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**The Emergence of Moscow, Russia:  
A Progressive, Cosmopolitan World City  
within an Autocratic State**

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## **The Emergence of Moscow, Russia: A Progressive, Cosmopolitan World City within an Autocratic State**

**Richard Jelier**

### **Abstract**

Benjamin Barber author of *If Mayors Ruled the World: Dysfunctional Nations/Rising Cities* (2013) claims as nation states are failing on a global scale, cities are offering a progressive working framework to improve economic performance, environmental sustainability and quality of life. My research as a former Fulbright Scholar in Moscow, Russia, will evaluate surprising progress in improving Moscow's infrastructure, built environment and development policies to compete favorably with other global cities. Indeed, former Mayor Yury Luzhkov (1992-2010) helped usher in a great revival in Moscow, securing a degree of autonomy and elevating Moscow's place as an emerging global city in an interdependent world. Mayor Sergey Sobyenin (2010-present) has built upon that legacy with an impressive place-making agenda. Moscow is the largest city in Europe with an official population of 12 million and a metropolitan area of 20 million. Urban primacy is evident in Moscow as the city constitutes nearly one quarter of Russia's GDP. The average official income of Muscovites is four times the average Russian. Russia's metropolitan development approaches are quite distinct from the patterns in North America or Western Europe. Yet, more recently former Soviet policies that worked to keep cities compact weakened. Market liberalization of the Russian Federation and new conceptions about the role of local governance is unleashing new creative potentials. This research investigates Moscow's place as a rising world city focusing on its improved infrastructure – transportation, parks and green space, the development of an international business center and sustainable development. The research also investigates critical immigration/migration issues in Moscow. Ultimately this research concludes that Moscow has developed a model of well-functioning urbanism worthy of notice on the world stage.

**Keywords:** Global cities, Moscow, Urban development, Local governance, Agglomeration.

## Introduction

When people from the West are asked to consider cities with a well-functioning urbanism, creative economies and a great cosmopolitan vibe, the list would be large and familiar. Few, however would likely include Moscow, Russia towards the top of that list. After a semester in Russia serving as a research and teaching Fulbright Fellow at Moscow State University (MSU) in 2014, I conclude Moscow deserves recognition for its successful urbanism. After studying Moscow's metropolitan patterns, teaching urban public administration to both a Ph.D. Seminar and over 40 MSU undergraduates, conducting as semi-structured interviews and subsequent research, the City of Moscow emerges as a contender as a leading cosmopolitan world city. The last half decade has only further strengthened Moscow's world city status.

As a Fulbright fellow bringing my wife and three young children at the time (ages 4, 8 and 9) to Moscow surpassed all of our expectations for a livable urban experience. Moscow offers tremendous mobility provided by a first-class transit system, amazing entertainment, cultural and tourist infrastructure, safe and thriving urban districts, world class parks and green spaces, vibrant shops, business districts, showcase malls and a friendly, welcoming city. The case to support Moscow's place as a leading megapolis goes well beyond these important but anecdotal experiences. Moscow's stunning architecture, culture and history, a well maintained and constantly improving public infrastructure, child friendly atmosphere, a world class metro system, a strong economy, a café culture with surprising culinary diversity, low crime rates, cleanliness and lack of graffiti and vibrant urbanism surprise the international visitor.

Even more unexpected is that Moscow presents a progressive cosmopolitanism and creative expression in a country, Russia, rightly viewed by the West as highly autocratic. Despite the many setbacks in relations between Russia and the West (most notably the annexation of Crimea, tensions in Eastern Ukraine, the 2008 South Ossetia War, the poisoning of the Sergei and Yulia Skripal and others in England, the murder, arrest and harassment of a number of journalists and opposition leaders, and the most recent concerted effort to interfere in the US and UK elections) Moscow's local governance seems able to function apart from these divisive national/global issues. Moscow local governance advances a forward a pragmatic, and practical urbanism that functions well and provides a relatively high degree of creative and political expression, not at odd with Barber's portrayal of cities as having the ability to navigate and solve complex problems in a way that is collaborative, polycentric, and forward. In fact, *Open Moscow* is one of the seven defined priorities for city development which aspired to include ample opportunity for participation in urban management with an emphasis on local self-government, transparency and accountability of authorities. Moscow has also become even more beautiful in recent years, with new public gardens and parks, reclaimed pedestrianized streets, and a renewed commitment to public transport.

Moscow's importance to Russia goes back several centuries. Authoritarian power of the prince and noblemen led to centripetal tendencies in both politics and economics. During Soviet times administration and public management was highly centralized in Moscow. Post-Soviet collapse in 1991 found the new Russian Republic's regions very vulnerable to financial instability. This only increased the role of Moscow as an integrating center (Churkina and Zaverskiy 2017). There is a mono polar public administration model in Russia, with only two Russian cities on the global city list of cities with a highly developed level of business activity, human capital, information exchange and cultural experience. The US has 17 and China six. Moscow is the center for international business and finance in the Commonwealth of Independent States (CIS) and much of Eastern Europe. The Moscow government's entrepreneurial and pro-development strategy along with recent market forces has empowered them to circumvent conservative forces. Moscow's very rapid development in the post dissolution of the Soviet Union is remarkable. The historic center, accounting for 6.4% of the total city area and 8% of the population has captured 40% of foreign investment from 1991-2005 (Badyina and Golubchikov 2005). As a finance center, Moscow is headquarters to 90% of international banks and finance organizations in Russia, 80% of financial transactions in Russia flow through Moscow. Fifty percent of Russian bank capital and 90% of stock exchange trade volume in Russia occurred in Moscow. Moscow is tied for 7<sup>th</sup> in the most attractive cities for Foreign Direct Investment in Europe. In human capital development terms, Moscow at 48% exceeds London and Paris in the percent of population with higher education (Moscow City for Business 2013).

### **The Case for Moscow's Metropolitanism**

Large city agglomerations represent a key development trend of the developed and developing world. The Moscow agglomeration, covering Moscow City and the Moscow Region is one of the largest in the world, its diameter more than 300 kilometers and is home to 20 million people. The Moscow agglomeration has 12 administrative districts of Moscow and 68 districts of the Moscow Region. It is the largest European agglomeration by both area and population. The megalopolis makes up 14 percent of the entire Russian population and over 26 percent of the country's GDP (Urban Agenda 2017). As a capital city, Moscow's importance to Russia goes back centuries, however its pre-eminence as the financial hub of Russia has greatly expanded since the collapse of the Soviet Union and the formation of the Russian Republic. Shockingly, the average official income of Muscovites is about four times the average Russian and twice that of their second city, St. Petersburg (Russian Stat. Yearbook).

Moscow is Russia's quintessential model for neoliberal restructuring. Moscow's economy recovered much more aggressively from the collapse of the Soviet Union than other Russian Cities. Shifting its focus from central

political and economic controls, Moscow advanced an aggressive, competitive strategy and ambitiously sought structural advantage vis-à-vis other cities both nationally and internationally. Riding the Moscow Metro, one can't help but notice the highly stylish, consumer based culture of the new rich and middle class. Even as early as 2002, O'Loughlin and Kolossov describe the Moscow miracle:

A visitor to Soviet Moscow would hardly recognize its successor. The center of Moscow increasingly resembles a Central European city, like Warsaw or Budapest, with expensive stores, gallerias, commercial offices and a fully array of retail services. Moscow has been the leading edge of market reform. During the Soviet period, elites and the manifestation of their privileges was rarely on public display. By contrast the newly rich and middle class in Moscow tends to be both lavish and conspicuous in their consumption. Commercialization is everywhere.

Moscow's agglomeration has by far the highest impact on its country's development compared to the largest 20 agglomerations in the world. The first comprehensive global ranking of metropolitan areas including the top 20 agglomerations worldwide by PricewaterhouseCoopers (pwc) in July 2017 saw Moscow favorably positioned in a surprising number of categories. Moscow was the absolute leader influencing other parts of the country (1/10). The level of technology penetration is high, with 98% of households with a mobile phone and 86% of households with computers. Moscow ranked #1 on the ranking of influence on a country's economy. Moscow annually imports goods worth USD 39 billion from other Russian regions. Overall Moscow ranked sixth most advanced agglomeration overall, while placing 7<sup>th</sup> in Labour Productivity, 5<sup>th</sup> in Average Income, 3<sup>rd</sup> in Imbalances in the Labour Market, 4<sup>th</sup> in the Creative Sector, 4<sup>th</sup> in Entrepreneurship and 4<sup>th</sup> in Education. Old attitudes about Russia and Moscow persist (Size Matters 2017). Before embarking on my Fulbright, a London pub owner suggested taking toilet paper and other basic supplies to Moscow, still stuck in a paradigm of post war scarcity in Russia and views of Moscow that have persisted from the 1940s. Addressing an American audience of well-healed university donors at a Florida fundraising event where I presented on my Fulbright experience a number of questions came from the audience that were incredulous at the cosmopolitan Moscow portrayal, indicating that Russian cities were backward, poor and not that highly developed compared to US cities.

A favorable environment for living in the Moscow agglomeration stimulates its population to consume. Since agricultural and industrial production are quite poorly developed within the agglomeration territory, most of the goods consumed in the agglomeration are produced outside of it – partly this is why Moscow is the absolute leader in influencing other parts of the country (1/10) (Size Matters 2017). In Moscow the financial and services sector is significantly dominant (37%) while the industrial manufacturing sector is comparatively low. The Moscow agglomeration has the least equitable distribution between the agglomeration and the Russian Federation. Moscow's relative importance to the national economy continues to expand. Moscow's

contribution to national GDP grew from 13% in 1998 to more than 20% in 2012 (Budenbender and Zupan 2017). Surprisingly the creative sector is rapidly becoming one of the main drivers (Arts and Culture, Media and Communications, Design and Architecture, Digital Technology) and the Moscow core is 3.5 times higher than the Moscow region periphery, mainly concentrated in the central part.

Moscow's overall GDP is second only to New York and slightly ahead of London. Moscow accounts for more than 1/5 of the gross value of all Russian regions. Under Mayor Yury Luzhkov (1992-2010) Moscow underwent an impressive building bonanza. Luzhkov eventually ran afoul with the Kremlin for carving out too much Moscow autonomy and was especially devastated by the global financial crisis. Yet, under Luzhkov, the transformation from socialist to capitalist mode of production was striking. Luzhkov helped project Moscow's image as a global city. Some viewed Luzhkov as running the city as his own business (his wife was a billion dollar Moscow developer) and was heavily dependent on a system of patronage with the real estate sector. The relationship between the city administration was described as "authoritarian but benevolent, underscored by populist social policies that were directly or indirectly financed by private business" (Budenbender and Zupan 2017). Under Luzhkov a momentous change in the urban environment occurred, Christ the Savior was rebuilt, *Moscow City* the ambitious center for global investment was launched by Luzhkov as Moscow's version of Canary Wharf. Christ the Savior in the heart of Moscow, both literally and figuratively, won Luzhkov the support of a large part of the city's population and served as a symbol of post socialist renaissance (Pagonis and Thornley 2002). The inner garden ring was transformed into a thriving central business district. His failed bid for Russia's president in 2000 may have in the short term increased his autonomy and independence from Moscow but eventually led to his sacking by Dmitry Medvedev in 2010.

Under Putin's protégé Sergey Sobyenin, Moscow has shifted to an emphasis on place-making strategies, with a special focus on architecture and urban design. His successful redevelopment of Gorky Park and the creation of Zaryadye Park have sealed his legacy. His partnership with Strelka displays his affinity for bottom up urbanism that involves key collaborations. Sobyenin filled key positions in the planning department with western educated professionals. Budenbender and Zupan (2017, 304) state:

He held open architectural and urban design competitions, improved transparency and introduced (seemingly) open, progressive and depoliticized tools of urban planning. Sobyenin did transform the city's image from chaotic to comfortable, from authoritarian to democratic, from construction oriented to human centered.

Moscow's rank of 5<sup>th</sup> in quality of life would be surprising to most Westerners who have not visited Russia. Quality of life is measured key indicators including *Economic Development Indicators*: cost of food basket, average rent, public transport cost, average nominal wage, *Social Parameters*: murder rate, unemployment rate, average life expectancy, number of ranked

universities, average travel time to work, *Natural and Ecological Indicators*: Green Area per resident, environmental footprint, air quality and *Availability of Technology*: Share of households owning computer, mobile phones and internet access.

These and other developments have changed the face of Moscow, putting it in par or eclipsing many other European capitals. Moscow City Government under Mayor Sobyenin ambitiously has defined seven new priorities for Moscow development moving forward 1) Mobile City 2) Comfortable Urban Environment 3) Healthy city 4) Educated City 5) Socially Secure City 6) New Moscow Economy and 7) Open Moscow. The emphasis by Sobyenin is consistent with the amplification of newly discovered new urbanism principles in the United States that have driven many American city redevelopment schemes. The principles include getting basic needs met within walking distance, connectedness, mixed use, multifunction and diversity, mixed income housing, quality architecture, traditional neighborhoods, high density, green transport and more recently an overall emphasis on sustainable development. Moscow's new environmental and sustainable development goals that have emerged in the last three years support a number of international protocols, including the Kyoto Protocol. One of the key drivers for Green Development in Russia has been the adoption of the new Law on Energy, Efficiency in 2009. Since the first state standard for green building construction in Russia was adopted in 2013, the number of BREEAM and LEED certified Projects have steadily grown.

## **Transportation**

Moscow is a well-positioned capital with an advanced and ever improving transportation network. Moscow has four airports Domodedvoa, Sheremetyevo, Vnukovo and Ramenskoye, a world class subway system, a large streetcar network and comprehensive bus system along with nine railway stations to other Russian cities and some foreign countries.

### *Moscow Metro*

Not only is the Moscow Metro functional but beautiful beyond description. It is layered with political and architectural meaning. Indeed, the Moscow Metro is an unequivocal architectural masterpiece. Unique designs include high ceilings, elaborate chandeliers, fine granite and marble cladding and statues. Nikolai Vassiliev (2018) recently released *Moscow Metro Architecture & Design Map* which illustrates and curates the 84 year old transit network. The Metro includes Art Deco, Neoclassical with Empire-style motifs and late-Postmodern. First opened in 1935, the Metro was the first underground railway system in USSR with 13 stations and a 6.8 mile line. By 2014, the system was 202.2 miles and 195 stations. Today the 214 stations will cover 224 miles. (See Figure 1).



Between 2015-2020 dozens of new stations have been added. New stations recently opened have been organized and constructed around international design competitions. Daily weekday ridership exceeds 9 million. The Line 8 section (Sointsevskaya Line) recently opened in August 2018 and now 600,000 people will need about an hour less travel time each day. There are 15 stations along that line that has been thirty years in planning and required extensive engineering feats such as tunnels under the Moskva River and negotiating other challenging terrain. There has been a big recent focus on improving the public spaces around the Moscow Metro stations in recent years which has resulted in 900 large trees, 10,500 bushes were planted and 140,00 square meters of flowerbeds, lawns and granite paths around the new stations.<sup>1</sup> Each of the new stations is making a unique architectural statement. The Novoeredelkino station interior is decorated to resemble a medieval Moscow palace, the Sointsevo Station surprises visitors with an optical illusion, as the escalator ascends, they will see the rising sun that will split into several figures. The Michurinsky Prospekt three span station is styled like a garden in bloom. Forty four of the current total of 214 stations are listed as historical monuments. Twelve are listed as cultural heritage sites.<sup>2</sup> The Metro is a very special role in the city's image, like Stalin-era skyscrapers, pre-Revolution tenements, onion dome orthodox churches and mansions (Vassiliev 2018).

Figure 1. Moscow Metro Stations



<sup>2</sup>All you need to know about public transit in Moscow. August 25, 2017. Moscow Mayor official website.

## **Moscow's Parks and Green Space**

The natural diversity of Moscow is perhaps one of its foremost assets. The Moscow region has 54.5% green areas with 17,000 hectares of special protection areas. Moscow City has the best ration of public green space per inhabitant in Europe. There are 53 animal and 246 bird species in Moscow. In Moscow there are more than 200 rivers and springs, more than 600 ponds and 3 glacial lakes (Moscow Green Development 2019). As one of world's greenest capitals, there are over 100 major parks within city limits plus gardens, boulevards and squares! The green infrastructure is incredibly diverse, from the Old Tsarist Village of Kolomenskoye to Botanical Gardens to parks that offer a huge range of activities. Historically land was protected by the Central Planning of the Soviets. Market liberalism and pressure for private development has resulted in a loss of 11% tree cover to development since perestroika. One of the reasons Moscow is such a child friendly city is an abundance of children's playgrounds prolific during Soviet days. Playgrounds provided a child with day care of sorts, with both parents often working. Today, Moscow is a top performer in placing great emphasis on developing high quality recreational areas. Dozens of new parks have been built or rehabilitated, foremost Gorky Park and Zaryadye.

The story of the development of the 300 acre Gorky Central Park of Culture and Leisure on the Moscow River is a shining example of a successful redevelopment. In the 1980s and 90s Gorky had a reputation for decay, crime, kitschy poor taste, decrepit amusement rides and poor Soviet era architecture. With a \$2B lead investment, Abramovich (Owner of the Chelsea football club in England), Gorky Park by 2011 became a Park of International World Standard. While Kalyukin et al. 2015 criticize Gorky Park somewhat as promoting "civilized" "Europeanized" urban public spaces that celebrate consumption and populated by those who identify with or follow certain lifestyle "hipsters" "creative class" etc. it has been an unqualified success. My family frequented Gorky weekly; there was activity for everyone, first rate children's playgrounds, sports fields, trendy cafes and ice cream shops plus many appealing design aesthetics, wonderful ice skating in winter, outdoor yoga, beach volleyball and cooling fountains in summer. Gorky Park was envisioned to combine educational, artistic, theatrical, sporting and recreational activities. There are an average of over 40,000 people weekdays and at least 250,000 holidays and weekends. While critics might argue Gorky has become too trendy, replacing former low taste junk food stall and cheap beer stands, no one is really excluded from Gorky. In criticizing Gorky, Kalyukin et al. (2015, 690) might actually articulate Gorky's best features:

The public space of Gorky Park is thus carefully planned, scripted, and controlled in order to promote specific types of consumption, admissible norms of behavior, and mediated public sociality-all according to the "Europeanization" discourse. Activities might include ballroom dancing at the Pushkinskaya Embankment, lectures, workshops and exhibitions of contemporary art.

The redevelopment of Gorky Park helped launch the Strelka Institute. It was one of their first major projects. Budenbender and Zupan (2017, 306) in describing Strelka state:

Founded in 2009, it was conceived as an independent place for critical research on questions of urban development and design, completely absent from Russia at that time. Strelka's successful reinvention of Gorky Park attracted the city administration's interest in urbanism in general and the institute in particular....It became clear to politics that urbanism is a form of realization of politics...it allows the channeling of critical energy in a constructive direction.

Strelka has been a central actor in shaping Sobyanin's placemaking centered urbanism ever since. Strelka has introduced and normalized participatory modes of urban planning. Strelka's consulting operation was recently separated from its educational and publication wings and registered as a separate company, Strelka KB (Consulting Bureau) and new offices in the Red October chocolate factory. Strelka has grown to over 300 employees, architects, urban planners, analytics, economists, anthropologists, designers and communication staff.

Not content to rest on their laurels from the successful redevelopment of Gorky, in 2012, Putin announced the formation of a new park Zaryadye on a site directly adjacent to the Kremlin, Red Square and St. Basil's. It was the site of a recently demolished Khrushchev-era hotel, once the largest hotel in the world. Previously the site was the first street of the Moscow Posad, the English Embassy, a residence of the Tsar, a military garrison and a Jewish quarter. The 35-acre site makes it the largest new park to be built in Moscow in the last fifty years. An international competition led to six finalists. Diller Sofidio and Renfro, the architects of the Manhattan High Line, the Blur building in Switzerland and numerous other high profile projects were selected to lead the redevelopment. The park in addition to Diller Sofidio and Renfro partnered with Hargreaves Associates (US) Citymakers (Russia) Transolar (Germany) Buro Happold (United Kingdom) Central Park Conservancy (USA) Directional Logic (USA) Arteze (Russia) MAHPI (Russia) fostering collaboration, inclusivity, openness and access. Strelka KB was the consultant that facilitated the collaboration but planned by an American-led design team seemed mildly improbable.

Zaryadye Park embodies what architects are referring to as "Wild Urbanism". The project includes four artificial microclimates that mimic the Russian landscapes: the steppe, the forest, the wetland and tundra. These natural zones provide places for gathering, repose and observation. Zaryadye includes a river overlook the "flying bridge" 70 meters over the Moscow River with views of Christ the Savior. Zaryadye includes a media center, nature center, restaurant, market, five pavilions, two amphitheatres including the Great Amphitheater with a glass bark roof and a philharmonic concert hall. It also has an ice cave pavilion. A million visitors descended on Zaryadye in the first weeks of its opening. Under Mayor Luzhkov the site was planned as

apartment, hotel and shopping until Mayor Sobyenin prioritized green space a priority for the city.

### **Educational Infrastructure**

Moscow ranks 4<sup>th</sup> in Education with 48% of Muscovites with some secondary education and the highest rate of growth in the number of academic citations. The Moscow agglomeration now has 11% foreign students, still far behind London's 112,000 foreign students. London's international students is about three times greater than New York. As a Fulbright Scholar placed at Moscow State University (Lomonosov University) I received a strong sample of the achievements of Moscow educational institutions. Moscow State University, established in 1755, is home to more than 47,000 students (graduate, postgraduate and undergraduates). More than 6,000 professors and lecturers, and about 5,000 researchers work for the faculties and research institutes. As Russia's premier university, every year Moscow University enrolls about 4,000 international students and postgraduates from all over the world. The Moscow University campus is an extremely complex system, with its one million sq. meter floor area in over 1,000 buildings and structures, with its 8 dormitories housing over 12,000 students. The MSU library system is one of the largest in Russia, with its 9,000,000 books, 2,000,000 of them in foreign languages, and the average number of readers 55,000, using 5,500,000 books a year. MSU is the 77<sup>th</sup> overall most prestigious in the World (Academic Ranking of World Universities) and number one in Russia. Lomonosov was a Russian polymath, scientist and writer, who made important contributions to literature, education, and science. Among his discoveries was the atmosphere of Venus. His spheres of science were natural science, chemistry, physics, mineralogy, history, art, philology, optical devices and others. Lomonosov was also a poet and influenced the formation of the modern Russian literary language. Every Moscow State University student is required to master third year proficiency in two foreign languages, something that would seem impossible to American students.

### **International Business Center**

*Moscow City* first conceived in 1992 as the International Business Center, some view as Luzhkov's folly. Luzhkov hoped *Moscow City* would dwarf London's Canary Wharf, at about twice the size, and challenge Manhattan as a financial hub. Unfortunately for Luzhkov, it was built right before the global economic crisis grinded to a halt. New mayor Sobyenin called the grandiose scheme an "urban planning mistake". At one point, more than 50 percent of the district was vacant. Yet, by 2014 *Moscow City* holds four of the five tallest buildings in Europe. Eventually 11 skyscraper projects in all are under construction, with seven finished buildings currently completed. The

construction has added 31 million square feet of commercial residential and retail space. The reborn business complex, which stalled during the global economic crisis and besieged by sanctions, after years of high vacancy due to the recession, a Russian strategy of cramming the high-rises with ministries and some of the biggest Russian firms has succeeded. Vacancy rates recently dipped to under 15% with Transneft, an oil pipeline monopoly, Sberbank the biggest bank in Russia, the Ministry of Industry and Trade and possibly soon the Bank of Russia filling up the towers.

Conceived as a place for foreign direct investment, in 2006 Moscow City was 80 percent foreign businesses. A decade later, Russian companies account for 71 percent of the total space. Federation Tower is now Europe's tallest building replacing Mercury City Tower which opened a bit earlier, already eclipsing London's Shard tower. Instead of Russia's answer to Canary Wharf, the new skyscraper city is becoming a monument to top-down state capitalism. Isolated physically and visually, a new Metro connected which opens this year hopes to change all that. Moscow has high consumer purchasing power and relative low costs of doing business. Of course, the infamous Trump Tower Moscow has garnished a lot of headlines lately.

### **Immigration/Migration Issues**

The second half of the twentieth century has been referred to as "The Age of Migration" (Castles and Miller, 1993) and its last decade has seen an intensification of those migration patterns. As the twenty-first century unfolds, shifts in migration flows, particularly those from less-developed countries to the urban areas of the developed world, are resulting in a profound increase in ethnic diversity in urban populations. Roseman, Dieter Laux and Thieme (1996) refer to the cities where various combinations of ethnic groups compete for housing, employment, educational resources and political representation as *EthniCities*. By serving as central nodes of global systems of trade and communication, Moscow fits this classification of becoming a pre-imminent immigrant portals or *EthniCities*, especially from the countries of the former Soviet Union. When the immigrants bring their labor to these cities, they also bring with them their respective cultures, languages, religions, and other ethnic attributes with significant economic impacts on the local, regional, national and global economy.

What it means to be "the people of" Russia is in a state of flux as one consequence of these migration flows. This growing diversity not only raises questions as to the nature of these national identities, but also questions the evolution and social construction of those identities. Moscow's changed urban fabrics have transformed neighborhoods and schools and introduced new foods and cuisine. Moscow has simultaneously transformed by this diversity and the emerging changes in cosmopolitan experiences.

Russia's immigration histories are different than the U.S. or Australia. The United States and Australia both represent the classical case of

immigration nations in that they treat the majority of their legal immigrants as future citizens, with some variant between their policies that is due in part to their relative stages of maturity as nations. The United States and Australia also share historical roots of modern ethnic diversity stemming from their European colonists joining with native populations in past centuries. Britain, the source of many of the colonists to the United States and Australia, however, has historically given preferential treatment to their former colonials, some of whom were deemed citizens of the mother country at the time of their entry.

The Russian Federation occupies more than 11% of the land of the surface of the earth, sharing land borders with 16 countries and a federated state with 83 subjects of federation, including 21 republics, 9 kraia, 24 oblasts, one autonomous oblast and 4 autonomous okrugs, making control over migration especially problematic. There has also been significant migration flows out of the country following the collapse of the Soviet Union as well, to Israel, the USA, Germany and other EU nations contributing to a brain drain. Every fifth emigrant from Russia had a post-secondary education (Nozhenko 2010).

According to the official Russian census Moscow's population grew from 10,382,754 million to 11,738,547 million. However, the 2010 Census shows a decline in every ethnic group except Kyrgyz and Uzbek. These figures grossly underestimate the migrant and undocumented workers in Moscow. As a Fulbright Fellow at Moscow State University in 2014, interviews suggest the number of undocumented workers in Moscow might be as high as 4-5 million. That far exceeds the estimates of nearly one million undocumented workers in both London and New York City. Mosmuller (2011) reported a vast influx of legal and mostly illegal migrants in Russia's capital. Uncharted migrants push the real number as high as 17 million according to population experts. Moscow has been the key receiving region in Russian migration.

According to TASS (2014), last year 1.5 million migrants lived in Moscow, with citizens of Uzbekistan (27.3%), Tajikistan (18.4%) and Ukraine (13.4%) leading the way. In 2013, the Federal Migration Service estimated that the city had 900,000 legal immigrants and at least 3.5 million illegal immigrants (Moscow Mayor Sobyenin Says Migrant Crime Down 15 Percent, 2014).

The Russian census form asks respondents to self-identify national belonging. For legal migrants it draws less attention to list Russian as ethnicity. If the true ethnicity was reported instead of the 10 million individuals indicating that they are ethnic Russians, the true figure might be half that or less than five million Russians according to Moscow State University.

Recent flow comes from the former Soviet Republics, particularly Ukrainian, Tatar, Armenian, Azerbaijani, Uzbeki, Moldavian and others.<sup>3</sup> With living standards so much higher than other parts of the country, Moscow will retain its urban primacy. Natalya Zubarevich, a social policy expert at MSU,

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<sup>3</sup>When the Soviet Union collapsed and the Russian Federation reformed on December 25, 1991 the Asian 8 (Kazakhstan, Uzbekistan, Krygzstan, Turkmenistan, Tajikistan, Georgia, Armenia, Azerbaijan) and Eastern Europe 6 (Moldova, Ukraine, Belarus, Estonia, Latvia, Lithuania) had already declared their independence.

estimates the number at three million but with more than 1.5 million migrant commuters pouring into the city daily from outside the Oblast (Mosmuller 2011). A MSU Ph.D. student described a pattern of ethnic Russians re-migrating out of the former republics back to Moscow. He explains his family's situation in Uzbekistan.

My great-grandparents were ethnic Russians that Stalin sent to Uzbekistan in the 1930s which was part of the effort by Stalin to place many Russians in the Republics to ensure cooperation and compliance with Russia. By the time of the collapse of the Soviet Union, the Russian ethnic population in Uzbekistan approached nearly 30%, which was common across the Republics. When the Soviet Union disbanded in 2001, the ethnic Russians were no longer wanted and repatriated back to Russia, most heading to Moscow. Only the elderly stayed as Uzbeks have a lot of respect for elders. Within a short period of time, the ethnic Russian population fell to only around 5 percent in Uzbekistan.

With intermarriage between ethnic Russians and Uzbeks the concept of ethnicity is complicated further. The prosperity of Moscow in the 2000's drew large numbers of migrants from the former Republics to the city. After the Soviet system collapsed there were about 25 million ethnic Russians who lived in the former Soviet Union countries. Millions of ethnic Russians resettled back to Russia between 1991-1998 (Nozhenko 2010).

State regulation of the taxi trade has been ongoing for decades, but seems to have finally succeeded in regulating the taxi market. Until 2014, more than 80 percent of taxi journeys in Moscow were in the underground market by recent migrants. There has been a huge effort underway to regulate the taxi trade. In 2011 there were only 12,000 taxi licenses, by 2017 there are over 82,000 (Only yellow taxicabs to remain in Moscow by 2018, 2017). The new regulations are seen as prohibitively expensive, requiring painting all legal taxi's yellow (at a cost of around 50,000 rubles. The law is worrying for cabbies not affiliated with large taxi companies which are about 80 percent of the market in Moscow (Balmforth 2011). Starting in 2018 all officially licensed taxi cabs will be yellow. In addition to the taxi trade, undocumented workers are also prevalent in construction, maintenance, house cleaning. The total contribution to the economy of Moscow is very significant.

After the collapse of the USSR IN 1991, Russia maintained an open-border policy with the newly independent countries. Due to depressed economies of their home countries, many went to Moscow for temporary or seasonal work. However, some of the migrants stayed for longer periods of time, with a portion of them staying in Russia for permanent settlement (Malakhov, 2014). In the early 2000s when labor migration took its final shape; Ukraine, Moldova, and the Central Asian and South Caucasian countries were the main sources of foreign labor to Russia (Malakhov, 2014). Ryazantsev (2010) describes two main causes for immigration into Russia – internal and external. The internal cause is Russia's growing economy (especially Moscow) and an acute labor shortage caused by low birth rates by Russians. The external cause is the lack of job growth in Russia's neighboring countries. Citizens of

the ex-Soviet countries who come as labor migrants enjoy a much higher standard of living in Russia than in their countries of origin. This is particularly true in Moscow. Russia, in turn, is dependent on the immigration as the inflow of migrants compensates for Russia's population decline, the overall decrease of able-bodied citizens, and the ageing population. In 2009, the loss of able-bodied population in Russia exceeded 900,000 people or 1% of the entire working population and it will exceed 10 million people between 2011 and 2025 (Florinskaya 2015).

Due to the shortage of manpower, employers seek employees among labor migrants. According to a poll, a quarter of Russian companies were not able to fill the available vacancies with local workers (Florinskaya, 2015). Another reason why employers in Russia prefer to hire foreign workers is that locals tend to refuse from low-skill jobs, perform worse and are less disciplined and command significantly higher wages. According to the Demographic Policy Concept of the Russian Federation until 2025, immigrants will be necessary for the country (Ryazantsev, 2010). Policy makers in Russia recognize the permanent demand for foreign labor, yet they use anti-immigrant rhetoric to please the nationalists (Malakhov, 2014).

From 2015 to the present, Moscow has introduced new regulations to combat perceived migrant problems. The City of Moscow increased the monthly fees for foreign workers. In addition to the one-time fee of 22,000 rubles (\$292) that migrants paid for the right to work in Moscow, they will also have to pay a monthly fee of 4,000 rubles (\$58) instead of 600 rubles (\$9). According to Mayor Sergey Sobyenin, Moscow would benefit from this new rule in two ways. Firstly, the city would receive 6.5 times more payments from the migrants, which would cover the costs of the infrastructure that migrants use and contribute to Moscow's development. Secondly, making the working permit more expensive would partially equalize the cost of migrants' and Russians' labor (Luxmoore 2015).

The new rules, along with the substantial devaluation of the Russian currency, are making the conditions of migrants inhospitable. Some migrant workers make as little as 18,000 rubles (\$262) a month and they claim that the higher fees made their stay meaningless (Tetrault-Farber 2015). Moreover, changes in Russia's migration policy introduced in the summer of 2014 required citizens of nations of the Commonwealth of Independent States to obtain international passports to enter Russia, instead of the internal document that was sufficient before (Luxmoore, 2015). To be eligible to work in Moscow, foreigners must undergo medical checkups, take 3,000-ruble (\$44) exams on Russian language, history and basic legislation, make payments for required services and documents, be fingerprinted and obtain medical insurance.

Starting January 12, 2015, migrant laborers can complete all these procedures and receive working permits in the newly opened integrated migration service center. Located 50 kilometers away from the Moscow Ring Road, the center will be the only place where foreigners can complete all the procedures for obtaining a license to work in Moscow.



## **Moscow's Future**

Ultimately this research concludes that Moscow has developed a model of well-functioning urbanism worthy of notice on the world stage. Quite surprisingly Moscow has weathered western sanctions, falling oil prices and international isolation better than expected and appears poised for continued progress. The drop in global energy prices had a much more dramatic effect than Western sanctions which come in at a distant second. Many global investors are unaffected by sanctions and seeking a contrarian play have gravitated to Russia (Kissi 2018). There are concerns expressed by some economists that Moscow's dominance suppresses the potential for the rest of Russia's transformation. However, others suggest that Moscow serves as a locomotive to the Russian economy, creating over 3.5 million jobs outside of the Moscow region. Moscow is intent on becoming one of the world's foremost mega centers. While some view the overurbanization of Moscow as hampering sustainable development for the rest of the country, both national and international companies are attracted mainly to Moscow. Prevalence of one city dominating the national economy may be usual for countries with small territories like Tokyo, Japan or Paris, France. However, for countries with large territories like the United States, Canada or Brazil there are multiple cities competing for a significant role in the national economy. For instance, New York City has only an 8.6% share in the national GDP (Churkina and Zaverskiy 2017). In Russia, outside of Moscow only St. Petersburg has an important effect. Moscow's influence on Russia is equivalent to the top 5 cities in the US (New York, Los Angeles, Chicago, Washington D.C. and Houston). Foreign direct investment in Moscow is five times higher than the rest of Russia. More than two-thirds (73.5%) of all Russian air flights pass through Moscow (Churkina and Zaverskiy 2017, 403). The difference in Gross Regional Product between the first (Moscow region) and last place region in Russia is 35 times higher.

“Blagoustroistvo” is an untranslatable Russian word referring to the improvement or beautification of public services or infrastructure. “Moscow is currently arguably in the midst of the most important transformation of its centre since Stalin's time: and of the most uncompromising reconstruction of its inner and outer peripheries since Khrushchev's mass housing campaign” (Murawski 2018). Moscow is at the epicenter on one of the most blagoustroistvo campaigns in modern history, spending over 15 percent of the municipal budget or 16-17 times more than any other Russian city. A leading figure of this transformation continues to be the Strelka Institute for Media, Architecture and Design sponsored by oligarch Alexander Mamut in 2009.

Since Sobyenin came to power in 2010, Moscow has tackled a number of huge urban development projects. Moscow refurbished Gorky Park, opened the Moscow Ring Railroad, renovated one million sq. meters of streets and let the redevelopment of gigantic Soviet industrial areas. My Streets launched in 2014 was one of City Hall's most ambitious renovation programs in Moscow's modern history. In the first years of the program nearly 4 Billion USD have

been spent on 180 streets. In 2018 My Streets involved 87 new sites, streets, boulevards, embankments and squares. The improvement of the Boulevard Ring began last year has produced tremendous results, beautification and vibrancy (Moscow Extends My Street 2017).

After his 2018 successful re-election Sobyenin's latest even more ambitious plan is to embark on a huge-scale residential building program. It will redesign entire sections of Moscow, demolish over 8,000 Soviet-era prefabricated housing blocks "Krushchyovka" from the 1950s and 1960s, covering 30 million square meters and resettling 1.6 million people or about 10% of the city's population (Luhn 2017). Just thirty years ago state owned apartments constituted 90 percent of the housing stock in Moscow (The Disappearing of Mass Housing). Mayor Sobyenin promises the new apartments will be of larger, better quality and more modern but could take decades and perhaps hundreds of billions of dollars (Moscow's Urban Planning 2018). Strelka KB a platform for high-profile competitions used by Russian emerging architects and more than 5,000 architectural offices around the world will once again be heavily involved (Fulcher 2018).

Russia's hosting of the FIFA world cup in 2018 showcased Moscow's recent progress but also contributed about 1 percent to Russia's GDP over the last five years with significant investment in transportation infrastructure, stadium construction and accommodation. The World Cup was used to reinvigorate stagnating sectors and showcase Russia as a global superpower. Some 570,000 foreign fans and 700,000 Russians attended the World Cup matches (Ostroukh 2018). A centerpiece was a new world class complex Luzhnik was built as an upgrade for the old stadium. The conversion added 81,000 square meters to the area and 3,000 more seats to the 81,000 seat arena at a cost of over ½ Billion USD.

Moscow's economy is diverse with federal authorities of the Russian Federation, local authorities, foreign embassies, the headquarters of most large Russian commercial organizations, and one of the most developed industrial and production centers in Moscow. Moscow is not content to just take a place on the world's stage of great capital cities; they are strategically poised to further their advancement and world standing. Just last December 2018, an expert group from KB Strelka assembled a group of international experts from Singapore, Paris, Copenhagen, London, Tokyo, Shanghai, Vancouver, Toronto, Chicago and Berlin to explore comprehensive tools to advance a new project, "Moscow's Spatial Strategy: A Tool for Managing the Future," (Moscow Urban Forum 2018).

This research highlights the tremendous progress made by Russia in embracing and interpreting its own vision of capitalism in Moscow, making tremendous capital improvements in infrastructure, transportation, housing, planning and urban development. Challenges with migration and low birth rates might hinder future progress, but the can-do spirit of Moscow moves forward; its ambition to compete on the world stage as one of the leading global cities will continue to motivate Russia to prioritize Moscow's ascendancy.

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