban specialist community that favored expansion. The policy was framed as socially useful, full of care for the Muscovites with different income levels, allowing them choice of housing options in the capital. The city administration had high hopes for the economic development linked to the new territories (Argenbright 2011).

The influence of the construction industry is the most popular explanation for the Moscow extension of the early 2010s. For instance, as prominent architect, Yuri Bocharov (2013) argued, the “Greater Moscow”, Bol’shaya Moskva, project, as the New Moscow was also known, was primarily motivated by the intensive lobbying of the construction industry and associated corruption among the city bureaucracy. Similarly, Argenbright writes (2018, pp. 221-2) ‘firms saw green-field sites which could become available with the expansion of Moscow, very attractive’. Yet, as noted above, under Mayor Luzhkov, and as we further show with regards to the policy of Moscow renovation announced in 2017, the construction industry was regarded as the main driver of those city development plans as well. While not denying such influence, the fact that many sources point to the industry interests being behind both the expansion and densification plans suggests that elite interests were carefully accommodated in both scenarios. The industry, meanwhile, cared primarily for business opportunities and was largely indifferent towards the competing visions of urban re-development as long as profits were forthcoming. Our own survey of publications related to lobbying by the Moscow construction industry also demonstrates that since the late 2000s construction firms forcefully lobbied projects in the old Moscow as well as in its new territories.

While the expert opinion and elite interests found their way into Moscow development plans, the Muscovites did not take to the idea of the extension according to opinion polls (Levada Tsentr 2012). Besides, implementation was a problem. Most of the innovative projects associated with New Moscow remained on paper. This included the development of technological clusters, the relocation of government offices – the only part of the plan which met an approval among the Muscovites (ibid) – and the construction of transportation links to serve the new territories (Argenbright 2018). The national political setting in the meantime was evolving presenting further

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challenges to the federal authorities, with Moscow physically and metaphorically being at the heart of it all. Mass protests in large cities against the fraud involved in the parliamentary elections of December 2011 and the predetermined results of the presidential ones in March 2012 shook the country and resonated with the international audiences. Protests by Moscow ‘angry urbanites’ were by far the largest (Zubarevich 2013) demonstrating to the country leadership their low popularity in the capital. The president’s approval ratings in Moscow in July 2012 were just 27 percent, while 31 percent of respondents said their attitude was negative (see Levada Tsentr 2012). The rift between the public and officials of all levels also revealed itself during the mayoral elections of September 2013. The opposition candidate Aleksei Navalny ran an impressive campaign against Sergey Sobyanin, and despite the administrative resource of the latter received 27.4 percent share of vote. Sobyanin won, nevertheless, with 51.37 percent of votes.\footnote{In some districts vote share for Navalny was almost as high as for Sobyanin, e.g. Sokol district with results of 37 and 39 percent respectively, see: \url{http://www.moscow_city.vybory.izbirkom.ru/region/region/moscow_city?action=show&root=1&tvd=27720001368293&vrn=27720001368289&region=77&global=&sub_region=0&prver=0&pronetvd=null&vibid=27720001368293&type=222} accessed October 2019.\footnote{Although, a positive trend in the housing market activity in the New Moscow was observed in 2018-19 (ibid).} Another structural influence was the deterioration of the general economic situation with the drop in the price of oil in the late 2014 and the imposition of the international sanctions. This meant that robust economic growth could no longer be a source of regime legitimation to the extent it was in the 2000s and that there were fewer resources for the state and private investment.

\textit{Moscow renovation programme}

The effect of these changes for the Moscow urban development scene were as follows. The new build in New Moscow was selling slowly (Gerashchenko and Mertsalova 2018).\footnote{In some districts vote share for Navalny was almost as high as for Sobyanin, e.g. Sokol district with results of 37 and 39 percent respectively, see: \url{http://www.moscow_city.vybory.izbirkom.ru/region/region/moscow_city?action=show&root=1&tvd=27720001368293&vrn=27720001368289&region=77&global=&sub_region=0&prver=0&pronetvd=null&vibid=27720001368293&type=222} accessed October 2019.\footnote{Although, a positive trend in the housing market activity in the New Moscow was observed in 2018-19 (ibid).} Muscovites were not keen on moving outside of the city’s old boundaries, with poor local infrastructure. Similarly, people from outside of Moscow were not overly keen on buying in Moscow’s newly attached territories as these did not offer reputational benefits of the “old” Moscow. Less robust economy and other competing mega-projects, such as Sochi Olympics, drew away possible government funding. Many commentators and academic research highlight that the city administration became disappointed with the ‘New Moscow’ (Argenbright 2018, p. 229).
Against this background, the expert community of ‘densifiers’ continued to promote the idea that the model of the Moscow territorial development had to be revised and new housing construction should be taking place inside the old city borders (e.g. Kosareva 2015). This found support among the officials as well, which is testified by the debates and justification for the densification plans put forward during the expert meetings held at the Moscow City Duma and the Public Chamber in February 2017, the month when the renovation plan was publically unveiled (Zhelnina 2020). This would be achieved through a programme of ‘demolition-based regeneration,’ renovation, of urban territories in the old Moscow.20

Thus, the Department of Urban Planning of the Moscow city administration from the late 2014 worked on an elaborate district-by-district plan of territorial renovation through densification (Golunov 2017). Development of territories rather than a spot ‘pin-point’ construction represented a qualitative change from the Luzhkov’s era approach both towards the city densification and to the reconstruction of the five-story khrushehevkas which included rehousing of their dwellers. The demolition-based regeneration was intended to help free up entire areas in the Old Moscow from low-rise buildings, and replace them with high-rises. Local residents – most of whom were owners of their apartments – were to be rehoused, and the rest of the new build was to be sold at a commercial price. The new approach would serve the elite interests as well, i.e. property developers, who gained an opportunity to build in the ‘Old Moscow’ where demand was high.

A seemingly ‘win-win’ plan designed by the administration for the Moscow public and the elite while also responding to those experts who felt sidelined by the adoption of the expansionist view, gave confidence to Mayor Sobyannin to widely publicise the plan. This was significant in the context of the approaching new round of presidential elections in 2018 (Seddon 2017) and the pressure on the local officials to ‘deliver the vote’ (Rundlett and Svolik 2016). The solution of the Moscow development problem appeared so attractive that it was given publicity at the federal level by President Putin himself by saying ‘Let’s do it!’ to Sobyannin’s proposal of the programme plan on 21 February 2017 (Smyth 2018). Given the president’s careful style in policy matters, such an endorsement of a specific policy must have been based on a convincing assurance by the Moscow officials that the programme would be welcomed by the public and increase the leadership’s popularity in the capital.

In fact, the Moscow administration, following its own ‘consultative turn’ in the city governance, had involved several representative bodies and consultative structures, such as the municipal councils, the Moscow City Duma

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20 On the tensions associated with the ‘demolition-based densification’ in China see Zhou (2017).
and the Moscow Public Chamber in the initiation of the programme during February 2017 (Zhelnina 2020). Yet, while public hearings held at the Moscow Public Chamber allowed expert ideas for densification to be aired and discussed among other expert participants and city officials, public participation at this state was more theatrical than meaningful. For instance, the programme was nominally ‘requested’ by two municipal council deputies during a meeting with the Moscow Mayor in early February (Golunov 2017). The inadequacy of such a consultation mode to gauge the public opinion on the programme became obvious once the Muscovites’ reaction started coming through during the Spring of 2017.

Public anger centered around the development of two documents associated with the programme: The Law on Renovation in its three readings at the federal State Duma and the list of buildings to be included in the programme. Muscovites were surprised and shocked to find or not to find their housing blocks in the list of eight thousand buildings originally included in the programme as it was announced in February 2017 (Gunko et al. 2018, p. 306). The criteria on which individual buildings were included were opaque: some sturdy buildings were in, while dilapidated ones were left out (Seddon 2017; Zhelnina 2020). Furthermore, much anxiety and frustration was connected to the conditions on which rehousing was to take place. These were to be set in the ‘Law on Renovation’. Mass protests accompanied the three readings of the draft in April and June 2017. The largest protest attracting around 20 thousand participants happened on 14 May (see Vinogradova et al. 2017). The Moscow renovation with its simultaneity of confronting a large group of people with the same instance of injustice apparently generated the same logic of civic collective action in an authoritarian setting of which Joshua Tucker (2007) writes with respect to the electoral fraud and protest.

Tracing the policy-makers’ reaction towards the protests shows that the city administration and the legislators in the State Duma, took the protests as a form of feedback and moved towards a more flexible approach in dealing with the public reaction. While emotions were flying high, and frustrations were deep, there were no reports of violence towards the renovation protestors. This was different from the treatment of the housing and urban environmental protests of the Luzhkov’s era. Policy officials deepened the consultations as events over the Spring 2017 unfolded. While the format of this article disallows to comment on many details of the renovation programme conditions as they were negotiated with the residents, we can refer to one example of the original plans being revised. If the eight-thousand-buildings demolition plan was part of the first draft of the ‘Law on Renovation’ passed in April 2017 (Zaytseva and Kosareva 2017), in May under the widespread criticism and the protest pressure officials backed down. Residents were offered an option to vote for the inclusion or exclusion of their residential buildings in the plan (see Seddon 2017). The vote took place from 15 May to 15 June via the
‘Active Citizen’ on-line platform, the local administrative offices (MFTs) and mobile voting stations. As a result, the list was reduced to approximately 4,500 buildings by the early Summer 2017 (Gunko et al 2018, p. 306). In addition, public hearings were organized on 6 June involving six hundred participants, half of which were khrushchevki dwellers. Further, a new consultative structure, a Working Group, was formed from among the State Duma deputies and a group of khrushchevka residents. Terms of the rehousing, quality and quantity of the new accommodations, monetary compensations and other details were at the heart of the negotiations between protestors and the authorities. Such deepening of the consultations leading to the inclusion of the popular demands to improve the programme conditions eventually allowed calming down the protests by the end of summer. The federal law was adopted by the end of June and signed by the President on 1 July 2017. First relocations took place in August 2017. The programme was to take 15 years to implement and cost the Moscow budget RUB3.5 trillion (Neklessa 2017).

With the adoption of the programme, the controversy continued over its implementation. Nonetheless, the deepening of the consultation activity and the shift from the superficial public consultation of the early renovation initiative to a discussion with and concessions made to the public allowed the programme to be eventually adopted and for the implementation to begin. Polls suggest that in 2019, Muscovites (74 percent) generally approved the city administration renovation plans (Levada Tsentr 2019). The renovation programme case shows that, reluctantly, the principles of controlled pluralism in Moscow governance originally involving business elites, bureaucratic and expert circles, were extended towards consequential albeit controlled participation of the public.

**Conclusion**

The analysis in this paper demonstrates that the controversial programme of Moscow renovation involved an accommodation of different types of bureaucratic, economic and expert interests and ideas. The policy process based on bargaining between bureaucratic factions, expert opinion and industry involvement is a well-developed topic in the Russian studies literature (Fortescue 2017, Martus 2017, Khmelnitskaya 2017). In addition to this, however, our analysis finds that ideas and interests can be accommodated in time, with new solutions not reversing the earlier ones, but being “layered” one on top of the other, to refer to one of the modes of institutional

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21 Authors’ survey of the responses to the renovation programme by people who were rehoused, their friends and family members published in the social media: Facebook, V Kontakte, You Tube and other on-like sources. Available from the authors on request.
development noted by historical institutionalists. Further, the case of Moscow renovation supports the findings of those scholars who argue that in Russia public preferences can be accommodated through consultation (Owen and Bindman 2017). This is different from the more usual ‘proxy’ representation of public preferences by the respective blocs within the government (ibid; Remington 2018). Crucial factors for allowing this mode of participation to take place were, first, the internalized belief among at least part of Moscow officials that decisions over urban development should allow participation of the local communities. Second, equally important was the strength of the Muscovites’ collective action. Once the authorities moved to allow public participation, it took place via established institutional structures, online and ‘real time’ consultations. Similar to the processes described in the context of China (He and Warren 2011; Zhou 2017), Moscow protests represented an important form of public feedback for the government (Cook and Dimitrov 2017).

In this paper, we developed one of Regina Smyth’s conclusions about the multifunctional nature of the Moscow renovation policy. We argue that this multifunctionality is associated with the accommodation of different interests and ideas over a period of time. There is a degree of spontaneity and open-endedness in this process. Nonetheless, by allowing participation of different groups, the authorities stay in charge and true representation of interests remains beyond reach (see Jayasuriya and Rodan 2007). Moreover, such ‘controlled pluralism’ generates a flexible governance style characteristic not only of Moscow urban governance but also of the contemporary Russia, particularly with respect to economic and social issues.

Linked to this point, another observation is methodological and relates to the study of the stability of authoritarian regimes afforded by their policies. Studying the effects of policy on authoritarian survival can be difficult using quantitative methodology. Because with this methodological approach, again to quote Jennifer Gandhi, ‘[m]easuring policy polarization between the dictator and opposition is difficult in part because policies are many and preferences are unobservable’ (Gandhi 2008, p. 94). Our analysis shows that in order to unpack the multifunctional nature of policies we need to examine different groups of actors involved and affected by policy in various ways – national and local policy bureaucrats, experts, economic interests and the public. Timing is also important. How interests are accommodated and actors rewarded needs to be viewed through the prism of a historical dynamic, as the policy process unfolds.

Finally, our study points to many avenues for further research. One of them could investigate the ‘Wallace’ hypothesis. Would the policy of pumping resources into the Moscow housing scene generate unexpected political
consequences? How will the political views and behavior of Muscovites change as many new residents move to its ‘middle belt’ where khrushchevki are being demolished?

Bibliography


