Moscow Does Not Believe in Tears

Reflections of a Moscow Mayor

YURI LUZHKOV

In April 1990, two years before becoming mayor, Yuri Luzhkov was elected chairman of the Moscow Executive Committee. Prior to the vote, he was asked what were his political views. Was he a Conservative? A Democrat? A Communist?

"I am from the party of managers," Luzhkov declared, and the deputies responded with a thundering ovation.

Yuri Luzhkov is a quintessential Muscovite — passionate, generous, cultured, savvy, hard-working and above all, a principled pragmatist.

The further Russia moves away from its communist past toward democracy and a market economy, the more important it is to have a man like Luzhkov in a position of authority. As one Moscow newspaper said, "Luzhkov is a man who succeeds".

Yuri Luzhkov, one of the most colorful and popular leaders of **perestroika**, *is the first*

USA	$20.00
CANADA	$28.75
U.K.	£13.99

YURI LUZHKOV

MOSCOW DOES NOT BELIEVE IN TEARS

REFLECTIONS OF MOSCOW MAYOR

TRANSLATED FROM RUSSIAN BY
MARK DAVIDOV

EDITED BY
MARK WUKAS & MARK DAVIDOV

BOBU INTERNATIONAL
CHICAGO, ILLINOIS

Designed by Lev Paliev

ISBN 0-9653464-0-4

MOSCOW DOES NOT BELIEVE IN TEARS

"We are now creating such premises of managerial environment where the authorities will never again become means of coercion — forcing people to achieve the goals dictated from above...

And people will judge us not by our political declarations, but by the growing square meters of housing, roads, parks, by the actual increase of Muscovites wealth and well-being."

Dear Reader!

Many Russian and foreign companions often ask me the following question: what is the secret of Moscow's dynamic development against the background of the heavy crisis that characterizes our country as a whole today?

To be honest, it is impossible to answer this question, because there simply is no such so-called secret. The driving force behind all of our modest successes is work, work, and only work! With Moscow as an example, the book tells a story of a shift from government-monopoly economics to market one, and of the efforts of the Muscowites to contribute to the renaissance of their city, to restore its past beauty.

The goal of the book is to give the readers the necessary material in order to better know our beautiful Moscow, and, if possible, to fall in love with it as we do.

Taking the opportunity, I would like on the behalf of all Muscovites and from myself personally, to wish the American reader and the American people all the best, peaceful and happy life, strengthening and development of friendly relations between our countries and peoples.

Yuri Luzhkov

A FOREWORD TO AMERICAN EDITION

Yuri Luzhkov, the mayor of Moscow, is an extraordinary man.

A Russian original, Luzhkov is tough when he needs to be and tender when he wants to be. But as you will see, he is no different from any American in his desire to do what's best for his home town and its citizens.

At a time of painful transition and a harsh economic situation throughout Russia, as it rises, like a Phoenix, from the ashes of communism, Luzhkov is leading a revitalization of his city that's making it not only a capital worthy of post-Communist Russia but also an international metropolis of the first magnitude.

As a connoisseur of Moscow's history, Luzhkov understands his place in the city's 850-year tradition, and his love for Moscow and its people is evident on every page of this book.

This is not an autobiography, the narration is not concentrated on one person. After

reading the book you will understand that such an approach and self-magnification would be against Luzhkov's nature. But in order to discuss and explain important issues Luzhkov gives colorful insights into some crucial moments and periods of his life. With the brusque eloquence of his humble origins, Luzhkov paints the vivid pictures of his childhood in the slums of Moscow under the most dire conditions during World War II, depicts his way to the top through the corridors of power and his political battles as mayor of Moscow.

As you read these "reflections", you will see that Luzhkov is a man with a rare grasp for "what is possible", a man who knows his strength and weaknesses, whose high idealism tempered with down-to-earth pragmatism has made him the right man for the time at this fateful juncture in Moscow's and Russia's history.

I'm sure you will find his story as fascinating and compelling as I did.

Robert S. Strauss,
Former United States Ambassador to Russia

TABLE OF CONTENTS

TRANSLATOR'S ACKNOWLEDGEMENTS

A great many people put long hours into making the English translation of Mayor Luzhkov's book a reality.

First, I would like to thank Mr. James Martin Jr. and his associates for giving me this exciting opportunity. I hope this completed book justifies their faith in me.

Mr. N. Chetverikov, the Senior Mayor's Adviser on International Affairs was also my great advisor on many important issues which ultimately led to the improvement of the text. I will never forget his help and care during my visits to Moscow, and my meetings with mayor Luzhkov.

The initial impulse that introduced me to the project was given to me by Mr. Gary Esterman and Michael Pogosov. You know how I feel about you, my friends!

The whole project would not succeed without crucial support and relentless efforts of the "organizational genius"—Thomas H. Miner, Chairman of the Mid-America Committee.

My special thanks and endless gratitude to my friend Mark Wukas, whose heroic efforts in editing the whole body of text made the book sound and really worthy of reading it in its new, English-language existence.

The incredible work was the one of Lev Paliev—his designer's talent and creative solutions added a new important dimension to the book.

Boris Aronstein fulfilled an important mission of "warming" me "up" while helping me with the translation of the first chapter.

It is needless to say how I feel about the help and support of my wife Rita and my daughter Veronica—a lot of pages felt the deft touch of their editorial experience and vivid sense of language substance.

Mark Davidov

AUTHOR'S FOREWORD

Nothing is more beautiful than the view of Moscow from a helicopter. There, stretched below, familiar from childhood--is the city, exposed, as far as Heaven, not people, may see it. And--from above--it reveals the mystery of its power and eternity: the circumferences and radii of the streets are laid not accidentally, but as if to offer power-lines of certain magic, energy accumulating rosette. Just because of this natural, authentic structure, as opposed to the pre-planned, intensious -- the Capital of Russia so easily incorporates all its diversified, chaotic, incompatible elements.

But, equally, nothing is more horrifying than the same view from a helicopter, because Moscow seen from above brought to my mind an image of someone badly sick. The roofs are rusty, broken, dirty, appalling. The domes of the churches are destroyed. But the most awful sight are the eerie results of the merciless Bolsheviks' despotic autocracy, which one sees everywhere: here the churches and the buildings are extricated from the living flesh of their native environment; there--the waste areas have turned to slums where before it was nice and cozy. The city from above looks like a body that has grown pulpy, spotty, has worn through...

"Beautiful and awful"--that is the formula that best described my first impressions. The great processes of history left their imprints here in all their controversy and madness. New beauty was mixed with barbaric destruction. The rotting imperial bureaucracy was draining the capital of precisely what it lacked itself--a form.

The greatest losses, by the way, occurred not during the Stalin era, but during the Khrushev-Brezhnev regimes. Having conceived the idea of extending the city limits (a beautiful idea actually, since Moscow was choking within the existing boundaries of the Camer-Collezhsky embankment), the authorities of the "era of stagnation" decided to "squeeze" to the outskirts of the city all those who make a city a living place--the tenants, and make the center of the city an official, not a residential area. Even I, when I became the Chairman of the City Council in 1990, was still asked to sign a document which was supposed to provide a legal basis for temporary relocating of Muscovites from their apartments in the center--vacating a total area of one million and twenty four thousand square meters of dwellings.

"What is the current total of empty housing here?" I asked.

"More than two millions."

"What is the rate of the reconstruction and the return of the tenants?"

"One hundred twenty thousand square meters a year."

"So, you are in an fifteen year debt to Moscow already. What are you trying to do? To prolong the agony of the center?"

Silence was the answer, which also meant that nobody had abrogated the plans of resettlement.

The structure of Moscow is different from, say, New York: there, the center, the down-town grows upward, the concentration increases, it becomes impossible to live there. Manhattan is the Babel, the "stone jungle," which is perfect for business and tourism, but not for living there. In Moscow everything is the other way around. Here the center is not a stone

well, but a gully. Not a cacophony of steel, concrete, sky-scrapers, but instead spaciousness, air, Tchaikovsky. And since all this was not--thank God!--completely destroyed, it is our duty to revive, resurrect the festive, carnival-and-fair mood and spirit of the center. It has to be not only a place for trade and entertainment, but there must be light in the windows; the old buildings have to be restored so that people can live there again.

But what are your boundaries, Moscow? Where are you moving? It is impossible for a city to expand endlessly, to stretch, to extend, to enlarge--what other words can we find? In the older days, Moscow was surrounded by villages. Now suburbs with cottages can take their place--second houses for those who do not want to inhale the city smog...

In any case, during my first inspection flight I saw a severely troubled damaged city. Not a dead one, but strongly undermined. A city that needs long, serious treatment.

We all have to cure it.

This a huge and difficult task that has to be done.

I wrote this book to tell about this work.

Some may be surprised: what is the reason for a mayor, who does not suffer from the lack of the public attention, who is always in the focus of TV and mass-media, to write books? Can it possibly be that after such an amount of interviews, articles, public speeches--something remains unattained, undiscussed?

You may not believe it, but the answer is "yes." And at the heart of the matter is the understanding (or a misunderstanding) of the essence of a mayor's work, service, and devotion.

Evidently, the books is not complete. There was not enough time--and, frankly, I am not sure where and when a mayor can find a luxury of free time. I wrote it in installments, in different places, in airplanes, during my vacation time, in a slapdash manner--may the reader take that into consideration and forgive me.

But if I managed, even if only partially, to bring across

the specifics of the objectives which were and are essential for our capital's municipal authorities, I fell that I have reached my goals as the author of this book.

And one more thing. Genre-wise, the book looks like an autobiography. But essentially it is about all those with whom I am working together, in municipal pursuits. This is the book, my friends and colleagues, about all of us. Because I do not do anything alone.

CHAPTER 1

THE COURT-YARD OF MY CHILDHOOD

I was born in Moscow. The maternity home was right across our court-yard, that is why it did not take a lot of time carrying me to the slum dwelling where my parents and older brother lived. I think that it had been the only case when I was seriously cared for. A short time later, a third son, Sergei, was carried home the same way, and so it happened that I became "a middle man," average, normal, intermediate. It affected me so much that since those days, I have lost the ability to comprehend myself as anything special and worthy of attention. Even when my teacher, Nina Nikolayevna, predicted, "You, Luzhkov, will get into trouble some time" -- I didn't live in the clouds at all.

If something had distinguished me from others, it was, on a contrary, the

complete lack of interest toward myself and the same complete dissolution in the surrounding environment. I've been so happy to live in this city, in this court-yard, that I've been always believed that the place I lived was the best in the world.

That kind of feeling did not emerge because we, as they say now, had not seen "Disneyland," the West. First of all no Disneyland could compare to the icy caverns of the foundation pit on the abandoned construction site, where the water in the pit turned to thick ice during the winter. We used to leave there dirty beyond any recognition, but with the feeling that we'd done something wonderful which was beyond the reach of those who attended more fashionable shows.

Second, the thought that you are living in the center of the universe was natural for whatever place you are in. Life is everywhere, and, as one mathematician put it, "The center is everywhere, and the periphery is nowhere."

Our "center" was located near the Paveletski railroad terminal. We used to go there on holidays for public merry-making. There were bathhouses, a peasant market, militia, and most important, tanks making their stop after the military parades on May Day and November 7, the anniversary of the Lenin's Socialist Revolution. Would it be possible to have more happiness than just to stand next to the huge roaring tank or, if allowed, to climb onto the

armor, newly cleaned for the holiday?

The Paveletski station with its trains, horns, departures was part of the adults' life. As for us boys, we were preoccupied with what we found within our court-yard's limits. There was the whole world there, which we acclimated for day-by-day activities by assigning, for example, scornful pet names like "Cardy-Boardy Factory," "Suds Factory" and "Matchbox Fire Station."

Let's start with the "Cardy-Board Factory." It was pretty easy to get in there. The paper-covers for candies and chocolate, and other beauties were produced there. I hadn't had a chance to taste the sweets themselves during my childhood, but I was rich for paper covers since the warehouses were locked but not guarded. We used to get in the huge hangars and took as many as we could. I didn't know why, but the most attractive was the paper-cover for chocolate named "Pushkin's Tales." You could see there the young man named Pushkin with an old lady named Nanny sitting in a shiney golden room in front of a blue and crispy background. What was in it that attracted me? There were no tanks or airplanes, but all my future affection toward poetry in general, and Pushkin's poetry in particular, was instilled in me by this wrapper. I sat for hours looking intently into the room's golden aura and trying to hear the Pushkin's voice. Much later, in school, having got an access to the poetry, I was also submerging myself into the radiance of this very light, which had been given to me in a form of a pretty paper-cover as others had been gifted a chocolate.

Let's shift to the "Suds Factory," which was located in the very middle of the court-yard. The large quantities of soap were produced there. The factory's director was a big shot -- it seemed that there were no more pompous person in the universe than he. But we children were preoccupied not with the soap production itself, but

with the raw materials -- the constantly replenished pile of rotten carrion with a weird name -- *mezdra*, or "flesh side."

Even during the most horrible war years I couldn't force myself to use the housekeeping soap for washing because I was aware what it had been made from. You can't know precisely what *mezdra* means, and it is better not to know -- it consists of rotten paws, ears, gristle and other animal waste with a nasty smell -- plus the inevitable invasion of crows. These creatures caught all our attention. We shot them with our slingshots, pretending they were the Nazi invaders. The enemy screamed awfully and flew away in terror.

By the way, my mother used to work as a stoker at the soap factory. *Mamasha* had her own domain -- a room with a locomotive steam boiler -- where it was always hot, dry and interesting. The boiler filled the whole room, and it was as huge and fire-spitting as an imprisoned fairy-tale dragon. We fed him with coal, bringing the food from the yard with buckets. We also used to monitor the water level in his body, pumping it with the large sector pump, and raked out the gray, unexciting slag. But the special subject of our pride was the art of throwing the coal into the furnace right into the white-hot burning center.

It was not work, though, that was the most important thing. I didn't know what it was at the time, but I now would call it contemplation. I loved nothing more than gazing at the fire for hours without interruption. A lot of pipes went down with their ends intothe fire,and as the hot air shifted, it seemed that the pipes moved and trembled, as if some soundless music was being played on the glowing organ.

It is far too obvious that we normal Soviet kids had never been taken to the church at that time. We were

never exposed to icons and their golden frames, to candles and their sweet incense. But later, in that conscious age when my meeting with the beauty and mystery of the Russian Orthodox liturgy took place, I had a feeling of coming back to something familiar which my soul had experienced in the boiler room. Let's not, though, stay here too long -- these minutes are holy moments, and it is immodest to talk about them. Besides, it was not the contemplation that constituted the essence of my boyhood.

My mother had lost her job. After the war somebody decided to take care of the women and issued a provision forbidding them to occupy certain professional wartime positions, including stoker. *Mamasha* was very upset. Her next job --can you imagine? -- was in the kingdom of Snow Queen. She was made an engineer of industrial refrigerators. Everything was totally different from working in the boiler room: cold; the white overcoats of the hoar-frost; rubber boots; the smell of ammonia. I didn't like it at all, and I ceased visiting her there. It was impossible for *Mamasha* to convince the board of directors to return us to the warmth of the boiler room.

What spot of my childhood shall we visit now? Maybe to the abandoned construction site? Or the "Matchbox Fire Station?"

The kids on the court-yard were allowed to do everything. We used to live without any adult supervision. One could run around any vacant lots, rubbish heaps and dumps and sometimes ended up wringing his neck or breaking somebody's window. Nobody cared. Only the evening's arrival sent us home.

The "Matchbox Fire Station" was the old barrack on the bank of Moscow River attached to a not completely constructed building for the fire brigade, which had been started before the war. We didn't like firemen, and the dislike was mutual. We didn't like them for occupying the

pier with their motor boats. They didn't like us for jumping into the water and interfering with their work.We never saw them working; instead they sat idle in their barrack. Moreover, somebody spread the rumor that while the husbands were on the front-line, the firemen "coaxed" the soldiers' wives. We didn't know precisely what "coaxed" meant, but the general content of the expression didn't put the firemen in our favor, so, we drew our own conclusions -- and we set them on fire.

We did it like this. A big crowd of kids collected wood, roofing material and kerosene. Everything was thrown near the firehouse door, which was propped up with a board. We set the match ... and we scattered in all directions! Firemen jumped from the window, threatening us with their fists, and put out the flames. They certainly knew all of us in terms of how mischievous each of us was, but somehow they were too lazy to do anything.

Finally, one of them couldn't stand it anymore and started chasing us; only then did I realize what it meant to play with fire. Nimble as monkeys, we boys climbed quickly and skillfully to the roof of the unfinished garage, where we saw, much to our horror, that he was after us. He grabbed the eave, pulled himself and climbed up. Now there was only one exit from the roof -- a ditch and dump below. Either we were going to be beaten within an inch of our lives, or we could jump. And we decided -- good-bye, Motherland -- and jumped.

We looked like the members of a suicide society at that moment. Anyone watching would not have believed his eyes -- kids in trunks mistook the old construction site for a swimming pool, except there was no water but bricks, hooks, and beams. I don't know how we managed to survive. God only knew. When our endless (as I thought) flight came to its end and we -- torn to the complete exhaustion -- looked up, our pain and blood had retreated

in front of our great victory. The fireman grew afraid and had decided not to jump into the "swimming pool." From that time on we stopped setting them on fire, and the firemen stopped chasing us from the pier.

The other trouble came after the war. It was strictly forbidden to swim in Moscow River. It was obviously the right decision. The water was so dirty that when friend of mine, Leo Karamnov, got into the water for those -- well, you know -- rubbers, which, because of the lack of sex education, we tried re-use as balloons...

So, when Leo discovered these condoms in one of the creeks and, being overwhelmed with the sin of hoarding, swam into the oily water, he left the water so fouled that even we, who had seen many things, dropped all our activities and ran for the kerosene. We cleaned his face well enough, but it swelled to the width of the diver's helmet. Scared to death, we ran to "Tsindel," the hospital built before the Revolution by some man with this name. Our savior, the kind old Mrs. Tsilya Abramovna Vilner, was the doctor on duty. Or maybe her name was Sarah Moiseevna. It doesn't matter. What matter was that she considered herself to be everybody's *Mamasha*, and she skillfully cured all our endless wounds and in vain pleaded with us to end our vagabond life. She didn't understand that we were, in fact, vagabonds, not only because of poverty, but because we felt that wearing shoes was in bad taste. She didn't understand a lot of things, but let's talk about her later.

When authorities made it illegal after the war to swim in the Moscow River, we naturally didn't stop. We continued to jump into this dense, rainbow-colored water, caring only whether we'd be caught by the militiamen. We managed our swimming sessions this way: One of us stood guard over our trunks -- our only piece of wardrobe -- and being nude dove from the pier to the complete craziness and blue skin. When the militiamen showed up, our guard with

the warning scream ran to the previously chosen place. In a meantime we swam down to the auto plant with our asses flashing. There were swamps and thickets where our chaser couldn't get at all.

But, as they say in the old books, everything is coming to the end. One militiaman happened to be as cunning as a devil. We probably pissed him off. He worked out a really mean trick. He stopped a truck far away, got into the cab and ordered a truck driver to drive to the pier with him curling inside like a viper. It was quite naturally for our guard not to notice anything -- there were a lot of trucks stopped at the pier at that time. All of a sudden, the truck stopped and this devil got out of the cab like a dog from his kennel and grabbed our trunks. Then calmly, with an air of importance, waving our confiscated clothing, he invited us to get out of water. We had nothing else to but to gave up for the victor's mercy.

But there was no mercy. He invented a horrible execution. He ordered us to get into the back of the truck and told the driver to put down sides.

You wouldn't believe the following scene. We stood naked, covering our privates with our hands. The militiaman stood behind with the smile on his terrifying muzzle. People started to gather around. The militiaman ordered the driver to squeeze the horn in order to get everybody's attention and to drive very, very slowly all way down to Kozhevniki and the local militia office. It was too far to get there, even in pants.

You think that he summoned our parents and demanded punishment. Right? Wrong. The system of that time didn't allow investigations and litigations. Everything was based on mutual agreement. Each of us got back his trunks as well as a swift kick in the ass, and the deal was sealed. We promised not to swim in the river anymore, and we didn't. Well, at least not there.

Going back to our kind Dr. Vilner I should say that while conducting the tireless war with our barbarism and the lack of culture, she sure didn't understand what she had been dealing with. She easily taught us to disinfect our fresh wounds with a spurt of urine or a charred log from a fire, but these rules were accepted only to the point where they didn't affect the court-yard's norms. The latter put the imagination of the kid's valor in the direct connection with the risk of being hurt.

I should say here, in general, what the court-yard (it is probably here, where it is most appropriate to introduce the Russian word *dvor*, which for the lack of better variant we translate as "court -yard") is all about, and -- what is the most important -- that not all the court-yards of that time resembled those described in the best-selling novel, Children of *Arbat*.

There were intellectual court-yards, but there were sporty and even thievish court-yards as well. Ours was a hooligan court-yard, meaning that it provoked a special risky mood -- to get into a fight with somebody, to make yourself visible, to show some pluck. For instance, to swim to a barge or tug as close as possible and then swim back. (Those who didn't make it could blame only themselves.) Or to sprint along the pier's corner and jump over piles sticking up or hidden under the surface in order to reach the deep water. (One didn't manage a long jump and crashed, but this was not enough of a reason for others to stop.) Or to tie the skates to *valenki* with ropes, hook to the side of the truck and slide behind it over the snowy embankment until it twists and throws you or until you twist your neck. (Once, somebody tumbled and got caught under the following car.)

If you ask why our best years should be spent in these barbaric and risky activities and not reasonable and safe games, I can't tell you -- I swear to God -- but the

adults, and this was not understood by any people like Mrs. Vilner, gave us the total freedom to secretly indulge our passion for dangerous games. On the one hand, there was the inevitable -- *Mamasha* first took two jobs, then three of them We grew up not only without a supervision, but without a basic knowledge of hygiene, safety and similar matters. On the other hand, by leaving us to the risky, reckless mood of the court-yard, the adults were obviously guided by some old-fashioned collective instinct worked out by ages. Males have been always taken their kids to the woods. The tribe needed a hunter, and this was a matter of being lucky to survive.

It was something special, though, in all this stuff our carrying doctor -- what was her name, anyway? -- was concerned about. The kids in traditional communities played dangerous but traditional boyhood games. As for us, like any products of not only post-war ruin but technical and scientific progress, we invented new risks and added new ones to the list of already-known dangers.

Would you like to hear about "explosions?" They are a good example.

These explosions were court-yard occurrences after the war. It was only a lazy person who wouldn't bother to steal the shell from Paveletski train station, and it was only goofy one who wouldn't disassemble the Fascist spoils of war. The "explosions" used to be the usual ones, blank and "big" filled with some materials.

The first problem, of course, was to disassemble the shell and remove the gun powder. In the German shell, the gunpowder was usually located in a form of small sockets, 4-5 centimeters in length. We usually poured a thin trail of gunpowder to the collected ordinance to give us time to run to safety. Only a novice would not make the path long enough. We professionals retreated with dignity because he had made time to flee.

The second problem was finding an detonator. I preferred carbide, and there was plenty of carbide at that time. They threw away piles of calcium carbonate everywhere, and one could always find some pieces which were able to "gurgle."

The third problem was to make sure there was a lot of smoke. For that we would need acetate film, and there was also a plenty of it dumped around. In accordance with the developed procedures it should be curled tight, covered with paper and burned. The fire, though, should have been immediately stopped. Then it was able to give smoke for a long-long time. It was sort of great smoke-screen.

Now, having got everything, we can start. Paddle, carbide, gun powder, smoke-screen, the path made of small packages -- let's light it.

B-o-o-o-m!!!

The greater the explosion, the greater you were, and it felt very joyful.

It was much later, when everything I am going to talk about was far behind and nobody was able to recall who got this stupid idea in his head. I mean -- why to disassemble it anyway? Why didn't we put the whole shell in the fire? Who was against? Nobody. OK. We made breastwork, lit the fire, put the shell in it and ran like hell...

...When the corner of a not-completely constructed building for the fire brigade was torn apart, and the maternity home's windows went into pieces, it became obvious to me that technology required the appropriate knowledge. I believe that at that very moment I had decided to go to school.

This incident was much larger than the court-yard's limits. And there came Mr. Brit -- district militiaman. They said that he had been discharged from the army. He

was very experienced and respected person. He knew everything about everybody, and it was a piece of cake for him to find out what was going on. He talked to me, to my Mom, to all kids, to adults... The court-yard was as silent as the grave to the authorities.

Of course, we all were reprimanded mercilessly. It was imprinted in our minds for a long time that not all technical ideas were worthy of being executed. But to tell us this was none of the authorities' business -- it was taken care of by our court-yard. That's why nobody -- was it understood? -- nobody had a right to be the informant. If it had happened, he wouldn't have been forgiven by our community. We were one for all, all for one. This lousy sneak not only would have been beaten (that's for sure), but would have been boycotted as well. And this was the most awful thing to do. The court-yard's solidarity worked so powerfully, that nobody, including my best friend, would have been able to violate the collectively accepted sentence. The person just disappeared from everybody's eyes, he became sort of a shadow, the living dead, and (because of the collective power of conviction) started to believe in his own nonexistence. Only with time (and it was a mystery who did measure this time) the forgiveness would have come, and the punished was allowed to play with us. But this code of honor was with him to stay for the entire life.

The court-yard punished, but it protected as well. I was shown this once very vividly. That time I fell the victim of false accusation. A car entered our court-yard and someone vandalized it by throwing a rock through its window. It happened accidentally, of course. Anyway, the window was broken, the driver grabbed one of the younger kids and began shaking him and interrogating. The kid was scared to death and pointed at me, maybe because of my bad reputation. I was playing near the home when

that guy came after me, grabbed my hair (yes, yes, I had hair then) and began screaming that it was me who had broken his damn car's window. You won't believe what I'd been doing. I fought like a beast. I screamed that if I had done it, he wouldn't have been able even to find me. Then the adults gathered around. My arguments seemed to be reasonable, and they kicked the offender for picking up the wrong guy.

That was the term *dvor* all about. I am wondering even now, why the people, living not in old buildings but in newly built barracks, had such a sense of being "masters." It was their territory, and they governed it without any interference from the power structures. There were problems, strife occurred, but everything worked out inside the *dvor* somehow, since everything was built up on the territorial community's instinct.

I am asking myself now, what was this community all about? What was the strange formation we called *dvor* all about? A few buildings that happened to be together were united as a whole, and it was the territory, not the buildings themselves, that was defined as a place for everybody's self identity. And this essentially aerial, spatial formation,ostensibly free from municipal jurisdiction,developed its own customs, traditions and affections. The *dvor* was the natural form of the inner-city territorial community with its own ethics and collective friendship. It was a place the locals crystallized their solidarity. It was a small, self-organized community in opposition to the city and to the state. Age and property made no difference in the court-yard. It was a place for communication and meetings. We danced, dried our laundry, and played in the court-yard. We sought help and protection over there, and as bad as our life was, we still didn't envy, and we didn't talk endlessly about those who lived better.

Now, our life wasn't ideal. If I began talking about

the squalor of our existence in full detail, it would see horrible -- but let's discuss it a little bit anyway.

My family had one room for six people. It was only after the war that my father traded part of our court-yard kitchen with our neighbor for part of his inner shed, and by this deal we secured a kind of separate apartment. But it didn't have central water (it was provided much later), central gas (everything had been cooked on oil-stoves), a septic system (it had been substituted by cesspool and the vertical toilet's pipe). Since we'd were living on the first floor, I won't go into details. We did have electricity. It also was terribly cold because we had walls made of boards (somehow insulated) and occasionaly working stove. During winter, the heat was literally blown away.

Everybody wore rags. Only after the war did all three boys receive a gift, one for all -- a poisonously green coat, the only German spoil of war our father brought from the front. It was of unbelievable dimensions. I wore the padded jacket underneath my coat, and that was how I went to college.

Everybody lived half-starving. Everything was distributed through ration cards during the war-time. Since only *Mamasha* worked we were eligible for only one ration card. But we had three of us always hungry, plus grandma, my father's mother. I can't describe this. We always wanted to ... not even eat, but to devour no matter what. Kids around us swelled and died from hunger. We were told at their funerals that their soul flew up to heaven where it would be fed.

I had felt myself stuffed only once during the entire childhood. It was the time we stuffed ourselves with the white clay. Somebody told us that it was quite edible. We found it on the railroad and collected the whole bucket, brought home and salted. Our Mom came home in the evening. She was a woman of first-class intelligence and

sensed something bad in the hall. What happened? Where did you get it from? We slapped ourselves on the bellies, being very pleased with ourselves, and offered her her share from the bucket.

I am going to remember her look for the rest of my life because for the first time I had seen an adult genuinely frightened. To lose her three sons in a moment just because of that unknown clay... All neighbors got together and began discussing the situation. Somebody suggested to force us to throw up; some others suggested to wait. Our usual Russian decision "to wait on the off-chance" had prevailed. And it was really "off-chance, " naturally speaking. The clay came out without any trace, leaving us without that fantastic sense of repletion.

I could go on and on describing the burdens of our life, but let me say sincerely that I'd rather not. I don't have any sense in my recollections that these were bad times, and actually, I never have. Was I hungry? Sure, but it seemed to be natural. Ink-pot frozen? That was natural as well. Nobody felt cheated. There was no sense that the real life was going on at some other place. The sense of absolute normality reigned over everything, no matter what kind of troubles, poverty and hunger we'd suffered. Even if I had been told, that something was wrong (except, of course, some temporary difficulties) I wouldn't have been able to understand it. The negative feelings were squeezed out by our vitality and sense of community. Yes, we did have burdens -- but we'd never skipped a chance to cheer up. We did have troubles -- but we never lived through them alone. There was no problem at all going to a neighbor to borrow some potatoes, bread or money. When some holiday or family celebration took place, everybody in the court-yard participated, and when somebody happened to meet his relative coming from the front and the bottle of vodka was needed -- the whole

community exerted itself in order to receive him properly and to show that we were still alive.

Dvor served as a complex school of solidarity, endurance and everything that became the basis of our ethical values for the rest of our lives. Friendship, dignity and our special children's honor had been cultivated in this environment with a sort of violent strength. The generations have grown up and left, and they have been substituted by others, but there had been always a kind of inner decency in regard to each other that needed neither vows nor explanations. I even couldn't remember somebody explaining something to others. There was another mechanism involved. There were no moral nagging. Everybody understood what was allowed and what was not because it wouldn't have been tolerated by the *dvor*. From that view point, by the way, there was no substantial difference between the suburbs and downtown, between us and "children of Arbat." Despite physical differences, all the court-yards were similar in terms of their spirit and their accent of life. It was into this warm communal environment that this human being was born and started to realize himself and people around, and at last became "the Muscovite."

His own city was around him, the city to which it was impossible to relate other than to his own, with love and care. This special Moscow tenderness still can be sensed today in the old names of tram, *Ann*, and trolley, *Bug*, which stand for A and B routes. I don't know what happened then and what was most important, or why it happened, but gradually the sense of unity, solidarity, community started to disappear.

The court-yard's "family" has dissolved, and some sort of isolation has emerged. Moscow has become something different, quite different. Everything became separated into families, honeycomb, shells. People stopped rec-

ognizing their staircase neighbors. The custom to come over to each other, to get interested, to share, to help has disappeared.

Some strange mood of alienation is smothering Moscow. It's as if a Muscovite came to feel he no longer belongs, that something or somebody has insulted him, or has taken his share of the city. God knows where is this age-old Moscow charm, the atmosphere of community and kindness, has gone. People have started to live in isolation, without sensing their own space beneath and around.

I have been talking a lot about it with friends and scientists, sociologists, psychologists, demographers. I have read architects' articles. Everybody has stated so called objective factors -- the city has swelled, the city has spread out. They have told me about the problems of urbanization and other scientific matters.

I respect such explanations, but I, as a native Muscovite, have always been disturbed somewhat by the sense of being pushed aside, or, to put it better, a sense of being doomed. Scientists were trying to justify rationally what in my heart I could never accept. What are the problems?

New regions have emerged? Fine, we had had such "new regions" before.

The great influx of provincials to Moscow? Fine, but we also had non-native Muscovites living in our courtyard when I was a boy.

Day-by-day burdens got you itched? Fine, but it had been this way before.

To my mind, one mistaken notion hidden behind all of these scientific explanations is that the old Moscow's *dvor* was a survival of patriarchal relationship. I am convinced that it is not survival at all, but the real Moscow instead.

I would like to say, that in the 1960s along with

the cheap building technology, we brought the virus of separation and isolation. Architecture started to demolish court-yards which have been always the part of the special Moscow community.

Well, I am not against progressive building technologies, but along with them we borrowed and cultivated on our soil the most vulgar planning projects. Even in American condominiums, where people move once they no longer need their houses (and where the cult of individualism is well known in general) I saw court-yard halls, court-yard places, territories for communication. The whole world is in search of so called "local communities" -- new forms of territorial communities. People don't want to identify themselves with something central, big, remote anymore. There is a desire everywhere -- to make it warm, to make it home-like, to make it smaller.

To consider the Moscow court-yard's community exclusively as a survival of patriarchal relationship is to declare the Russian tradition of table-talk as "feudal" and to replace it forcibly by European *la fourchette*. This style is cultivated nowadays in some houses of "new Russians" -- take a glass and a plate and go walk -- but the more Russian housewives are getting into this system, the more obvious, to my mind, is its "stylization." There is no "contemporary style" behind it, just another tradition -- not a stage, but culture. It is just a custom to apprehend each guest separately, autonomously, not as a part of community around the table.

I have never appealed to restore court-yards -- our allegedly Russian Arcadia. There has been no such Arcadia, and nothing can be brought back. But I believe it is possible to find today in our current life some analog of that old lost community and regain the sense of warmth with regard to the city. In any case it became a sort of secret dream for many people of my generation.

These themes never left the kitchen's limits when I worked as mechanical engineer and then as a director of machine-building company. And later, already assuming (quite unexpectedly) the position of Deputy Chair of the Moscow Executive Committee, I hadn't thought about it seriously. These thoughts would have been considered as a cheap talk at that time.

But I am a mayor now, and my dream is to return the city of Moscow to its citizens. It is, though, not a dream at all, since the simple analysis of situation convinces me that without the revival of the collective living traditions it is impossible for the city to surmount its problems. The administration should naturally do something about it, but there should be others working as well -- the citizens and organized territorial communities. There should be pressure from their side as well, the recognition of the fact that there is no other solution than to take the situation in their hands.

The current processes in the city -- growing slums, the rise in price of repairs and much more (including changed social climate) -- will necessarily lead to the strengthening of corporate interests in the case of people being united by their court-yard destiny. We need just to awake this yet passive *soveticus* consciousness, which still relies on everything in a ready condition to be provided by the authorities. We need to switch on the resource that is hidden in us to wake the desire of inhabitants, and for Muscovites to make their territory livable.

People should feel themselves masters of not only their own rooms. The house shouldn't stop at its threshold or its doorway, or even with the street in front of it. The court-yard, gate-way, by-street, street, square, embankment should become our own as it used to be. The spontaneous effort should start to make the city environment livable.

Then we could start talking about the help to the various forms of self-governing (territorial free associations, unions) from the city administration. The activity of these self-governing bodies can expand to economically reasonable creativity. In one case, it is possible to find an abandoned lot and commercialize it. In another case, it is feasible to rent some abandoned buildings and use the money to redesign the court-yard's territory as they want. We would support any attempts to develop territories. Many decisions made by city administration today pursue such a goal.

By promoting building associations we just not only want to make them responsible for the communal fund, but, discussing the provision on foreigners' status or registration in Moscow, bear in mind quite real judicial norms.

The mood of Muscovites and their feelings is quite important for us.

We need to give them back their city.

CHAPTER 2

ONE POTATO, TWO POTATO, THREE POTATO...

A DRAMA IN THREE ACTS, WITHOUT PROLOGUE AND EPILOGUE

Act 1

I have always held the opinion that a leader must be a specialist. That's not a profound revelation, but I have always repeated this idea to myself and others. There was not a single meeting where I would not remind the participants that practically all our problems were and are due to the fallacious Soviet practice: to replace one leader with another judging by his personal clout and not his qualifications or his ability to lead.

Imagine now what a surprise it was for everybody when in 1987 I accepted Boris Yeltsin's offer to become the head of the Moscow Agricultural Industry -- I, who at the time could hardly distinguish

between summer and winter brands of cabbage. To explain my decision I would have to formulate and develop an entire philosophy and to explain my particular understanding of fate. Unfortunately, I do not have the time to philosophize in this book, so I will be brief and reduce the complex matter to a simple statement: I believe in fate. What is more important, I know that it loves to test human intuition and resourcefulness, especially at important turning points of life. You may elaborate all your life upon a world view, follow the path of reason, but suddenly there comes a moment when you have to give them up completely and follow your intuition.

Yeltsin's offer to me promised nothing but complete failure, an absolutely no-win situation from any point of view, but if I had to do it all over again today, my answer would still be the same: "Yes."

1

As it usually happens, the whole story began in an offhand manner. After six months of working at the executive committee of the Moscow council, I was called for conversation by its chairman, Saykin.

"Sit down, please," Saykin said. "I want to talk things over. We have a whole mess with the vegetables. The new delivery campaign is just around the corner, and we have to put somebody at the head of Mosagroprom."

"I am certainly flattered," I answered, "that you are consulting with me, but I am from a technical field

and don't know anybody there. If, for example, we need to hold a state funeral, then here I can help as a chairman of the municipal consumer service commission."

Saykin was not the man who could appreciate any joke, good, or bad, but in any case, my joke was not appropriate because at that time the chairman of Mosagroprom, Kozyrev-Dal, was seriously ill, and it was he who had to be replaced.

"You didn't get me," he said. "I mean, maybe you will try?"

Now, I was boiling with rage.

"What are you talking about? I am a mechanical engineer. I was working for thirty years in the chemical industry. That's where I was a specialist. When they pulled me out from my area and transferred me to Mossovet, it was already wrong. But, at least, they drafted me to deal with the municipal industry,new machinery and technologies, something familiar and close to my expertise. But now you want to make my life even worse?"

"I don't think so. You are doing fine."

With this, the meeting ended. I was relieved that the trouble had passed away. I could forget about it, but after a while, Saykin began again:

"So, have you considered my offer? I will help you."

"I don't need your help!" I told him. "I am not the man for this job. Or do you want to get rid of me?"

"No, no," he protested. "How could you even think such a thing?

Again there was a bit of silence interrupted. Then came a telephone call: I was invited to the Moscow Central Committee of the Communist Party. Now, the situation was absolutely clear. I am going there with the only thought: Not to surrender. If they would insist, I thought, I would return to my old job, which I sorely missed. It was not my first meeting with Yeltsin; he knew my char-

acter and was aware of the fact that if I become stubborn, nobody can move me from my point of view.

But to his credit, Yeltsin didn't push. Moreover, he didn't look at all the way I was expecting. He seemed tired, depressed. He was speaking with a kind of difficulty, but with a great warmth.

"I won't beat around the bush, Yuri Mikhailovich. It is hard time for me now. We have created Agroprom in hopes that the situation with the supply of the agricultural products would be improved. It didn't work. We need a new leader there, and we can't afford to make a mistake. I know that you have rejected the offer. I do understand that this job is not a piece of cake, but we've given it a lot of thought and, well -- I beg you."

This kind of conversation was the last thing I expected.

There was sitting in front of me that famed Urals *muzhik*, whose harsh style of leadership was the subject of endless fear in Mossovet. Here he was and -- at the same time -- as if another person. It seemed to me that some uneasy thoughts were gnawing his soul, some gloomy premonitions that I could sense as if through a fog. It was almost like in my childhood when I was developing my first photos: first it's blank developing paper, then, gradually, the image appears...

Now, everything that happened is common knowledge -- his letter to the Central Committee of the Communist Party of the Soviet Union, his sensational speech at the plenary session, Gorbachev's fury, expelling him from the Politburo. I don't feel comfortable discussing my foresight because it looks like I'm trying to play the prophet after the fact; however, the fact is that nothing else explains my sudden change of heart in accepting the post.

This was one of those rare surprising moments when one has a kind of split consciousness: At one moment you

are sitting, involved in a conversation, while at the same time you are observing everything from a distance. At that moment, my mind was perfectly, chillingly rational: "You, fool, what do you want? What you need this job for?"

However, fully realizing the absolute desperation of the situation, I also realized that there could be only one resolution: Yeltsin's, not mine. He was on the verge of making a decision that was predestined. If he had shown any hesitation, I would have felt free to refuse him, but here was a man sitting in front of me who, with a bearish stubbornness, had pushed his way forward to meet his fate. Now he was asking me to help him. This was one of those decisive moments when the future is laid down and history, as we know it, is molded.

I won more than the trust of the future president of Russia with my "yes." On a purely practical scale I was about to learn through the School of Hard Knocks a most important skill: how to manage a municipal economy during a harsh period of transition from one economic system to another.

2

When Bolsheviks seized power and decided to ignore all economics laws, they hardly could imagine the huge amount of normal things in life they would turn into the abnormal. Even matters so simple that they never could possibly be a problem, such as the delivery of the vegetables from villages to the city, turned into something so monstrous and so absurd that there was no analogous situation in the entire world.

We all know that Lenin didn't trust peasants. He believed that they were not capable of changing their nature and becoming urbanized. In preferring city ways to country, Lenin followed traditional outlaw methods in pillaging the countryside. The politics of "military commu-

nism" was extremely simple: rob the countryside of crops and deliver them to the city, store them and put them under lock and key. Thus the idea of "fruit and vegetable warehouses" came to life. Later, these principles of the "surplus appropriation system," combined with the methods of "collectivization" and governmental planning, became the cornerstones of the absurd socialist organizational monster. Since those in villages or the country couldn't be trusted, the socialist city had to have in its stores a year's supply of vegetables and fruits: to sort it, pack it, stack it -- and, thus, keep it fresh the whole year round!

Nowhere in the world can one possibly find a system like this. Take Paris, for example. If you look at the way it is supplied with produce, you will find that nobody has ever heard of "fruit and vegetable warehouses." All Parisians know the famous wholesale market where every day (actually, every night), from all corners of France (actually, all Europe), trucks and vans deliver greens, fruits, and vegetables with everything else that has to be on the Parisians' table for breakfast.

Of course, nothing today is left to chance. There is exhaustive information about supply, demand and prices provided by a computerized network. During the night -- everything happens during the night, because the citizen, i.e., the client and consumer, is the ultimate priority -- wholesale buyers, grocery store owners, supermarket managers and restaurateurs examine the goods and choose what they like, what is cheaper, or what they are more accustomed to. Payments and the delivery of the goods also take place during the night. Thus, when a Parisian, who doesn't have even the slightest idea how everything is organized, comes to the store in the morning and takes whatever he wants -- fresh, washed, selective -- he buys not just a product that matches his tastes and wallet, he makes something that fits into his lifestyle.

In other words, the Parisian consumer knows that the world in which he lives in is the right one because people treat him with respect and affirm his dignity simply by doing their jobs. In this way, this consumer receives crucial information about his city, and later in his own work he "repays" by giving back his "products" to the city, thus sustaining the "level of civilization" he experienced in the morning.

Buying potatoes is such a trifle -- but this trifle can be arranged in such a way that all day long you would feel disgusted. Furthermore, if this is not the only offense, humiliation and depravity but just one more incident in an endless chain of abasements, then a totally different spiritual climate is established in the city, in people's lives. That's when the "civilization of boorishness" takes power, the kind of civilization that absolutely ignores the essential human quality: human dignity.

Our so-called "Russian patriots" may tell me that Russia has its own "special way" of development, that the Western cultural patterns are not appropriate for us. I will never agree that Russia has to tolerate this boorish behavior. Although the "democrats" will not praise me for this idea, I also think that when Russia voted for the course of democratic reforms, they did so not because they understood unintelligible theories from specialists in macro-economics. No, Russians simply got tired of the "civilization of boorishness" in their everyday lives.

3

In Moscow everything was the other way around from Paris. Lenin's distrust in the peasants, enforced by Stalin's ideas of total governmental control over the economy, was the basis for the creation of the absurd organizational monster: twenty-three gigantic warehouses capable of keeping, altogether, up to 1.5 million tons of

fruits and vegetables. This figure is hardly comprehensible for someone not in the field, but it's a whole year's provisions for a city of 10 million people. Even I, who regularly inspected those storages, sometimes spending nights there, can hardly imagine this enormous "vegetable empire."

Each year Moscow suffers incredible tension during the harvest. Innumerable amounts of fruits and vegetables have to be bought, loaded, delivered, unloaded, sorted, packed and stacked in the warehouses. Traditionally, about 100,000 citizens were mobilized daily on a mandatory basis during those harvest deliveries, not counting those who were sent to the country to work in the fields.

But that is not the whole story. In order to maintain this desperately outdated system throughout the year, there was a need to draft daily up to 20,000 Muscovites to re-sort, re-pack, re-stack spoiling and rotting produce. City services were assigned to maintain the storage facilities and a lot, lot more that I don't even want to touch lest I bore you, dear reader.

But even those Herculean efforts couldn't prevent the system from collapsing. In the times of Mikoyan, who was the godfather of this "institution," the appearance of the rotten greens on the counters of the Moscow store was considered sabotage and automatically implied the loss of party membership. But as soon as Khruschev gently loosened the iron fists of the administrative responsibility, the produce warehouses were the first to react. From that moment Muscovites gradually grew accustomed to faded carrots and squashed tomatoes.

Through the whole "epoch of stagnation," the rotten potatoes became and remained the symbol of the decaying system with its pervasive corruption, cheating, bribery and social parasitism. Still, up to the very end of the Brezhnev era, the vegetable warehouses were somehow

surviving, though providing more fodder for satirical pamphlets than food for consumers.

The real collapse occurred together with the beginning of *perestroika*, or restructuring of Soviet society promulgated by Gorbachev. The fruit and vegetable suppliers had long ceased to care about the quality of their products. The warehouses became dungeons whose contents were destroyed, not preserved. Filled with spoiled products, grocery stores were left no alternative but to tell their customers the now-famous refrain: "If you don't like it, don't eat it." So, Muscovites, cursing everything in the world, were forced to buy **black** greenery.

Perhaps all this wouldn't bother party authorities if there wasn't one minor mitigating circumstance: The food industry was an acceptable target for criticism and journalistic attention. Under socialist tradition, the Soviet media was not permitted to criticize any shortcomings in heavy industry or in kindergartens, but there always were areas where the criticism was encouraged. Within these boundaries the warehouses were easy targets. Everything was permitted. People's indignation was welcomed, making it almost impossible to hide the faults.

Sure, there were limits even for this kind of criticism. Running ahead just to illustrate the practice, let me mention here that only one week after my new appointment I already could read in a newspaper, "Look at that Luzhkov! For how many years he promised to set things going in the vegetable industry, and he did nothing! How can we possibly tolerate such leadership?"

Certainly, it was a special case, but a characteristic one. Instead of analyzing the situation and going deep into the real causes, the critical pens preferred easy targets: middle management. And it was not only the media's attitude. Upper echelons of power also did not know how to improve the situation.

While laughing Muscovites were telling each other the anecdote about a reform in a whorehouse -- "You have to change the system, not the girls!" -- the party authorities were involved into an endless process of replacing middle managers in their efforts to renovate the system that created the problem. In the summer of 1987 the Moscow fruit and vegetable industry came to the verge of collapse. The warehouses were functioning worse and worse, people were outraged and *perestroika* was accused of creating the whole mess. The Politburo fingered Yeltsin to take the blame, putting him in a tough spot.

This is a scenario for change -- no, not the system. The leader!

4

The strange title "Mosagroprom" in reality meant the whole Agriculture Ministry. On the one hand it was in charge of huge food industry -- milk factories, bakeries, farming, meat-processing, tobacco factories -- in short, the whole Moscow super-industry which consumed almost 15 percent of the budget of the entire Soviet Union.

It also was the industry with the most trouble.

All those who were appointed to manage this gigantic food empire finished their carriers quickly and without glory and then fell into oblivion. There were, by the way, those came to the job with the best intentions to work hard, but the untamed decay of the authoritarian methods of management turned the Moscow food complex into a morass absolutely capable of ruining anybody who had the misfortune of stepping in it.

The last person in this mournful succession of leaders was the former first secretary of one of the Moscow district party committees. This man, Kozyrev-Dal, was simply a "good man" who aroused compassion in everybody. He was a hardworking, modest person, who literally

became sick at seeing the things go from bad to worse every successive day. I met him occasionally in our Mossovet dining room during lunch. He used to eat a modest meal in a sad silence, put on his old-fashioned leather coat and quietly sidled away.

One day I sat down at his table and said, "Fyodor Fyodorovich, they added supervision of the cooperatives to my duties."

He smiled. "That's because you are a new boy here."

"I am thinking about applying them to your vegi-industry," I said. "What do you think? They are flexible, profitable, can be trained to adjust to the needs of the warehouses."

"I will think it over," he replied sadly.

Kozyrev-Dal, like an excellent pupil who always completes his assignment, found me a couple of days later.

"We thought your idea over, Yuri Mikhailovich. And you know? Those cooperatives of yours are a totally new enterprise. We do not yet know how it will turn with them, and we have to provide Muscovites with food. We do not have the luxury to take any risks at this time. Sorry!"

I never met Kozyrev-Dal again. We learned later that he became seriously ill. Rumors mentioned cerebral thrombosis, but whatever the diagnosis, everybody knew that his physical ailments stemmed directly from a nervous breakdown. In non-medical terms, the real reason for his illness was that he could neither save nor improve the existing order of things by *raykom* methods, and he never knew any others.

While talking to him in the dining room, I never imagined that somewhere in Mossovet's corridors the idea of replacing him with me already was circulating, and that it was Saykin's first deputy, who was considering the idea. I can't imagine his reasons. Perhaps he had a

high opinion of my management skills. Actually, somewhere beneath the surface, a more sinister reason was lurking. He and I were deputies of the Chairman of the Moscow Executive Committee and therefore potential rivals. Why shouldn't he arrange to move his rival into the "damned" area of the Mosagroprom, where everybody comes to a bad end so quickly and anonymously?

I am not sure whether my suspicions were valid, but after four months of working in Mossovet and becoming more familiar with its operation, I would not be the least bit surprised to learn that my hunch was correct. The Mossovet clerks were bad managers, but they were unsurpassed in these kinds of games. In any case, Bystrov (that was my rival's name) began to brainwash his boss Saykin about me with such fervor that it only strengthened my suspicions.

As for Saykin, the idea of moving me to the Mosagroprom was absolutely new and unexpected. But with the changing times of *perestroika*, he already had trained himself to meet the non-trivial decisions and solutions. Because of Kozyrev-Dal's illness, he had to undertake and supervise the whole "vegi-madness." He saw that the system was decaying: theft, corruption, negligence -- all the evil fruits of the "ripened socialism" grew here to their extremes, and those "ripened fruits" were weighty ones. Once they fell on your head, you could kiss your ass good-bye!

5

When I saw the warehouses as they truly were for the first time, I fully realized the meaning of the word "collapse" and what the future might hold for socialist systems in general. Moscow's fruit and vegetable agricomplex was heading toward an abyss at blinding speed.

God didn't make me as a dissident. When I see a

system's vices, I want to reform it, not criticize it. Criticism attracts me only to a degree where it leads to reforms, and I consider criticism futile if it does not recommend action to improve the situation. You can imagine that I could scarcely hold my temper upon finding a food-storage system where it was more advantageous to let produce rot.

What were the problems?

First, the conditions of storage. I do not even want to describe them. I hope that this book will be published before its readers forget about the realities they had to live with through the Communist era. Muscovites used to "visit" the warehouses more often than school children visited Tretyakov Gallery. Terminal filth, stench, mold, rats, flies, cockroaches -- there was nothing so vile that did not find its home in these warehouses. Vegetables, God's blessed gift, were stored here under the same conditions probably suffered by sinners in Hell waiting for Judgment Day.

Second, technical maintenance. It is a paradox that those very warehouses, which were constantly a focal point of alleged reforms by party hacks, looked like useless slums. There were shortages of everything. Containers? None. Batteries? None. No valves in the freezers. Not even ammonium. Still, these shortages might be forgiven when they concerned the old warehouses with the antediluvian technology. But even those warehouses which were state-of-the-art were brought to such a degree of negligence that you could explain it only by some crazy idea, e.g., the employees were obsessed with intentionally destroying everything like an army retreating in the face of an attacking foe. Nothing should be left standing for the enemy.

Third, total managerial failure. Not even failure -- a catastrophe. I remember how shocked I was when I was told a story about two directors' deputies of the Kuntsevo warehouse. The director was fired, probably, for embez-

zling, so this pair decided that it was time to fly away and sign for each other orders of discharge from duty and then retire! But it seemed that I was the only one who was surprised by this. Nobody "noticed" any wrongdoing. There were no complaints.

The whole system was so deeply and pervasively corrupt that it made absolutely no sense to bother with any investigations. The law enforcement authorities acted as if they were in on the deal. The militia limited its activity to making photos of the containers with the rotting vegetables. Financial controllers and inspectors contented themselves with writing off the spoiled produce from the balance. And party district committees, for whom all this mess was already a mundane, unavoidable evil, surrendered to such a degree that gradually they themselves became a part of the criminal plot, thus making the system positively invulnerable to reform

True, the losses at the warehouses were enormous, but not everything written off was, in reality, a genuine loss: There were ways under the smoke screen of these so-called "losses" to sell the surplus through stores for a profit. Since the stores and the warehouses comprised a unified administrative body, one could easily arrange for some produce to "disappear" onto the black market or their own tables.

You are perfectly right to ask me, dear reader, whether those in charge of all this corruption were criminals. It may seem ridiculous, but the answer is no! Here, we are approaching the very core of socialism. The system was so tied by mutual cover-up that everybody had to participate or else be cut immediately "from oxygen." Oh, the bosses were great experts in this.

I never seriously analyzed the distribution schemes for the stolen goods, but I may say with complete confidence that to a certain degree everybody was involved and

everybody participated -- and under socialism, this means nobody. That was the crucial point, the most corrupting effect of the "developed socialism." Since everybody believed that they did not create this evil, coming home with bags stuffed with stolen products was not wrong and they could sincerely and with a clear conscience instruct their children that "to steal is bad."

What could one do under such circumstances? Practically nothing. To fire one, to reprimand another, to support the third? Nobody could discuss the system. The existing order of things was considered unshakable. Any attempts to delve deeper in this matter caused accusations of dissidentism and unloyalty. The system's all-around defense sentenced anybody and everybody who would dare challenge it.

To my good or bad luck, I realized all this very quickly. That's why, especially after the removal of Yeltsin, I felt myself desperate and alone without his support. It seemed that the only possibility remaining for me was to begin where my predecessor had finished.

Today I wonder what saved me? Workaholism? Maybe. It is very important. But it seems to me that one purely personal reason helped me through this tough time. It rooted in my wartime childhood. When Germans were approaching Moscow, I was five years old. That means my most active period of growth came during a period of great want. I was always hungry. In our neighborhood, children were swelling and dying from starvation. Not our family, no -- our mother didn't let this happen -- but there were three boys in her custody, and only one food-card.

My sweetest memory from childhood was a summer day at the junk collector when we were lucky to find a crooked grass-like plant with its greenish cookie-like bulges or the day in the suburbs we found "horse-sorrel," or another day when we discovered bitter but nutritious tur-

nips. The harshest time was winter when, instead of bread, they started to give us yeast. Imagine how we are starving, and mother comes home, puts yeast on the pan, adds salt, and we have to eat this monstrous cooking because the body demands food.

If you now have even the vaguest picture of what I've tried to describe, now you will probably understand what the word "potato" meant for me then -- and for the rest of my life.

Our family was allotted a small piece of land in the suburbs, and on the weekends we all went to our "kitchen-garden." There, in the depth of the earth, our mother used to say, grew living potatoes that we had to care for because they were helpless by themselves. We cultivated, weeded, dug them out in autumn, took them to Moscow and hid them in our basement. So many times before falling asleep, I imagined the potatoes lying in the darkness of the basement, flattened against each other. They were the most tasty thing in the world I could imagine.

When I became an adult, I discovered a horrible thing: All those whose official duty was care of potatoes instead treated them as an enemy which had to be skillfully destroyed. To me this was unbearable, incomprehensible, monstrous, and since these people were obviously normal, smart, inventive, I --

No, I did not declare the war on the system. I just simply decided to stand and protect the vegetables.

Act 2

"Cadres are crucial to success," the Bolsheviks used to proclaim. Capitalists express the same idea, but they use different words. No manager can keep

his fingers on everything at once. A chess master can play on several boards simultaneously, but this is a chess game. Just try driving two cars at the same time, and you will see what I mean. Each manager's decision has to be supported by his lieutenants, and so much the better if they understand your goals.

What was I looking for in my lieutenants? Honesty? Intelligence? Business acumen? All those qualities are important and useful, but there is a trait of even more importance: ambition.

I was looking for ambitious people. For those who would be offended if their work was not appreciated. Who wanted recognition as well as the salary. I needed people who wanted to prove that they could turn everything around even if it seemed impossible. Unfortunately, there are few of these people around, but if you succeed in finding a few, you may rest assured that you will succeed in general.

6

I believe that there are two possible objectives when a leader assumes a new position: He can support and improve the existing system; or he can try to save the organization from complete destruction .

In the first case, when the structure is stable and functions well, a leader has time to adjust, to know more about the people he works with. In my case everything at Mosagroprom was about to collapse, so I was forced to act

swiftly and without mistakes. My first idea was extremely simple: I wanted to raise a sense of responsibility, to establish discipline, tocorrect the principles of material stimulation and to tie the whole huge net of suppliers, transport carriers, storage warehouses into one manageable, effective complex. I also wanted to resurrect the natural effective links and feedback which once worked and gave good results.

"My God!" you may say. "He's not asking for too much! A new dictator has taken to power, and now he will press the people with the all weight of his authority to work hard..."

Yes, I must confess that it was exactly like this in the beginning -- and this was the harshest point in the whole story.

Discipline first: The managers of all the branches started to work under the new rules, especially once higher authorities learned more about what was going on, like when night branch managers were sleeping.

Sure, arriving in my office on time -- I promised myself never to be tardy -- after a sleepless night is not the easiest thing in the world, not to mention the strain on family life. My wife and children hadn't seen me for weeks. The warehouses are located all over the city, and some are in the suburbs. If it were not the absolute trust and faithfulness of my wife, it would have been impossible to avoid family scandals. Fortunately, there was nothing of that kind in our home. By the way, it is worth mentioning that in my opinion a strong family is an endless source of effectiveness for a leader. Good health is important as well. To be able to implement this new regimen of increased responsibility for branch managers, I had to be physically strong and healthy.

As I was inspecting the warehouses, these field trips confirmed my belief that some positive aspects re-

mained amidst the sea of troubles. Some managers were still trying to do something -- they still cared about their jobs.

It's commonly known that within any ugly, deviate system, one can always discover people with a conscience, those who want and are able to work, those who are committed. They are very few, but they are present. For some unknown reasons, a human collective never consists of the scoundrels only. A university is different from a dosshouse, not because one collects children of God and the other sons-in-law of the Devil. Bad and good, honest and crooked -- these types are everywhere, and even the ratio between them is more or less a constant. You have to just always remember that a man is an adaptive creature and adjusts easily to the environment of the collective team he is with.

So, how to find those few among the hundreds of thousands? How to find them in order to create the nucleus of effective management? My guiding premise was very simple: "Not to rule, but to help." Let people see that their leader solves their problems, that he is supportive, that we can all work together.

I was calling different ministries, asking for and "squeezing" money and resources from them. As a result of my endless meetings, telephone calls and personal appointments, the warehouses began gradually to receive Bulgarian electrocars, parts for the freezers, containers, ammonium. These are mundane items, to be sure, but these mundane items determine whether people will work or everything will collapse. People also saw that they were being helped. Surprisingly, they hadn't ever seen this kind of attitude before. Slowly conditions became a little bit better. A mild curiosity was aroused. Not enthusiasm, not yet, but just a slight interest, as if to say, "Look, this guy is capable of more than simply giving orders."

From my point of view, it became immediately obvious who was on whose side. Some managers, newly inspired, started to help and welcomed the successes; others became disappointed that I did not accept their "signals," did not accept their "promises." Some of these I fired on the spot, which was followed by an immediate positive response from the "system." How surprisingly sensitive is the structure of the human organization! How adaptive it is, and how perfectly it reacts to the managerial influence.

Thus, together with my efforts to improve the system, a process of the reciprocal "testing" was in progress. The people of "Agroprom" at first were afraid of me. In a short time at Mossovet I had gained a reputation of a person with "bulldozer" methods of work, the one with whom you should be always on alert. I also was not involved in the best work environment. I was noticing the tough glares behind my employees' soft manners: Who is this new guy? Can we trust him? Or buy him? Or crush him, as we crushed all his predecessors, sinking him in the deep waters of work disruption and disorder? There were a lot of ways to do it. A corrupt system is perfectly designed for breaking the backbone of a solitary warrior. Therefore, if I continued to follow the "warpath," I wouldn't survive even before the start of the "supply campaign."

Meanwhile, the improvements at the warehouses became visible pretty quickly. An unbiased observer could notice them after a couple of months even though we only approached the "supply campaign", these two summer months, a special period, when the annual supply of vegetables and fruits is shipped toMoscow from all over the country. This whole monstrous stock had to be handled, packed, stored, refrigerated, biologically treated, etc.

Everything was topsy-turvy, but kept on going. We

formed the headquarters and dispatched the trucks with the vegetables so that they wouldn't wait in the long lines and the produce would not be spoiled. As a result -- I don't know to what god to address my gratitude -- we accomplished the campaign and stored everything sent to us, even with some surplus.

However, through this first experience I realized that these methods pretty soon would not make us any good.

The first problem was the suppliers. There were 120,000 of them. The "system" required the *obrok* of a tenant farmer to be delivered to the collection points, and so far everybody had obeyed, but they did it more and more unwillingly, sending us the worse products -- watermelons with nitre or potatoes infested with Colorado beetles. There was not even a whiff of a free market. The old-fashioned technology of "suppliers" made everybody totally dependent on the central command running the economy. Trucks arriving in "Moscow" -- that was all that was written on their bills of loading as a destination -- usually had noidea where todeliver their shipment, so they drove to the Mossovet and started to honk, which irritated me to no end.

Second, losses at the warehouses were up to 30 percent.

The last problem was the "Moscow volunteers." It was already obvious that nobody could guarantee us drafting 100,000 "volunteers": Moscow enterprises were less and less willing to send their employees to work temporarily at the warehouses. They all hinted that the administrative strong-arm methods had to stop or there would be no work done at all. Therefore our strategic objective had to be toward the goal of accelerating new free-market methods, to be one step ahead with the "new" so that the old would not crush us as it collapsed.

It was not my business to criticize Gorbachev and to warn about the unavoidable ruin of the economy. As I already said, I am not a dissident by nature -- I am a worker, a pragmatist, a business manager, and my business is not to express indignation but to move my locomotive as swiftly as possible on the "market rails." Now. Immediately. Otherwise it will not last long. Otherwise Moscow will remain without vegetables at all.

7

First, I went to the Ministry of the Railroad Transportation. The spoiling of the produce began there. The railroad cars were moving to Moscow from all directions, but when the slimy, stinking mass was at last delivered to its final destination, nobody cared. The railroad was not responsible for the quality of the cargo.

I was sitting in the office of the minister and spoke passionately. "Tomatoes from Azerbaijan are coming here," I said. "There, at the plantations, our inspectors select the best products. But once they arrive, what do we see? The loss in quality is 20 percent. But those are just direct, "visible" losses. There is also a so-called "index of limitation," which is the life expectancy of the produce. This means that the produce can be delivered today in seemingly good shape, but its prospects for rotting are high indeed.

The minister listened to me without interrupting. His name was Konarev, a strong, straightforward, harsh man. It was a tradition to breed the ministers of this brand.

After I finished, we both sat in silence. Then he demonstrated the highest class of red-tape "kick-out technique."

"Your lecture is useful, but what specific complaints do you have against the Ministry of Railroad Transportation?"

"You didn't understand?" I asked.

"No, I didn't. I can only guess what you are driving at."

"So, maybe you will share with me your guesses," I said.

"It's pretty simple. You want to put your responsibility on me!"

I could not find words to express my amazement. He understood everything perfectly.

"Let's do it this way," I suggested. "You, there in Azerbaijan, will buy all the produce. You will pay your money, deliver it, and sell it to us."

Can anything be simpler? But here, in front of me, was sitting the successor Lazar Kaganovitch. The rigid, old-fashioned, impenetrable structure, shockproof as a railroad terminus did not want to share part of responsibility which is obvious in any civilized system.

"You are not very familiar with the Service Regulations of the Railroad Transportation," he said.

"I will always treat your tomatoes as nuts or pig iron. Here is the car, here are the doors of the car. Load, put a seal, tell us where to deliver -- and take care yourself that nothing will disappear or spoil. It is not our business. And you will never -- do you understand me? -- you will never succeed in persuading the Ministry of the Railroad Transportation to make these changes."

The conversation was over.

Still, I would not be myself if I wouldn't make one more try.

"OK, let's do it this way," I said. "There is an acceptable loss in quality of the produce during transportation. I propose that if your employees deliver the goods with losses below this rate, your ministry will receive a bonus from Mosagroprom. It will be huge amounts of money."

The result was the same.

"You did not understand me, Comrade Luzhkov," he said. "We are not carrying vegetables. We are carrying cargo. It is not our business to know what you have loaded. Do not try to dodge your responsibilities. It seems to me that a new man has arrived at Agroprom, and the first thing he's trying to do is to point his finger and accuse others for all the wrong-doings which take place there."

That was the end of our meeting.

I returned to my office and opened Service Regulations of the Railroad's Transportation. It was the constitution of a separate empire written by Soviet railroad authorities back in the 1930s. There was no concern for consumers -- they only thought of themselves.

Later we addressed a lot of letters to the government with proposals to add to these so-called "regulations" a clause about the responsibility of the carrier for the quality of delivered goods, but neither *Sovmin* nor *Gosplan* wanted to hear anything about this. They just turned their noses up at us.

The Ministry of the Railroad Transportation went on to become our harshest critic, but, to tell the truth, the others weren't much friendlier.

8

Meanwhile, the more we tried to establish some semblance of order in a completely ineffective yet somehow functional system, the more obvious it became, that nothing could save it from implosion. The party's administrative mechanism was built into its foundation, and the party was losing its power with each new day.

There were moments of absolute despair. I remember at one gala concert Gennady Khazanov said from the stage that Moscow "is the city of evergreen tomatoes." It

seemed that he looked right at me. The whole audience laughed.

By coincidence, after the show, I went to the tomato warehouse. Can you imagine my feelings? I was horrified. I was not afraid of being punished. It was something different -- deep resentment, challenged ambitions, my offended dignity. That's what moves people, and that's why I hire people with an awakened sense of ambition. Nothing -- not the desire to earn money, not intelligence, not even talent -- can substitute for ambition.

I was pacing along the "evergreen tomatoes," squashed and rotting. I knew why they were like this. I could trace them all the way from seedling to the grocery counter. At each stage of their transport somebody touched them by hand, added one more flaw -- in short, boorish attitude prevailed. One can endlessly struggle against it, but the system demands some kind of conformity to devilish law, and the system can be crushed only by the system's methods.

In theory everything was clear. The contours of the future market structures were becoming more visible. All I had to do was change the conditions of supply, build the wholesale markets, separate warehouses and stores -- that was it. Isn't it simple? But it's one thing to plan and quite another to bring it to life. Thank God it was a time when a leader could get things done. Our society already was dreaming about a free-market economy, but to pursue it was still practically impossible. The general economic philosophy was still under the doctrine of the centralization. All I had to do was remember Gosplan, Gossnab, the centralized funding and budgeting. I haven't yet met a single economist who could approach the "system" and reorganize, let's say, one industry. There were, anyhow, some troubleshooters who on a popular level were painting the beauty of the free-market economy in

bright colors.

A serious reformer who knew what had to be done together with what was possible was simply not enough. They always lurked the danger of destroying the existing structure and not building a new one. The losses may turn to be too great.

There is one assumption among the many which are so attractive to Russian reformers that is especially dangerous: It is the idea of the "naturalness" of what is about to be created. Just as Lenin in his time treated the idea of universal equality as scientifically proven, similarly, Gorbachev was sure that once the foundation of the Soviet system was destroyed, the market economy would rise like a phoenix from the fragments and debris. And it was not only Gorbachev who thought like this. The majority of his advisors were working from the notion that once the clutch is released, everything will acquire the desirable forms.

But a "civilized" system does not simply sprout naturally. It is the result of thorough work, adjusting the mechanism that considers the concrete realities, local specifics, people's skills and habits. Free-market is a culture, a very developed culture, that implies the existence of a large number of conditions in which a man would want -- that's it: want! -- to produce and deliver a product where there's a demand.

To illustrate that making the transition to a market economy is far from simple, let's recall the so-called "Yeltsin's Fairs." Let's assume that they were meant to be analogous of the Western practice of delivering vegetables directly to market from farms. In Paris, there was a free market. In Moscow, the authorities run the show. A French peasant can bring his goods to Paris and return home upon selling them. Nobody forces him to stay several days at the market. Our "food fairs" lacked such essentials as a devel-

oped infrastructure which turns the disparate market elements into a self-regulatory organism. Yes, the "system" is like a living body. To breathe a soul in it, one has to work as hard as God in the times of creation.

Along with these general considerations revealing uneasiness of my situation, there was particular one, having to do something with me personally. At the beginning of this adventure, when Yeltsin was still in power, I felt his strong support. He called me daily: "Well, how much is sold?" And when in August he had heard the figure 12,000 tons, he exalted as if we won the World Cup in soccer. But he was dismissed in October, and I discovered something I never knew before.

"The powers that be," as it seemed to me, never forgot "who is whose," that is, who were the bosses who hired you. This net of reciprocal obligations and subordinations ran through the whole chain of command creating an independent powerful structure. It is only from the outside that the managerial body seems to be solid and united. In reality, it is a subtle balance of power and influence. Everybody knows everything about everyone else, and this information is far more important than any personnel files.

That's why after Yeltsin's dismissal I did not receive any help despite all the former promises. Moreover, I was getting only trouble from party authorities. There was not a week when I would not receive threats, even direct offenses.

I reacted simply by saying, "Fire Me! It will be my pleasure!" That was exactly what they did not want to hear. The Soviet machine never works at an idle speed. By some mysterious reasons it is always designed for the suppressing of the most precious human feelings --- the feeling of self-confidence. My reaction somehow had confused this machine.

These were my thoughts in regard to the dead-end situation in which I found myself. I am dwelling upon all of these details in order to show how a managerial decision is ripening.

Unlike the "ideologists" who "know" everything in terms of who, what, where, when, why and how, a pragmatist always begins within a conflict. When resolution is impossible, neither person can leave everything as it is nor always do what should be done.

The powerful controversy sinks you in a kind of abyss, into a chaos of thoughts and will. And only in those depths the true decision-making can be done and a solution be found.

The one which would never occur on the paths of pure logic.

9

It was as simple as pie.

Vegetables are stolen at warehouses; they are sold at stores. The third party involved is the deliverers. According to the criminal "code of honor," everything is divided proportionately: one third to those who store, one-third to those who deliver, and one-third to those who sell.

This thought occurred to me: What if the state would offer to the employees of the warehouses not 30 percent but 50 percent of the net profit? Will they still prefer stealing?

I called together the warehouse directors.

"Let's do it this way," I say. "If you save the potatoes, you can sell through the stores any surplus that exceeds the accepted natural "spoiling" rate. You'll split the profits fifty-fifty with the state.

Their reaction was skeptical.

"Generally, the idea is good, Yuri Mikhailovich.

An excellent idea. But it won't work because it does not matter how good we are at preserving potatoes, we will never achieve the rate of acceptable loss."

"What rate is that?"

"The official one -- 1 percent."

It was only then that I realized the pervasive cruelty of the system. With all the monstrous losses of up to 30 percent in the storage process -- the system had the nerve to demand a loss of only 1 percent. It was a laughing matter, a myth, a caricature -- but there it was, and the party used that figure freely when it was necessary to punish the disagreeables.

There was the essence of Bolshevik lawmaking. Unlike the normal countries where the law exists in order to protect those who do not break it, the Soviet regime established a system which would "legally" turn its people into an obedient, helpless herd. Everybody had to live with a feeling that freedom and wealth are the prerogatives of the state only. How else one can explain the plethora of laws and regulations which are impossible to follow?

The civilized judicial norms were always based on "not": "Do not kill, do not steal, do not give false evidence..." But beyond this, the judicial system implied that everything else was fair game, and you would be protected. The Soviet system formulated its laws on the premises of an ideal people living within and ideal social and natural environment. As a result, it did not matter how good you were or how well you worked -- at the same time, it also meant that no one could meet the established quotas. This meant that everybody was a potential criminal and could stay free until the state needed their arrests for some reason.

"What kind of surplus can one create if, in reality, it's impossible not to "lose" less than 9 percent?"

my directors continued. "And you will never change the 1 percent norm. Don't even begin to try."

But I tried anyway. First, I went to the All-Union Scientific Research Institute for Vegetable Growing.

"Where did this 1 percent figure come from," I asked.

Nobody knew. It might have been some of Lysenko's stuff. According to scientific research, the best storage results in a 5 percent loss. In some instances it may come to 4 percent, but that was achieved only when the level of ascorbic acid was rigidly controlled and the deadlines of sale were programmed, as it is in the West. But what percentage of spoilage was realistic for our system. The biologists agreed to calculate, and I signed a contract for the research. They processed the statistical data with their breakdown by climate zones and compared it with the results of field experiments. These scientists found that the normal level of storage loss was 9 percent for potatoes, 18 percent for cabbage and turnips,and soon.

Now, here is the turning point in my story: I established new spoilage quotas for Moscow by issuing it as an ordinance of Moscow Executive Committee.

Like a trapeze artist or high-wire walker in the circus, I was working without a safety net. I was resolved either to break the system or break my neck.

Again, I gathered my directors.

"Here are the new quotas," I said. "Real ones. The processing shop, where the losses will be lower, may sell its surplus and take half of the sale as profit. Not a third, you understand, but half."

They got it. They got it better than I'd ever imagined. The new mechanism was intended to stimulate all employees, not just the managers. To make sure everyone understood the new system, I personally checked with the workers. For example, one night I went to a warehouse

and asked the workers whether they had heard about the new quotas and what they would receive for reducing spoilage. Nobody knew a thing. I called the director the first thing in the morning...

When we tallied the results in the spring, we couldn't believe our eyes. During one period of seasoned storage we saved half of what we were losing before, and we did it with the same warehouses, the same suppliers and, most importantly, the same people!

That summer the warehouse shop received the right to sell whatever produce they had saved, with half the profits going to them.

At the end of the summer, the whole system nervously awaited wither I would fulfill my promise? Would I pay back the half? Or will I cheat them at the last minute? There's no need to tell you, dear reader, how many warnings I received not to keep my promise. The threats came from lawyers, bookkeepers, accountants, Agroprom, Plodovoshprom, Hell, the Devil and God knows who else. Everybody pleaded and cursed: "Don't do it! We'll be charged by the state. They'll wonder how can it be that a shop manager got a bonus enough to buy *zhiguli*? What for? Plus his regular salary? Unheard of!"

But I had neither the right nor the room to retreat. Everyone saw that promised share in profit boosted morale in the collectives. The system began to adjust to new conditions. There was no need anymore to tell the workers to look after the quality of the products, to store it better,tomaintain the equipment. The whole atmosphere was changing to the better. Furthermore, anyone whose losses were lower than the half of the normative received bonuses reflecting the value of the half of what they saved.

The joy was authentic and overwhelming. I accepted congratulations. For the first time in the history of

the vegi-fruit complex, the indexes of the effectiveness of the enterprise rose, which promised future success in ending the stagnation and corruption that had plagued the Mosagroprom for so many years.

But now, as in a well-plotted play, a new personage appeared on the stage, the "Committee of the People's Control" (CPC), which called me on the carpet "to help them better understand the results of my activities."

Act 3

I was always amazed: why in the country with no respect for the law, there are so many controlling institutions? Countless commissions and inspecting bodies, fiscal services -- all of them, it seemed, had no other objectives but to take bribes.

You see, dear reader, the real function of an executive was arranged in such a way that he could not undertake any activity without confronting or violating some idiotic rule, as if they were specially invented to bind hand and foot. If we did manage to succeed in something, it was only because we were unsurpassed in the "technique" of elaborating the great phony documentation, which, while being checked and analyzed, created a smoke screen where there was not already a distinction between a crook and an honest executive. In these cases, inspectors were reduced to closing their eyes to all of this.

As for me, I could live with the bewilderments of this system until I my-

self became the object of a serious investigation. Only then it became clear to me that in the realms of a total lack of law, all-powerful inspectors perform an important function. The state needed inspectors not for the persecution of wrong-doings. Their mission was different, namely, to catch those who did not follow the "rules of the game."

10

"What's to investigate?" I asked. "We have the results, and they are better than any previous winter season."

"We understand this. (Pause.) That's how it should be. (Pause.) Moreover, you have to do it even more than better!"

"That's right," I said. "Everything has to be brilliant with us, but the fact is that never in previous years have we had such numbers. Here they are, the result of introducing innovations at warehouses. You have objections or doubts about it?"

"No. You are in your own right to introduce your incentives. But everything has to be (pause) on a legal basis!"

"What have we done illegally?"

"What do you mean? You yourself arbitrarily changed the delivery quotas adopted by government. Did you have any right to do this?"

That was the attack I was warned about. I pulled out a certain instruction prepared by my legal assistants. It stated that the cities' executive authorities were permit-

ted to determine quotas and coefficients under certain conditions. In any other situation it would be sufficient. This kind of document always had a lot of contradictions and, usually the inspecting authorities were satisfied with that "letter" of the law, which provided them with less mess and troubles.

But my case was different.

"What you're showing us is not a "superior"' document. There is an enactment of Ministry of Agriculture [i.e., Agroprom] of the USSR, which rules that these quotas are his exclusive right. It did not affirm that 9 percent. You, at your own discretion, affirmed the quota which resulted in colossal material damage to the state."

"But where is the damage?" I protested. "It is just the opposite. We enjoyed a gigantic profit."

"You unlawfully paid bonuses in the amount of such-and-such millions of rubles."

Their figure was exact. They had prepared well. I don't know who provided this information, but they knew everything.

What could be done? What can one do in such situations? You sit with a man who is, on the surface, a normal person; you explain to him simple, obvious things; and he looks at you as a cat at a mouse.

"I want to tell you one simple thing," I repeated again and again. "This year we sold to Muscovites 5 percent more vegetables and fruits than last year with the same volume of storage. How much is it in rubles? OK, divide it by two. Half of this "extra"' went to the state, and only the other half of it to those who made it possible. Where is the d-a-m-a-g-e?"

"You gave us these reasons already. They do not answer the question of the legality of your actions. Please, next time bring an official document, justifying your quota. And now excuse us, for we have other business to do."

I was shocked. Still, I was the first deputy of the Chair of Moscow Executive Committee. It was quite a position in those days of hierarchy. At all ceremonial functions and meetings we sat in presidium. True, it was in the last row of chairs, but it was still the presidium, and if delegates looked at us from the congress, they would see us just behind the candidates to be members of the Politburo. I thought such a position protected me, but I was wrong. Only highest-ranked protectors could shield me, and I belonged to nobody.

What remained? I went to Murakhovsky at Gosagroprom. He was a great man, a classic grandfather, a grandchild's dream. Unable to comprehend anything, Murakhovsky's main merit was, according to rumors, that he was originally from the same area as Gorbachev. To tell the truth, he was simply a school teacher there teaching singing or physical education. A charming man, if he were not a minister.

"I am not blind, Yuri Mikhailovich, nor am I against you," he told me. "So, you will help me?" I asked. "Will you agree and confirm the quota?"

"No problem," he said. "Don't worry. I will talk to them. Think only this: not fractions of a percent, but twice more..."

"Will you give me some official paper, some document?"

"Don't worry, Yuri Mikhailovich, don't worry."

He did nothing. Maybe he called somebody and was told that if the case was supervised by the People's Control, it's better not to poke his nose in. Maybe he came to this conclusion himself. Anyhow, there was no trace of Gosagroprom opinion during the investigative process. As for the others to whom I pleaded for help, well, describing them is beyond my ability. This was something that could be depicted by Gogol or Shedrin, which is why I omit

some details of my story.

Meanwhile, the whole legion of inspectors from the Committee of the People's Control were examining my case, checking the work of the warehouses, looking for any wrong-doings or deviation. Judging by the questions, I could see that they were looking not for the odd fault but for the whole criminal trend. My colossal year-long effort was falling apart. I was about to be severely punished.

Who can possibly determine the rules of the game? Why was the executive manager who tried to raise the production efficiency through promoting the personal interests of the workers more dangerous than the one who built an estate for himself at state's expense? Somebody who did not have the chance to live within a Soviet system could reasonably ask such questions, but my compatriots, who are now more than 40, will agree that the state could differ "our" from "not our," and so it did the assigned inspectors who possessed a special social "nose," who knew a certain secret not available to others. They could not be substituted by a "formal letter of laws."

All this meant that by going to the session of the Committee of the People's Control, we would become the hostages of the so-called "subjective factor." I say "we" because there were two of us invited to the investigation, me and Oleg Virichev, the Head of the Vegetables Department. Believe me, he was absolutely out of the case. He was an excellent specialist, so naturally he helped me with his advice, but it was only I who "cooked all this porridge." Nevertheless, it was planned to fire him, and I was a subject to getting a reprimand with the appropriate recommendations.

The very atmosphere of the committee was a striking contrast to the usual bustle and tension of its real managing activity. Through the whole year I did not actually know what it means to sleep, to rest -- every day

something literally crushed at the slightest touch. Here it was the kingdom of a solemn silence, like a mausoleum. The paces were slow. The attending participants looked dignified. The speeches are mute, peaceful. It seemed that nothing could destroy an equilibrium of those people.

The man who presided over the session was Gennady Kolbin. He was a new person in this chair, getting it after losing the position of the First Secretary of the Central Committee of the Communist Party of Kazakhstan. It happened after the mass protests and demonstrations of the Kazakh people.

The whole procedure reminded me of court. First, committee "information" was read, from which it was obvious that instead of caring about vegetables, we pursued only one goal: to snatch a maximum chunk of money from the state. Then the right to speak was granted, first to Virichev and then to me.

I tried to go beyond the confines of the charges and began by describing what was happening in the vegi-fruit complex. I reminded the committee of the awful situation of 1987 when Moscow was threatened with having no vegetables at all. I clarified the strategy of our activities, its first results and the potential disasters if the committee barred our efforts.

"Certainly, there are a lot of pitfalls, and we will need time in order to eliminate them," I said. "The important thing is that we know how to do it, we know we can do it, so do not deprive us of the chance to fix this awful mess and to solve the problems which we specialists can see better than others."

"So, you do not believe that you committed a serious crime?" the chairman asked.

"No, I do not."

"You arbitrarily changed the quotas, and on these very premises have paid huge "bonuses"' to a badly work-

ing collective. Is this not a crime?"

I played my last card.

"I do not understand what is being discussed here," I said. "If I broke a rule, it's one thing. But damage to the state? That's a different story. Let's separate these questions. If I damaged the state, it is the business of the state prosecutor. Pass the case there, and let them investigate. If he has reason to believe that I'm guilty, let him prosecute me in court."

Other people took part in the discussion, but I saw that Kolbin was changing his mind. As someone who recently had experienced the realities of *perestroika*, he now felt that it was impossible to hold us to the old standards. He was experienced in these matters, so waiting until everyone present had wiped their boots on us, he summarized: "I think we should separate the decisions. As for comrade Virichev, everything is clear. He is a department head, and as Luzhkov's subordinate, fulfilled the order of his boss. We have no reasons to fire him. I suggest a reprimand and a fine of three months' salary. As for Luzhkov, well, let's do what he wants. Pass all the materials on the case to the prosecutor's office. You agree comrade Luzhkov?

"Regarding Virichev, no!" I said. "His work does not deserve punishment. As for the sending the materials to attorney general, yes, I agree wholeheartedly. Let him investigate."

Kolbin looked around the table and asked, "So, what will be the opinion of the respected members of the committee?"

When a committee chairman phrases a question like this, nobody objects. The respected members of the committee nodded their butt-heads.

Kolbin knew his business perfectly: He had saved us. He knew that if the First Deputy of Mossovet suc-

ceeded to squeeze unharmed through the procedures of committee, the attorney general would have nothing to do with the case.

At the exit, the television news crews was waiting. Mass media had begun those days its "hunt" after hot issues.

"How do you feel yourself?" asked a coquettish girl, putting a microphone under Virichev's chin.

"As if I was in a shit from head to heels," he answered looking straight into the camera.

Having realized that his answer was not quite appropriate for TV, she didn't question him further.

I was happy, not only because I had escaped punishment but that the committee had not abolished my ordinance, which meant that we could continue our struggle. I immediately called Murakhovsky. Being informed about Kolbin's decision, he gained courage.

"I beg you to confirm new quotas, ones you will find them optimal," I said at the end of our conversation. "I am sending the appropriate papers."

Gosagroprom was caught in a difficult situation. What had been an investigation of independent action of a certain Luzhkov now gained the highest approval after passing through the grinds of the committee. Despite a kind of humiliation for Murakhovsky, for it was not he who introduced a new quotas, there was no further reason to keep the old ones. The indexes of the industry effectiveness were relaxed, and Gosagroprom confirmed our figures.

11

The idea to liquidate the centralized drafting of Muscovites to work at the warehouses never left me. Beyond the pragmatic reasons, there was an emotional appeal in this idea. What excited me was not ambition but

rather a businessman's ardor, the thrill of trying to resolve a difficult problem which you don't even know how to approach. When I was working as a director of a firm, I, together with others, was laughing at the words of a professor, a character from the movie *Garage*. He put his business cards in bags with cabbages so that "they would know who to blame." This mockery drove me crazy. I can tolerate a lot and keep a cool head, but I can't abide mockery, especially when it's justified.

How to solve the "volunteer's" problem? Could it be solved in principle? On a large scale, no. Drafting up to 20,000 Muscovites daily is the unavoidable consequence of the city's system of storing vegetables and fruits. To eliminate it, one would have to eliminate the whole system, and so there is the problem of reform: One never knows where to begin or where to stop.

The so-called "transitional period" is a special third system, different from the one you came from and the one you are going to. Sometimes you have to live within it for quite a long time. The art of management is nothing more than having the ability and skills to maintain and sustain normal daily activity while the reality already consists of a sophisticated complex combination of old and totally new elements.

Let's put it another way. The success of reform depends not only on choosing the right objectives at the right time, the leader's sense of timing is indispensable as well. In other words, the leader must precisely define his objectives, create a team of supporters , and finally lay the path leading to those objectives.

I dwell on this subject, dear reader, because judging by the statements and public speeches of many of our ideologists who consider themselves reformers, the bulk of them still do not understand the nature of the failures of the former Russian reformers. When analyzing them, his-

torians usually fall under the spell of global explanations, but I, as a manager, can see the mundane details. I know only too well the innate idealism of Russian politicians who would rather be enchanted by the desirable future than meticulously and patiently follow the process of rebuilding, brick by brick, and thoroughly supervising the whole construction so that it does not collapse.

This was the problem with Gorbachev's *perestroika*. In beginning it the way he did, Gorbachev showed that he simply did not understand the real interdependency of all the disparate elements of the real world.

Coming back to our cabbage, it is necessary to mention that the Soviet Union performed in a pretty wasteful way by drafting workers, who included professors and others with graduate degrees, to work on vegetable processing. Keeping in mind that these "volunteers" were still receiving their high salaries for those processing "days off", you may imagine that the cabbage was growing as expensive pineapples. Add to this the sick-leave certificates (due to chill, damp and drought, especially in winter) and the extra holidays which the administration was giving as a reward, you can see that we had something to think about.

The other reason was the social environment at the warehouses itself. The chilled, humiliated, dirty librarians, engineers and doctors were working under the supervision of regular warehouse workers who appeared in their mink hats and sheepskin jackets like nobility and evaluated their efforts in order to inform the district Party committee. I could not stand it, perhaps because although I formally belonged to committee, I considered myself belonging to the workers. This very feeling of non-acceptance was the starting point for me, but to tell the truth, not everyone shared my feeling. Even among the *intelligentsia* there were some devotees of this volunteer slavery because they could work the system to their advantage.

The *intelligentsia* managed to force their enterprise administrators to give them two additional days off for one day of work at warehouses, which, once added to their vacations, left them free to enjoy the whole summer at their *dachas*.

Sociologists noted long ago that the state appears to manipulate man while in fact the reality is that for a long time man has manipulated the state.

A scientific institute was assigned to calculate how much the state spends on drafting Muscovites to work at warehouses, research that I paid for from my budget. The total was 56 million rubles. In response, I made this proposition: If the state would budget half this amount to our department, we would put an end to drafting citizens for special labor assignments. However, in order to fulfill this objective, we had to have every employee value his work. Otherwise, why bother?

Here came the stage of "personnel stabilization." We revised the salary system. We established a system of food and merchandise delivery at working places. We obtained housing and suburban lots for summer dwellings. We put the cafeterias to round-the-clock working hours. I myself "lunched" in these cafeterias at night and nagged the cooks. At last, when all this was done, I wrote a letter to the chairman of the Council of Ministries promising that if 28 million rubles were provided to the Mossovet budget, warehouses will quit drafting Muscovites.

Ryzshkov appended the letter with a crucial resolution which was fateful in essence but offensive in content: "To Gosplan. To Sitaryan. To check the calculations, to prepare proposals. At the end of the year check if there is fraud." He evidently did not believe that it was possible to make a breakthrough in our department.

Sitaryan took the matter in stride. He gave an order to his office to check our calculations, and when it

was completed, he confessed that the total he received was significantly more than the one we were asking for; however, he could not go against the nature of his department, so he gave us exactly 28 million rubles for a year's payroll. We could use it both to pay our regular employees as well as those citizens who wanted to earn an additional income.

I ordered the personnel department to create files of such people. I organized a series of TV ads informing Muscovites who would like to earn some extra money where to contact us and distributed the information through the schools and colleges.

So far, so good, but the biggest mess was my own bookkeepers. When I told them that salaries should be paid on the spot and not 12 days after the unloading of the railroad cars, they resisted fiercely.

"What if somebody earns 80 rubles?" they asked. "What if he has to pay alimony?"

"Just pay, and that's it! If anybody ignores the order, he's fired!"

The system did not want to change, but after July 1, 1988, we stopped drafting Muscovites for "help" at warehouses ... and immediately failed!

The failure was twice as insulting because it was accidental. Unfortunately, this was the year we started to receive produce shipments of such a low-quality that, as we say in Russia, "Turn off the lights!" The republic of Georgia shipped potatoes that were small as peas and contaminated by Colorado beetles. Monstrous tomatoes came from Azerbaijan, even more worse from Moldavia. In short, we were receiving garbage, and this mess was no accident. Soviet administrative control no longer worked, while the mechanisms of the free-market were not yet introduced. Perhaps we established our new system a bit earlier than would have been advisable, but we couldn't wait.

Mossovet reeled. Saykin personally inspected all warehouses, assigning his deputy executives everywhere but still did not insist on returning to the old system and methods. The district party committees, seeing our suffering, secretly offered to draft "volunteers." Some warehouse directors yielded and were scandalized, but to all these pleas and curses, I had the only response: "We will survive!" And now I am absolutely confident, that if we had surrendered in those dark days, our defeat would have been painful and long-lasting.

Needless to say, ours were absolutely different tactics and approaches than those of the CC of the Communist Party of the Soviet Union. There were two so-called experts in charge of vegi-fruit issues, Ivashuk and Kapustyan. (Coincidentally, *kapusta* means cabbage in Russian!). This pair actually was responsible for all the mess in this business. Having seen what was going on, they prepared a "memo" whose central idea was that our "experiment" was nothing more than the ambitious vanity of the leaders of the Moscow agricultural complex and not something that really met the needs and potential of management.

The Central Committee gathered to meet, and I was the chief scarecrow. The issue at hand was my ambitions, my adventures and the danger of leaving Muscovites without food. All the same dull story.

This was the picture: After a month, the situation had stabilized, and we were at a stage where we could work without "volunteer" Muscovites. The district chiefs sighed with relief. The heads of the city could not believe their ears. The Central Committee put the whole matter on hold, and our business became more effective.

At a city session, Zaykov, the First Secretary of City Committee of CPSU, announced from his rostrum in the Column Hall of Mossovet: "We succeeded in the giving

up of drafting people to work at warehouses." The audience roared. The speaker was stunned, for he did not expect such a reaction.

When it was over, he called me.

"What kind of gimmick did you give me?" he asked.

"First of all, I did not write your speech. Second, everything is true."

"You are kidding!"

"Ask any secretary of the District Committee," I said. "Come to any warehouse. You will not find a single Muscovite who was sent there by an order of his organization."

12

I have skipped a lot in this story. I have not written about people who worked together with me, back-to-back, through this "vegetable epic." There were plenty of them, and the majority of them will probably be greatly surprised after reading these pages for it seems that I was acting alone, like a kind of lone dragonslayer. But what one can do? Those are the prerogatives of autobiography, and this is the modus vivendi of a Moscow mayor. One day, I promise, I will write about everybody.

But I already hear the voice of my dear reader: Where are the results of all these gigantic efforts? Where are the fresh, washed, various vegetables the author was telling us about while referring to Paris?

This is a justifiable question from my reader because the problems and struggles of the one who gave the orders is not of the slightest concern to him. The reader only wants to see results. Unfortunately, the reformer's receiving no reward for his efforts is due to the fact that the visible results of his efforts may take a long time in revealing themselves. Only now is it clear that if we had not undertaken "vegi-fruit" reforms in 1988 and not stopped

drafting Muscovites, there would have been no way to draft them in 1991, and that would have been a disaster. The critics would write in newspapers that the great famine in Moscow was the result of socialism -- or of *perestroika*.

We succeeded in *perestroika* those days. It was not the result of some crystal ball. When I was proving in Central Committee that soon no Muscovite would go to the warehouses voluntarily, I could not have known that soon there would be no Central Committee itself.

But I had a vague feeling, a kind of foresight, that if I had compromised or surrendered and accepted the status quo, it all would have fallen to ruin. And it is this feeling only that a leader must heed. Only then is he a leader.

That is what I want to say.

CHAPTER 3

HOW TO BECOME A MAYOR

A city, like a baby, needs vigilant care. Somebody has to deliver bread to the bakeries, to keep the houses warm, to clean up the roads. This is a perpetual process. A city never stops consuming food, energy and services, and if there is a short break in the smooth process of providing it with all the achievements of civilization, the city immediately turns into a capricious child. It won't try to understand your difficulties; it won't even listen to your explanations. It easily falls into panic, spooky fears, hysteria. Here if bad timing makes you take a moment too long, your reasonable fellow citizens, previously willing to solve problems together, will become a wild, aggressive crowd, and the moment after that, the normal rhythm of the city life, which it took you so long to set up, will go up in pieces.

That's why if you take upon yourself a commitment to work in the municipal system, be so kind as to work hard. You cannot grow tired, you cannot relax, and most importantly, let the people see your hard efforts. Only in this case will they forgive your mistakes, drawbacks, and your falling short of perfection.

Now you understand why you should not ask me how to become a mayor. You will be hardly pleased with the answer. Work hard, and nothing else.

1

In the spring of 1990, economic destruction, devastation and disaster were in full swing. The whole country was rushing to Moscow in search of subsistence. The city with a population of 10 million had to feed 50 million people daily. The ones who kept trying to patch things up here and there can tell you what it cost for the city's administration.

At that particular moment, new deputies appeared in the Mossovet. It did not mean anything to me because I had already made my decision to quit. I had no desire to try and please the new administration -- it was already blaming every sin possible on the old one. According to their theory, city officials were the source of all trouble. As soon as they were gotten rid of, paradise, prosperity and order would prevail. The officials were declared responsible for all of the defects of the old economic system, which was possible to neutralize only through the unbelievable inventiveness and experience of those very officials.

I was so enraged by this attitude that I did not nominate myself as a candidate for the new Mossovet. Let them prove their worth, I thought. Let them show how they can run Moscow, this huge metropolis, without old experienced staff. Saykin, for example, did not realize how deeply the confrontation lay; he ran for the top position and won. Very soon they made it clear to him that he would never be forgiven for certain decisions made in the past, starting with transferring the Communist Party buildings to the District Party Committees.

So Saykin called the meeting of the Presidium and announced that he was taking a leave for "vacation" and that the responsibilities of the chairman of the executive committee during the transitional period he was transferring to me. There was nothing to be done! Somebody had to be involved not only in politics but take care of Moscow as well.

Meanwhile, the Marble Hall of the Mossovet containing new deputies looked very unusual. Some of them had beards but no neckties (a fashion unseen in the Mossovet for at least 50 years); others, on the contrary, radiated the scents of French perfumes. But both types impressed you with their fresh ideas, sharp analysis, uncompromising appraisals. There was none of the former deputies' passive consolidation or blind obedience. You were dealing with intelligent, active, dynamic, angry people, denouncing the idiocy of the old system and promising to fix everything fast. These people greatly impressed me. It looked like a powerful new team had come to the scene that would take care of the city and solve problems in the interests of Muscovites and not act on behalf of somebody else's ambition and profit.

The only thing that I could not comprehend while listening to their speeches and comments was the potential that this new power had in order to handle that miserable

inheritance from the Soviet Union. For instance, if you inherit a Swedish-type economy where everything works perfectly, by shuffling taxes and benefits you can play either the socialist or capitalist game. That's one thing but it's a different story to take over the economy which was almost completely devastated. Ties and connections were broken; corruption and robbery were gaining strength; contracts no longer were honored. The only thing that brought me relief was that it was not we who were supposed to handle all of that.

As usual, all my plans were upset by Yeltsin. He called me right in my car:

"This is Yeltsin. Drop everything, and get over here. Yes, to my Arbat office. Right now. I need to talk to you."

Twenty minuts later I walked into his office, and everything became clear to me. Three new leaders of the Mossovet -- Popov, Gonchar and Stankevich -- were sitting there at the table. I figured out that they were talking about the future chairman of the executive committee. I figured that the former Communist Party leader of the Mossovet, who knew the people from the city administration very well, had advised them to consider me.

I had never met Popov before. Of course, I had read his articles, heard his public speeches and was impressed, but they were not enough for me to evaluate his potential as a leader. As a working administrator, I knew very well that the relation between the theory and action was a rather sophisticated one. Besides, subconsciously, I was assigning to him certain features characteristic of the new deputies -- an intention to turn a serious conversation into a question-and-answer show, an inclination toward political tags and illusionary projects. (Later Popov proved to be none of the above; Moscow got a strategist and a politician with an amazing capacity to see different aspects of the problem and to find the simplest solution

possible. Popov was a man of uncommonly sober judgment and the generator of ideas. From the very beginning, we had a complete mutual understanding, but I will go into that later.)

At that moment, however, I was not very optimistic and not at all sure that we would be able to work together. That's why after Yeltsin's preliminary remarks ("I was losing my mind trying to figure out who could take the wheel of such a city as Moscow, and I came to the conclusion that..."), I decided to talk straight to the new leaders of Mossovet and let them know my point of view. I felt that their attitude toward the old, experienced staff was all wrong and that you could not be the head of the Executive Committee without having a reliable team. I had no illusions that my companions would be pleased with what I was saying. My point was to keep people who probably were not letting democrats hold their meetings and demonstrations not so long ago.

Popov listened attentively and looked like he was struggling with some dilemma: "Well, Luzhkov's people are part of the old system" -- of course he told me later what was crossing his mind at the time -- "but they know how to provide houses with hot water and how to get food to grocery stores. To replace them now with those who are eager to change the world around but don't know how to handle the inevitable approaching devastation means to put the new fragile ideas to too heavy a test."

Meanwhile, I kept talking: "Let's once and for all stop mixing the executive power with the party affairs. Being politicians is your business, dear deputies. Go ahead and keep debating, defend your positions, work out new procedures. As far as we, the executive personnel, are concerned, we will be using them in our work, and until we work them through, we will be keeping the city from complete devastation."

It was in this way, or almost in this way, that I was developing my ideas. I could see that the leaders of the new Mossovet were not very happy with my independent attitude.

The end of the meeting was rather cold. Everybody left having promised to think about the subject again. In a few days when the session of Mossovet took place, where several hundred deputies had to approve a new chairman of the Executive Committee, Popov was still somewhat estranged. He introduced me roughly like this: "I don't know this man at all. People say he can work. To his credit, he stopped sending Muscovites to work in vegetable warehouses. That is completely to his merit. Now it looks like he is maintaining some order in the city. I suggest this. First let's listen to the summary report of the deputy chairman of the Executive Committee and then ask him questions. I suggest to give him twelve minutes for his report."

I was shocked. Only 12 minutes for the summary report covering the whole period -- and what a period! It was not a serious talk, to say the least. It looked like they didn't want to listen to me at all. It did not matter that in front of them was a person who could tell them something very important about the city they were going to rule. As it turned out later, the deputies were not interested in anything except the party affairs.

They bombarded me with questions. Finally somebody asked me a question that marked a turning point: "Tell us what is your platform. Are you a Democrat or a Communist? Or maybe you are an Independent?"

I was not ready for this question, I swear. Believe me, my understanding of the base of the matter did not fit with that at all.

So, emotionally frustrated with the nonsense of the twelve minutes, which I took to mean that the deputies did not want to hear about the extremely difficult situa-

tion in the city, I blurted out something that evidently escaped from the bottom of my mind and was something you would not say if you were expecting success:

"I always was and I am standing on one platform -- that of management. I believe that today the main task of the chairman of the Executive Committee is the maintenance of the vital functions of the city and the normal living standards of Muscovites. I don't see any political aspect in this question. I represent the party of the executive managers."

Somebody started to laugh and applaud. It seemed that my answer suddenly satisfied everyone. The questions after that came to naught. The deputies started to vote. The result exceeded all expectations. The new -- and I would also say the old -- chairman of the Executive Committee was elected by the "qualified majority," which meant more than two-thirds of the votes.

My fate was sealed, and it happened on April 26, 1990.

In a short time, a question about "the team" became the question of the day. According to the legislation of that time, every member of the Executive Committee had to be approved by the deputies. Here I have to give all the credit to Nikolai Gonchar, who understood our position so well and was defending each candidate so fiercely that it became possible to keep the whole staff of experienced administrators.

The declaration of the concept of a depoliticized city government gave us an opportunity to form a team on the basis of the desire to work hard and a renunciation of any political bias rather than a political identity. We were able to select people regardless of their pasts, but of course they had to meet strict requirements: A representative of a new administration had to be a decent, educated person, but he also must not pursue the

policy of his party while taking part in the decisions of an executive nature. This principle gave us an opportunity to bring together in the city government the representatives of the old system, the one which had passed away during the process of reform, and those who aided its passing away; people who came from other places, and people who were nominated by the citizens of Moscow. It did not matter which political views you had -- what was important was whether you were effective, consistent and well-disciplined. Above all, you definitely had to possess one indispensable quality: consideration for people who came to you with their troubles.

In a sense a municipal worker can be compared with a doctor. He feels someone's problem as physical pain and must treat it with some decision or actions. He is not a big boss, he is the part of the city service. To be a man who serves his fellow Muscovites had to be the philosophy of any municipal leader. If he followed this philosophy, he would get results and obtain recognition. But if hi sat as a big boss in his office, did not care, ignored people with their problems, denied his assistance, and sometimes even hurt them or broke their lives, there would be nouse for him in municipal work. Even if he is a Democrat to the third degree, he still would not achieve either the success in his work or the acknowledgment of the people. This philosophy was our basic criteria when selecting the staff of the Executive Committee. The reader may judge whether this is right or wrong by comparing the situations in Russia's two great cities, Moscow and St. Petersburg. In the second city, they took a different course: They decided to replace the whole staff of the Executive Committee. They offered the jobs to the new politically correct people with progressive views, which is fine. But I would prefer not to compare the results.

2

So the work came to a full swing. I am not exaggerating when I say that neither the old Moscow Duma (with the only exception being the period of the Great October Socialist Revolution) nor the following Moscow Soviet had worked with such intensity.

First there was the "Cigarette Riots," then the taxi drivers were blocking the traffic in the center of the city in the Tverskaya Street demanding unconditional privatization. And pay attention, please, in each case we had to act fast because we had no legislation whatsoever.

As far as the "Cigarette Riots" are concerned, I would say we handled the situation magnificently. Popov had suggested that the cigarette prices in the city stores would be raised to the level of the market prices, and the profit would go to the fund of the social protection of the citizens of Moscow. It was a very beautiful solution. It did not turn out quite as well with the taxi drivers. Unable to oppose their pressure and demagogic slogans, we gave up and practically left the city without a taxi service. I still cannot forgive myself for that. Now we have to build up the whole service all over again.

I have a lot of stories about that time, but to me it seems more important to show the methods of making decisions used by Gavriil Popov. I will give just one example. As soon as the city administration started to work under the new conditions, it came across the phenomenon which is called in business textbooks "the management crisis". There were thirty-three districts in Moscow, and each of them had the same structure of the power system as the city itself. Under the Soviet system, the chairmen of the district Soviets did not hold any real power; in fact, they were merely scapegoats. If something misfired, it was the fault of the district; if something worked out well, it was the achievement of the city. The management axis

ran from top to bottom. Everything for all the 33 districts was determined by the center.

The districts of the capital went back to Stalin, and they were created on the rather peculiar principle of the number of Communist Party members living in the district. There had to be approximately 65,000 Communists in every district. If you remember, people had to get registered on the job, which is why in the district areas with 90,000 residents, you could easily achieve the necessary numbers. In the outskirts of the city, in so-called "sleeping" districts, the number of the residents ranged from 700 and more thousands people.

Now try to imagine a district Executive Committee which has to take care of such a number of people. Even having the strongest desire to do that, the staff can hardly process all kinds of papers and documents, never mind the arguments and problems regarding repairing something. The chairman of the Executive Committee of such a huge district is never available for a common denizen of that area, but as far as the citizen is concerned, the city leader is not available to him either. Neither physically nor mentally can the chairman of the Executive Committee permanently hold in his mind the problems of so many districts and solve the problems that come from the bottom to the top.

According to all the laws, any leader can provide high productivity if he has eight to ten subdivisions under his control. Under the old system, nobody cared about these laws. The new Democratic system put forth a new task: to establish feedback mechanisms.

But how? You could keep improving the methods inherited from the totalitarian past that were ineffective in the current conditions management structure, but I am telling this story to show that Popov always took his own way.

"Let's go back to the very outset," he said. "Moscow was formed on the basis of naturally developed towns like Zamoskvorechye, Arbat, Hamovniki. So why does the city have to have the Bolsheviks' principle of administrative division and not this one?"

We outlined every historical area on the map and came up with 137 districts. When we mapped them out, we were able to see the authentic Moscow, the one that we lost in the artificially named districts of "Lenin," "Brezhnev," et al. We were able to see that although the city had undergone some transformations, it still held on to its past. Old forgotten names emerged, and they were not artificially restored due tothis new principle of administrative division -- they just were the real names of authentic, living neighborhoods.

All of that looked fine, but the Executive Committee of the Mossovet could not work with so many districts. In this case, Popov told us, "We need a tri-level structure, which is reasonable when you are dealing with a megalopolis of 10 million souls." So within a net of 137 districts we had to implement a very clear, easily readable backbone.

We found it. Old cartographers, if you remember, used to draw in the margins of the map an octagonal star directed towards the eight points of the compass, so we decided to draw it on the top of the plan of the city. What came from it was eight natural sectors that were always present in any Muscovite's sense of orientation, for the city extends from the center. "I live in the southwest part of the city. What about you?" is a pretty common way of talking in Moscow. In addition to these eight points is the center of town plus Zelenograd, a satellite town, which all together gave us ten districts, an easier number to work with.

Today Moscow life itself confirms that our deci-

sion was correct. In the beginning it seemed to me as too abstract, too logic-based; but when we started to act in the system, which meets all the norms of management, we realized that logic can also be very helpful.

Having changed the principle of administrative division of the city, we ensured its manageability: Now the city government continually receives information from 10 district prefects. They, in turn, have reasonable management responsibilities because each of them deals with fourteen lower-level prefects, and they are available to any citizen of a micro-district. These residents can see him without any formalities, share their troubles with him and ask for help. In the future, they will be electing him from their district. A subprefect should live in his district because he is there to serve the people, not to rule them.

3

Sometimes Popov would grow imperious. He gave orders, not always indisputable. In these cases, Popov would say, "I made a decision. Carry it out."

I would respond, "As chairman of the Mossovet, you definitely can make any decision, but as chairman of the Executive Committee, I have the right not to obey. Our dispute can be settled, according to the law, either by a session of the Mossovet -- or in court."

Such scenes, however, rarely occurred. I enjoyed working with him and observing his thought process. What is more strange is that he, too, was imbued with trust toward the activities of executive power. I believe that the burden of the responsibilities that he carried upon his shoulders inevitably brought him closer to us than to the deputies. The point was that being the chairman of the Mossovet, he was the master of the city in the eyes of the people. Who do the people go to with complaints if the privatization fund deceived the depositors? To him. Who

was to blame if the pipes in the house were frozen? Not the deputies, surely.

So this particular "logic of responsibilities" drew together our approaches toward our problems and our methods of making decisions. Popov began to understand the logic of the executive power. It was one thing to sit in a deputy's chair and, without making any compromises, to keep pressing the voting button. It was quite a different matter, for instance, to prevent a strike which was being prepared but not yet announced. Here you had to spin around, talking in official language to reach compromises.

That's why, having played his part for a year, Popov realized that the structure of the Mossovet Executive Committee inherited from the Soviet era was completely unable to function. When the rule of the Communist Party ended, this structure started to provoke the deputies to put into practice the notorious slogan, "All power to the Soviets." They were trying to establish total control over the executive branch. They arranged regular check-ups. They insisted on their right to veto any decision we made. They tried to dictate policy on the questions of human resources. Such actions fully revealed how alien the idea of division of power still was to them. Having lived their lives under the Soviet system, they did not really understand the principle of independence that linked the tripartite structure in which one branch formulates the laws, the other one carries them out, and the third can judge everybody. The deputies assigned a secondary role to the Executive Committee.

I did understand that new people came to Mossovet, but the majority of them were inspired by only one idea: They were against the Soviet power. Having started to rule themselves, these people, carried by the destructive tide, simply kept destroying power. Let me give one example: There was a decision made that the city would

never again fix the hot-water supply. What next? Nothing new: Private enterprises received money after that and broke up shortly afterwards, leaving the city with neither money nor hot water. Some deputies, having tasted power, started to abuse it bureaucratically. Putting it bluntly, they became millstones about people's necks. They were taking advantage of the difficulties of the transitional period to advance their own interests.

Gradually, through the purely Russian or, rather, "imperial" comprehension of power, an idea began to emerge that you don't need to rule over the city at all. You need just tolet the city live. At the head of the municipal power there should not be a person who predetermines the destinies of the people and decides for everyone what's right and what's wrong, but a person who simply serves the people and considers his position to be a part of the city service.

With such an understanding, the task of governing the city turns into pure management. This particular concept requires the strengthening of executive power. The development of the city itself brings you to the democratic concept of ruling over the city: The citizens can live quite independently; your business is to stay out of their way and to serve them properly.

It was for this concept of power that Popov and I fought. The fight was not easy -- in fact, it was merciless. Several times we reached the point where the whole staff of the Executive Committee threatened to turn in their resignations. During that period, Popov started (as he told me later) to cherish the idea of a "mayor." It was necessary, he said, to create at the city level such an institution of power, the status and responsibilities of which could balance the pretensions of the Deputy Corps.

There was nothing of the sort in any Russian city at that time. The result of our efforts was that according to

the temporary regulation (now it is permanent), a mayor had to be elected by the whole population of the city. If 10 million vote for someone, it would not be easy for deputies and committees to control him. To my great surprise, Popov offered to become a candidate for vice-mayor, not to any of his comrades belonging to the same party but to your humble servant. By that time we had been working together for a year.

Five pairs of candidates were running for the office. On June 12, 1991, when Russia was electing its president, Moscow was electing its mayor and vice-mayor. The Popov-Luzhkov ticket left its competition in the dust and won sixty-seven percent of the vote. It was the most radical change in all the reforms of Moscow's government. Further events proved that it was the right step from the political point of view, too, for in August it had already become very clear how important it was to have strong executive power in the capital. If up to that point the authority of the mayor had not been strengthened enough, it is not possible to say how much more difficult it would have been to maintain law and order in Moscow. I don't want to over-estimate the merits of the city administration. I can only note that at that extremely important moment, the strict discipline all city services showed in fighting all attempts to return the Communist regime to power was the result of the activities of the mayor and the vice-mayor.

4

Stop. Here the author has to apologize to the readers.

A few chapters about the coup should have followed here. The coup has been written about long ago and published in a book titled Seventy-two Hours of Agony: the Beginning and the End of the Communist Coup in

Russia (Moscow 1991). In discussing the coup today, I would have to rewrite a lot in the light of subsequent events, and although the main approach would be the same, how could I have presented some of the heroes of that period who, later on, became less than heroes? How should I have characterized them?

I don't like to rewrite history. Let the text of those chapters remain as when they were written, right after the events. Everybody can read those chapters. There isn't a word of untruth there.

All one needs to do is just to imagine that they are here...

5

"August 27 -- Be in Gorbachev's office" was written on my calendar.

There I was, sitting in the office of Mikhail Sergeivich, where I have been many times before, and I am surprised at the changes I see. The offices surrounding the president suddenly were empty, like an abandoned house. There was no tension in the air, none of that high-voltage atmosphere that is one of the most attractive things about the people holding power.

I was peering at the face of the master. How much it had changed! Gone were the self-confidence, the artistry. His charisma had vanished. That hidden demonic joviality that you could feel in every phrase, that created the second level of conversation suppressing any capacity to object, was gone.

As if he was forcing himself to do anything, his eyes were dimmed. "He is not the president anymore," I thought.

I understood. What was tormenting him now was not the expression of a hidden fear on his face like it was on the Foros tape, when he, frightened, was addressing us.

The expression on his face at that moment reminded me of the one on his face when Yeltsin was literally forcing him to read to the hooting audience in the Russian Parliament the minutes of the meeting of his cabinet of the ministers, which betrayed him, in which everybody was repudiating his presidency in favor of the Emergency State Committee.

"Humiliation," I thought. "That's what's left its imprint on his face. Now his resignation is only a matter of time."

The situation concerning the Cabinet of Ministers actually turned out to be the main point of our conversation. The country was left without a government. The situation was very serious. The republics were enjoying their triumph over the empire. The union contract was not signed. The tendency towards disintegration, the break of all the bonds could bring the country to complete chaos. An urgent formation of an executive power system was necessary.

It was decided to form a temporary Operative Management Committee to succeed the Union government. The position of the Chairman of the Committee was offered to the former Prime Minister of Russia, Ivan Silayev; and the position of one of his deputies to me. I tried to refuse. I did it for one reason only: My disagreement with Silayev ran deeply and was widely known. A year before the coup, my opposition brought him to such a state in which, people say, nobody had ever seen him.

I'll talk about it because it is a matter of principle. It was the period of creating new market mechanisms. It didn't take Silayev long to do it: He turned the ministries into so-called "concerns." I remember that during one day he made 16 of them. The result was gargantuan monsters that were going to imitate market structures only to maintain the power of the bureaucrats. In reality they were

the same ministries where nothing had changed except names and salaries.

I could not understand whether he was lying when speaking about the markets or whether he was truly clueless.

Because these ministries (excuse me, "concerns") were located in the territory of Moscow, I wrote a rather frank letter to the Russian government saying that Moscow does not think it is right to create such shams, along with an earnest request to withdraw them from the city.

At the meeting called specifically for this occasion, I kept insisting: "If the sham is not stopped, we'll take measures that are in jurisdiction of the city administration. We won't sign leases with these so-called "concerns." While I was talking, I noticed that the prime minister changed his countenance. He then grew purple, stood up and started to shout that he would not tolerate such arbitrary behavior and that he would annul all the "local decisions" of Moscow.

But I was continuing very calmly (in such situation some demonic component emerges in a person): "We'll shut down the water, the electricity. We are not going to welcome these pseudo-structures in Moscow. It is not the market -- it is pure fraud."

I don't know how it all looked, but anyone could see beyond the shattered etiquette that there were two completely different strategies of reform -- the imitations, and the real thing, and they could not co-exist.

I knew that I would not be able to work with the chairman of the Committee. He was a representative of the old regime, and we would fight inevitably -- but more about that later.

In the meantime, I started to work in the committee with great enthusiasm. The situation was extreme: Everyone was forecasting famine in the country. The news-

papers warned that we would not survive the coming winter; the experts predicted hunger riots. My task was to create an integral complex of food provision in a country contaminated by the bacillus of regionalism. Every republic, every city, every town and village did not want to share anything in anticipation of skyrocketing prices. Any agreements or contracts were out of the question because nobody believed anybody. The situation was moving towards complete nonsense.

I met with leaders at all levels, trying to convince, to persuade, to suggest an idea about mutual benefits. My assistants and I did a great job of working out a plan and mechanisms for mutual aid, the level of prices and the volume of reciprocal commodity deliveries. Everything was presented in quantitative indices. To make up for the shortages, we negotiated with the European Parliament, Great Britain, Belgium, Germany and Poland. Now I can tell you with all confidence that if, in spite of everything, the country was not stricken with hunger to any great extent, it was due to the hard work of our committee.

In that work we discovered one amazing thing: The political ambitions of Republic leaders too often conflicted with the economic interests.

The ruling elite was not satisfied with the formal attributes of sovereignty. The idea of creating integral economic, financial and informational space stalled due to the strong pressure of political groups. As in the Ukraine, it was the resistance of nationalistic forces; in the republics of Middle Asia, it was the pressure of the state bureaucracy; or it could be the combination of both forces plus the emerging business elite, not to mention the political activity of the mafia. Plus God knows what. It was anything except reasonable economics, which was pushed almost to the last place. No matter how much time we spent trying to convince them that it was easier to survive to-

gether, the tendency towards political regionalism inevitably was pushing us to economic isolation, predetermining the near disintegration of the Soviet Union.

Gregory Yavlinski, the leader of the other team in the committee, dealt with the problem even more than I did. He got the assignment to prepare a draft of the commonwealth agreement. He prepared that document thoroughly and in great detail, elaborating on the system of cooperation of the Commonwealth of Independent States in the integral economic space. The draft was variable and flexible, and the possibility of associated membership, the issue of national republic currencies was provided for. I was completely delighted with the report Yavlinski made in front of the presidents of the republics. His capacity to think in economic categories, to see the society as the system based on economic parameters, contrasted with everything those politicians had heard before. They used to treat economics like a Cinderella, to whom they could give any assignment according to their political ambitions. They forgot that our country was healthy and strong, not only when the prestige of the country was embodied in rockets and cosmonauts, but by Demidov and Morozov types of people, people of business and action who provided Russia with success at international exhibitions and its society with the high standard of life. I was sure that due to the simplicity, logic and clarity of the report, it would definitely strike and make an impact on our politicians.

Unfortunately, I was wrong.

On that day both of us addressed the meeting. I was the first to speak, which was natural because everyone was worried about the supply of provisions. I delivered a plan of cooperation among the republics, providing them with the dates and volumes of reciprocal deliveries. I talked about the prospects of coming out of the food crisis. The reaction of the presidents was benevo-

lent; the questions, concrete.

It seemed that I should have been satisfied; however, the fact that the presidents did not understand Yavlinsky's report (a reaction he did not deserve -- the questions were posed in a tone that made it clear that political ambitions prevailed) hurt me a lot. I realized that we would not get things moving with these people.

They kept talking about the market, not because they had believed that it was the only correct way of life, but only because they were promised that *perestroika* would bring on political change. The system of priorities remained the same as ever. It meant that the work in the Operative Management Committee made no more sense.

It simply had nothing to manage.

6

The immediate cause of my resignation from Management Committee lay, of course, not in these inappropriate thoughts but, as it was expected, the result of my conflict with Silayev.

On the wave of the victory -- and let us not forget that the coup was crushed by the powers and authorities of the Russian Republic -- he initiated a complex series of measures and decisions that generally meant one thing: The property of the former All-Union ministries was declared the property of Russia. The officials and functionaries of the Russian republic within a blink of an eye seized the offices of the All-Union facilities, their buildings and computer centers.

I was against this policy. The property of the Communist Party, on which everything was clear, remained without its owner. But the All-Union property had owners. It was created by all republics of the former Soviet Union, so, in my opinion, we had to find civilized methods of calculating and redistributing the fair share of those

assets among those who participated in its creation.

There were two principle issues here. First, in those "grabbing reflexes," I saw the same old hatred psychology of Bolshevism, which destroyed a strong agricultural industry of Russia after the October 1917 coup. Actually, it was a philosophy of lumpens and highway robbery. Whatever the Communist ideologists could possibly think about the goals of their utopia -- and I am sure that a lot of them were absolutely sincere in their beliefs -- in practice, they implemented the ideology of criminals. And let us not forget that it lasted for seventy years.

With such a bad precedent, we must address the people and speak with them about returning private property and implementing market economy only together with the resurrection of the sacred attitude to property per se, one that is independent of what one's personal feelings are in regard to its owners. If we consider ourselves as a government of a country which is moving toward recovery after being very sick for a long time, we have to establish a precedent of civilized transactions with the All-Union property and find solutions in an open and legally correct manner.

On the other hand, I felt that substituting the principle of sharing by the concept of "grabbing" we significantly reduced the perspectives of future industrial integration. Why may American enterprises work in South Korea, or the Japanese in the United States? Why can't our sovereign republics be the co-owners of enterprises located on the territory of one of the partners?

For example, if we will count as a total of all hard-currency expenses the amount invested in such unique enterprises as the cosmodrome at Baykonur or the Kama autoplant, it is quite possible to come to an agreement that all republics will become their owners, much like, say, shareholders.

But Silayev did not want to listen. His slogan was, "Whatever is on my (i.e., Russian) territory belongs to me."

That was the first step on the road that later led to so many conflicts and collisions of disintegration. I do not know what Russia won from those decisions, but I do know that it provoked in others the "grabbing reflex."

I sent a memo to the chairman about the unlawfulness of such approach and expropriation of the property of former All-Union ministries. I spoke about this issue at a Committee session. I indicated that if we will fail to demonstrate a civilized way of re-sharing of our common property, we in Russia, for starters, would lose more than we would gain. Everything that I saw happening I considered a vulgar and Bolshevist-like method of solving a problem. The members of the Committee supported me enthusiastically. Silayev hushed up and dropped the matter.

Then I wrote a letter of resignation. Gorbachev was extremely angry. He shamed me, blamed me, accused me of unwillingness to help once the going got tough. Above all, it seemed to me, he could hardly understand how it can possibly be that a man from the lower echelons would reject the privileges of higher power. He simply did not see what became absolutely clear to me during my work in the Committee, namely that it will take only several more months, and all this "higher power" and this Committee and he himself, the president of the Commonwealth, would be out of business.

7

"The Second Russian Revolution." That was the title of the BBC-TV sequel devoted to the events of August 1991 in Moscow.

Perfectly understanding that the title reflects quite

a substantiated interpretation of the victory over the coup d'etat, I still would like to note here that we are strongly inclined to treat history in accordance with its visual, theatrical effects. Meetings and rallies on the streets, barricades, blood on the pavements -- all this attracts millions of viewers. But when revolution dims its spectacular show and turns to its daily routine, it ceases to exist as popular mythology.

Meanwhile, it's just here through everyday acts that the authentic drama of revolution evolves. You see, revolution is the change of a social structure, and "social structure" stands quite apart from any other abstract category, precisely because it is built and exists in people's souls.

Two reasons made me especially happy when I left my position in the All-Union government and returned to "the city level." First, I was looking forward to working with Gavriil Popov, which was sheer pleasure. The man has an intellect of a most sophisticated kind, capable of calculating the remotest after-effects of his decisions; he revealed to me a new, unusual system of thinking. I was absolutely sure that together he and I could bring everything we started to its logical conclusion.

Second, according to the old Russian tradition, the capital has to initiate the structural reconstruction of the Soviet society. The victory over the coup d'etat created the conditions for change. Yes, it liquidated the top of Party "nomenclature"; yes, it zapped the imperial clutter and its military-supported power; but the whole depth of socialism, as a system based not on private but state-owned property, remained practically untouched. Nobody knew where to begin to demolish it. That's why the key point in our program was the issue of privatization. The first Russian revolution took property away from a citizen and gave it to the state. Now the time had come to return

to people what they were robbed of.

It seemed that there shouldn't have been any problems after August. The legislative basis already had been established. All key positions at all levels of society belonged to Democrats or to the "old" specialists who were ready and willing to undertake the innovations. There was a surprising atmosphere of unanimity -- that's what we found at every meeting with the privatization agenda.

But in reality, there was nothing. We didn't receive a single application. Not from a store, not from a laundry, not from a shoe-repair shop.

That was strange and required patience and character. I gathered the managers of the retail enterprises and asked: "Why don't you want to privatize your facilities?"

"We want to," came the response.

"So, what's keeping you from doing it?"

Actually, they said there was nothing but some minor problems with red tape, which could be easily eliminated. We agreed on the issue and adjourned. And again -- nothing happened.

I invited the Minister of Trade for Moscow, Vladimir Karnaukhov, to my office and spoke plainly: "Listen, what's wrong? You are completely devoted to the idea of privatization. You have seen how it is all in in the West, that private ownership works much more effectively."

"Yes, I know, but the city is not ready yet. There are no farmers, no wholesale markets. How will I provide the stores with all the necessary goods? As long as they are state-owned, I can fill them at least with something."

Again, we agreed -- immediately -- to create wholesale markets. The work began and again slowed down. Once again, it is not clear why.

But gradually the situation became clear and, for "Democrats," somewhat unexpectedly. Until now they used

to struggle on the level of platforms and ideologies and slogans. They became accustomed to seeing their opponents and enemies trying to win the votes in fair elections. Now they were no longer facing "Conservatives" equipped with an appropriate philosophy and ideology, but just regular Soviet people.

There was a director of a grocery store who was totally corrupted by socialism. He'd gotten used to theft and fraud and making more money than a private owner. He rightly feared private ownership more than hell itself because it would force him to get up at 3 a.m. to take care of the quality of the products and to have headaches thinking of how to attract customers. There was a director of a barber shop with its filth and cockroaches, or an upper-level manager who knew how to work in a "planned-distributive" system, but without the vaguest idea how to work in the world of free-market competition.

Those people were not ideological opponents. Perhaps they even voted for the free-market. Frankly speaking, none of them loved socialism, but the second Russian revolution, which defeated the Communist and imperial structures, now turned on those very people.

Popov did the simplest thing: He asked me to warn all the directors of all the stores, barbershops, laundries and cleaning facilities that if they will not submit the application and forms for privatization before Dec. 5, 1991, their enterprises will be, in full accord with the law, put out of business. No exceptions. The result exceeded all expectations: Before the deadline we had received 8,500 applications. To be sure, it was not a classic privatization. The new owners were not private entrepreneurs but the same socialist "working bodies." The main stimulus of taking over the enterprise was the threat of losing the job, not the desire to beat a competitor.

Nevertheless, the Moscow government decided to

support this form of privatization. The main reason, basically, was tactical: In the Moscow service industry, all those laundries, cleaners, tailor shops, grocery, merchandise and small general merchandise stores employ no fewer than 1 million people. The threat of unemployment is unavoidable and all too real, as are conflicts between the former employees and the new owner.

Who for example, could possibly be those new owners? A man who contrived to make big money under socialism, a swindler, a master of loopholes. It is quite possible that, judging by business qualities, these were exactly the new managers that we needed, but within any conflict with employees, they could never hold the moral high ground. I can imagine how many protests, hunger-strikes and pickets we would arouse by auctioning properties as a main tool of privatization, how many legal and journalistic investigations, what a wave of accusation directed at the government -- and how it would delay the whole process.

By giving an enterprise to a collective of its workers, we actually laid the foundation of its further evolution so that new private entrepreneurs will emerge from the current co-owners. Somebody who has the initiative, who is the most business savvy, will redeem shares from his colleagues. If there aren't enough co-owners in the collective, let them look for somebody from outside. All the same, they will not survive by subleasing half of the their premises to a resale store. Maybe they'd make it a year, or five at best, but after this an inactive collective will not survive because nobody subsidies it.

These were the thoughts of the Moscow government as the Committee for Privatization started to work at full speed. The Chairman of the Committee became Larisa Piyasheva, who was well-known for her radical view on the methods of exit from socialism. Journalists

very shortly coined the term "crumbling privatization" to define her methods. They wrote that her methods resembled too closely those of the collectivization of the 1930s, that Moscow herded people into private ownership like Stalin herded peasants into collective farms. Those evaluations were well justified.

Several times I spoke and criticized Piyasheva's methods. I suggested to her that she would work in a more tactful manner. I urged her to explain fully to the people about potential future profits and the benefits sprouting from privatization and not to scare them by threatening them with dire predictions. It's true that as collectives go through difficult times in order to save the enterprise, people may, and often do, suffer decreased wages. This is especially painful as it coincides with inflation. We had to help these people and not just to threaten them with auctioning off their enterprises. Our goal was to increase the level of services, not demoralize the workers.

Those were our arguments that splashed on the pages of the newspapers and on the TV screens. The "focus" of the discussion was the difference between "accelerated" and "crumbling" variants of privatization. At last, the first alternative was accepted.

8

"So, where is the revolution here, I wonder!" exclaimed a middle-aged English gentleman when I was carried away by my telling about all these fabulous matters. This gentleman was asked to accompany me in London, where we were sitting in a famous pub, which he kindly decided to show me.

Suddenly, from this remote island, I saw all the pettiness of the problems I was trying to solve.

My friend never knew a state owned pub. He had a general idea about the problems connected with

privatization and even participated in debates on this issue in Parliament, but here in England, big important enterprises were the subjects of transferring to private ownership -- TV channels,military plants,airlines. Toimagine that a barbershop had to be privatized was beyond my host's comprehension. In the world where he lived, it was always privately owned.

That's why he sincerely believed that our "revolution" was not a revolution but just a slow (too slow!) return to a normal order of things. He simply could not imagine that for 70 years an alien civilization, Communism, had emerged in Russia, that the fundamental changes touched not just the surface of an authoritarian regime but penetrated deeply into the social instincts and behavior, and formed the mentality of the whole generation, the third since the 1917 Revolution.

For Russia, the return to a "normal civilization" means an exit from an abnormal one where you cannot find a suite in a decent hotel, cannot receive simple information, cannot buy a ticket for an airplane, cannot reach somebody by the phone when it is necessary, cannot find legal protection when you are in trouble.

All this means that municipal authorities constantly run into difficulties in persuading foreigners to invest in Moscow. When a foreign businessman comes to Russia, he does not discover a foreign country but an alien galaxy. He cannot understand that "Soviet civilization" has bred a people for whom "the absolute" does not begin and end with private ownership. He cannot accept the idea that such a civilization possibly can exist where nothing is sacred and guaranteed -- neither laws regulating the status of investments nor rules defining methods of solving conflicts; neither insurance for investments nor the ethics of fulfilling contracts. There are no "sacred" rules anymore.

Arriving in our country, a businessman is prepared

for a lot of things, but obviously not for a situation in which he becomes a pawn in a frustrating shuffle of laws and regulations. He just cannot imagine -- no matter how hard he tries -- that he came to a country where the Parliament and the government, while issuing new laws, decrees and regulations, think last about the people they are supposed to represent. All this may be explained by the simple reason that, still, our authorities are genuine products of a system that never considered a man as a pinnacle and a creator of social life.

Only a strong personality is capable of compensating for the faults of such a system. Popov's immense prestige did what a healthy, strong system of laws and regulations was supposed to do. In him personally business people found a man with firm principles. After a meeting with him, a mundane activity turned into progress and order on Earth. He restored people's faith in ideals, something half-forgotten in the developed countries; he reminded them about the ideas of the great thinkers of the bygone era of early capitalism, the era which one may simply breathe in our atmosphere today.

9

The first privatization issue facing the Mayor of Moscow was how to privatize housing. He insisted on its priority because as long as a Soviet citizen owns nothing, nothing can be expected from him in terms of business and working authority. Communists succeeded in many areas, but what they did best of all was exterminating the natural desire in people to acquire and increase property. They eliminated the dignity of ownership; they burned out the will to keep what could possibly be saved and acquired in order to leave it to the heirs. Thus they wanted to create a "new man," but what they got instead was a man whose initiative and sense of responsibility became completely

atrophied, who got used to not earning money but to receiving subsidies from the state. Unless we return to a man an authentic sense of an owner, he will never understand our goals.

Those were the basic arguments in out battle in the Moscow City Hall and government when we asked the members of Parliament to speed up the process of passing the law on housing privatization. The Soviet people live in state-owned and cooperative apartments. If we immediately transfer them into privately owned property, it will be the beginning of the crucial changes in people's mentality.

Generally, the Mossovet was for this idea and had practically no objections, but there was a wagon full of problems and concerns regarding the procedures and legalities. For example, why will one Muscovite receive a large apartment and another one a small one? This one will be in the center, and that one on the outskirts? That house is good; this one is bad. Yes, these questions were more than justified. It is not a secret that for 70 years a lot of party and government workers, those who brought the country to a total collapse, settled in Moscow's most prestigious neighborhoods, especially in the center of the city, and "ordinary" people, as a rule, native Muscovites, were forced to move into pathetic little apartments desperately in need of repairs in remote districts of the capital.

There was no end to our discussions. Endless meetings were organized; cumbersome methods of indexing were offered, e.g., an extra charge for "conveniences" or location, etc., but the more these debates went on, the clearer it became that we were losing precious time and that the process of privatization will stretch for many years.

Here, it might be appropriate to say a few words about our so-called "representative" government. In reality, it is something different from what the West knows.

We give the names like "Parliament" and "Duma" to our representative bodies, but in reality those names are purely cosmetic. All of them are mainly derivations, generic heirs of the Bolshevik Soviets rather than elected legislative bodies of the Western model. Reviving the slogan "All Power to the Soviets," the architects of *perestroika* wanted to preserve the Party monopoly on power.

Social inertia gave excellent opportunities to a lot of Communists to win election, but in Moscow, St Petersburg and other big cities, there winners were the "Democrats." Party influence and authority in the *soviets* of those cities was undermined, but the cumbersome structure conceived by Gorbachev remained untouched. The politicized parliaments put together partially from former high authorities and partially from "populists" revealed their absolute inability to conduct a normal routine legislative authority. Now, when it was necessary to make a decision concerning the most complex and subtle mechanisms of democratic social order, they used the principle of vulgar equality and the logic of lumpens.

There, where problems had something to do with the new realities -- let's say, free market economy or private entrepreneurship -- they tried tostick toold stereotypes of the state monopoly. In cases when some concrete branches of industry were involved, everything happened according to "Parkinson's Law." You probably remember his famous example illustrating professional incompetence: When somebody does not know how a nuclear reactor works but knows how to make a shed for storing bicycles, he will discuss the first matter, the reactor, for four minutes and the shed for 4 hours.

However, the chief stumbling-block for the new parliaments was the principle of separation of power. In theory, everybody agreed with its necessity. They read, or knew, that this is the cornerstone of any democracy, but

principles are one thing, and their realization is quite a different matter. Theory would hardly have helped here: Many years of development in this direction are required. When the old totalitarian traditions are not completely eliminated, the separation of powers turns into a tug-of-war between the branches of power. Actually, it is very simple, like, say, Parliament becoming jealous of the president and the government, and beginning to promote its own messages in order to limit their functions and prerogatives. In other words, it strives for absolute power.

This is what we observed in the Moscow parliament, and that was the situation which later happened in the Supreme Soviet. When the government of Russia took its course at radical reforms and the "deputies" realized that they were losing control of the situation, they made a strong attempt to stop this course. The Council of Ministers' response took a form of a threat to resign in full. The Moscow government joined this decision. Answering the questions of journalists regarding whether a compromise is possible, the former Speaker of the Parliament, Ruslan Hasbulatov, answered (as I remember): "The Government has to be absolutely subordinated to the Parliament -- and that is the only compromise possible." It is a common knowledge now how all that ended.

But before I proceed with the topic, I want to finish the story about housing privatization.

Here I have to pay a special homage to the mayor. He overpowered the Moscow Parliament. He rejected all sophisticated methods of indexing or redeeming. He insisted on the simplest solution: The house or flat where one lives is the house or flat he gets -- and let's not complicate the matter further.

But Parliament was not the last obstacle. The next line of resistance was organized by the city government apparat. The executives and functionaries simply could not

imagine how it is possible to transfer the apartments into private ownership without complex red tape. First, they said each Muscovite has to submit a form, a petition before receiving permission from engineering services and departments. Then a special commission would process the documents, and then a group of attorneys will be issued. Then -- who knows?

The Mayor rejected all swiftly and firmly. He insisted on the simplest variant: An application submitted to the building manager, and one month for the whole transaction.

"Is it possible without a commission? Without the power of an attorney? Without technical and engineering inspection?" asked City Council employees.

"Yes," Popov answered swiftly. "Just do everything quickly. If we fail to create a strong class of owners, all the premises and basis for further reforms will be lost. We have no time to lose."

10

Some time ago, at the beginning of *perestroika* when I did not know Popov personally, I came across his article in the magazine *Knowledge Is Power*. The subject was the history of reform in Russia, and it was the professional reflections of an economist. Here's what struck me: There was something lyrical in the tone of his article. The author was writing about people who were doomed in their struggle with the Russian routine. All of them, as a rule, came to a bad end and became victims of the inconsistency of government policy. They were used, toyed with, and then they were wiped away. They were not permitted to complete whatever they tried to begin.

I am not a mystic, but I know that a man may foresee his fate. That's why when one early November morning Popov called to tell me: "All is senseless. It's time

to resign!" this article immediately came to my mind.

Actually, everything was evolving as if by a script. The media was creating an appropriate emotionally charged atmosphere. Finding itself in a situation when censorship no longer existed and the democratic procedures not yet established, the media began their witch hunt, fabricating rumors and accusations which it could not and did not care to prove. A journalist could testify that Mossovet authorities and clerks took bribes and not have to provide a single fact supporting his testimony. A popular TV anchor could drop a phrase that the "Moscow Government is the most corrupt in the world" without providing a single piece of evidence for such an accusation. Once, when I was invited to take part in a TV show, I insisted on proof for these accusations. There was nothing left for the anchor to do but apologize.

Of course, the leaders in this defamation campaign were the former Communist newspapers, our sworn enemies; but soon the democratic press joined them. You see, the city authorities are the closest and the most immediate authorities. It is always so easy to find a reason to be unsatisfied. Let's say they ask you for a building for a stock market, and you refuse to give it. Then they ask you for some tax relief, and the city denies this request. Anything like that. Pretty soon you become a "government which is detached from its people" or a "government that sells Russia to the foreigners" and so on. There is never a lack of gloom, you know? As for me, personally, I have a very thick skin, so these things do not bother me, but Popov appeared to be too sensitive for this turn of affairs. The other reason for his disappointment was the mute resistance of his subordinates. They just could not understand what he was trying to accomplish.

I mentioned already the collisions pertaining to the housing privatization. Now imagine that this kind of thing

happens, literally, every day. You ask for something; it is promised. You leave; nothing changes. One has to have a special character, the qualities of a warrior to win these "battles."

The third level of opposition was presented by the Moscow Parliament. In general, it was progressive and democratically oriented. But it did not want to share executive power with the Mayor or the Moscow government. During the coup, we were together on the same side of the barricades. We did not have significant differences on the level of programs, but when 500 people gather at one place, each one feels the breath of 8 million voters down their necks. They just cannot understand why they have to discuss dull matters of budget and taxation, while all concrete activity becomes somebody else's concern. They simply could not overcome the pattern of a unified power, which was installed in our society for decades.

The last reason was the disagreement between the Mayor and the Russian Parliament. The Parliament held the position that Moscow should not have special advantages which would permit it to move forward more quickly than the rest of the country. Why should Moscow not keep pace with all of Russia?

Popov argued, explained, proved. He insisted that many stages of reform are already passed in Moscow, so we may and should move further. We gained a priceless experience which may become a model example for others. If something would not work, it is also better to know the negative results on a local level rather than to fail on a global scale.

All was in vain. The idea of assigning a special status to Moscow for testing and verifying the new reforms did not find understanding in the Russian Parlaiment, where they started to complain that Moscow was "too ca-

pricious," "too independent," "treats the law arbitrarily," and so forth.

11

Popov decided to quit and announced this decision at a session of Moscow Government. He spoke emotionally. He looked exhausted, unhealthy. It was obvious that he was extremely tired.

I don't know whether he expected such resistance from our government, but all the ministers who took the floor were, one after another, categorically against his resignation. They considered it almost an apostasy, a betrayal of the banner that united us. They felt that his resignation would reduce executive power, undermine reforms.

I spoke basically in the same way, maybe even harsher than anybody else. I said that this is absolutely the wrong decision, that he had not exhausted all the possibilities, that he did not reach and discuss the issue with Yeltsin. If the President refuses to support Moscow reforms, then it would be a different matter altogether, then we would all resign. I meant it -- all of us -- because it was not the ministers' portfolios that we were there for, but the idea of reform.

That very evening I made a call to Yeltsin and asked him to receive the Moscow Government. The reason of the request was our reaction to Mayor's resignation. The President agreed to receive us.

The meeting took place the next day. Yeltsin listened to us very attentively; he asked questions. He said that a lot of the issues, as we now put them -- and he did see them -- were quite new to him. His unawareness of Moscow's problems was a result of too few meetings with us. Our requests are not subjective but objective and substantial. He promised to solve all the problems. Actually,

soon after he signed several decrees which provided Moscow with the rights to move reforms faster than the rest of the country.

This meeting was a landmark in the whole system of Moscow reforms.

First of all, Popov was very happy. He told us that the reasons for his resignation now had disappeared. He withdrew his letter of resignation, but gnawing doubts and general exhaustion already had done their destructive work.

We started a new round of reforms, and as I understood it, ones that would be of special interest to Popov.

By my proposal, all the Moscow Government resigned, which opened the doors for us to form a new system of executive power, a "Government of Reforms" without all the bureaucratic structures, without the cumbersome apparat of control and management, without departments, sub-departments, sub-sub-departments, without...

But just as work was in full progress, when it seemed that the Mayor was totally into it, we suddenly received information that he had an appointment with the President. Popov asked for permission to resign and offered the current Vice-Mayor, Luzhkov, as the best candidate for this office.

The president agreed.

After everything I have just described, it was such a surprise for me. I was so astounded that upon returning home that evening, I really deserved the sarcastic comment from my wife: "I never thought that I would see my husband in such a night-mayor-ish state..."

■ Building of the first walls of Kremlin by Yuri Dolgoruky,
Painting by A. Vasnetsov, 1917

■ Hiding in-walls before an enemy's assault:
Troitsky Bridge and Kutafya Tower

Painting by A. Vasnetsov, 1917

■ Descending of Ekatherine the Second from Red (Krasny) stairs, 1762

■ Tverskoy Boulevard, view from Nikitsky Gates.
Lithograf by O. Riedel, 1825

■ Red Square (Krasnaya Ploshad) in the 18th century.
Artist F.Gilfending, circa 1770

■ View of the Kremlin Garden.
Engraving by R. Kuriaytnikova after the drawing of N. Chichagov, 1827

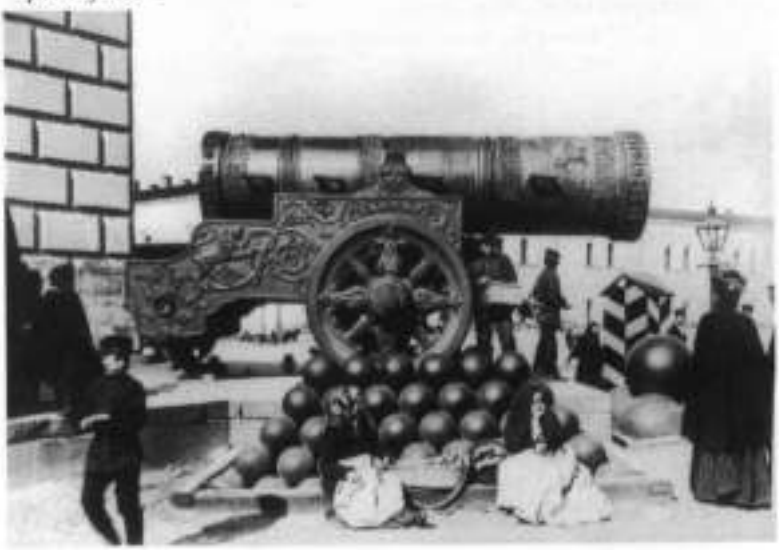
■ First map of Moscow made after geodesic lend-survey (the so-called *Mitchurin*'s map), 1731-1739

■ Lubyanskaya Square
Lithograf, middle of the 19th. century

■ View of the military General-Governer building, Tverskaya Street (Mossovet),
Lithograf by G. Arnu-senior, middle of the 19th. century

■ View of Petrovsky Boulevard,
begining of the 20th. century

■ "Tzar Pushka" (Tsar-cannon) in Kremlin,
photo of 1912



■ S. Ryabushinsky mansion.
Architect F. Schekhtel. 1900-1902

■ The main fasade of Yaroslavsky Railroad station on Kalanchevskaya Square, opened in 1862.
Reconstructed in the begining of XX c after F. Shechtel project. Photo of 1905

■ Building at a corner of Smolenskaya Square and Kamennaya Sloboda Lane,
photo 1900.

■ Khitrov market. Hungered at the doors of a tavern.
photo circa 1910.

■ Sukharev Tower at Sukharev Square at the end of XIX c.

■ View of Pashkov building (Pashkov Dom)
architect V. Bazhenov, lithograph by L. Bishboi, middle of the 20th century

■ Temporarily wooden mausoleum for V. Lenin on the Red Squere
architect A. Schusev

■ View of the Crist-The-Saviour Cathedral,
begining of XX c.

■ V. Lenin on the Red Squere,
photo 1918

■ Repairing of the street lights on the Theatre Square,
photo 1920

■ Demolition of Alexander III monument at Christ-The-Saviour Cathedral,
photo 1918

■ Distraction of Alexander II monument in Kremlin,
photo 1920

■ Military parade on the Red Square,
photo 1932

■ City demonstration on the 1st. of May celebration,
photo 1933

■ Victory day fire-work on the May 9 1945 (salute)

■ Pushkin's monument on Tverskoy Boulevard,
beginig of the 30th

■ Moscow street-vendor,
1920th.

■ Hotel "Moscow",
architect A. Schusev

■ Moscow State University campus on Lenin's Mountains,
architect L. Rudnev & S. Tchernishev, 1949-53

■ St. Barbara church and hotel "Russia" as seen from Varvarka street

■ One of new districts of Moscow

CHAPTER 4

THE DEEDS OF THE DAYS LONG PAST

Once, right before resigning, when the mayor explained for the hundredth time that he must leave, and I explained for the hundred and first that he must stay, Popov threw out a rejoinder:

"But you must remember, it was exactly like this in the last century. After professor Chicherin, Moscow needed a "housekeeper" -- Alexeev. And notice that Boris Nikolaevich (I mean Chicherin) managed to stay the head of the city for only a year and a half, and didn't manage to do a lot. And Nikolai Alexandrovich stayed for two full terms. So now Moscow needs a man like that."

I don't know whether the professor put one over me in his desire to sucker me into a game of historical analogies, but the very next day I found on my desk a piece about Alexeev by a contempo-

rary, and one month later, I knew everything that could be found about the "Moscow style" of ruling by the famous head of the city.

It was more than one hundred years ago.

On December 17, 1881, a well-known professor and politician, Boris Nikolaevich Chicherin, arrived in Moscow from the province of Tambov. For several years he had been working on the manuscript of the book, *Property and Government*, in the peace and quiet of his study and now, unsuspecting, arrived in Moscow to discuss its publication. What a need there must have been for a liberal leader -- for a "democrat" as we would say today -- that on the day after Chicherin's arrival, the Muscovites offered this professor the position of mayor and one week later nominated him officially. The election was scheduled for the end of the month. To meet property qualifications, a parcel of land along with a ramshackle house was purchased immediately with money borrowed from friends.

A beautiful way to start, but what next? Did the professor succeed in bringing to life anything that he envisioned?

One of Chicherin's first goals was to put Moscow's finances on solid ground, but liquidating the deficit went contrary to the hidden interests of certain parties. He next wanted to establish regular reports on the activities of the city council, but the civil servants were so illiterate that Chicherin had to write reports himself. He tried to organize a loan for the city, but his efforts met only with the absolute indifference of the merchants and incompetence of the state bank. Chicherin also began work on reassessing property values in the city, but this problem remains eternal for Moscow.

To make a long story short, whatever problem the respected political scientist tried to solve, he always met some unexplained obstacle. Chicherin was used to proving his theories to his students in classroom lectures and polishing the principles of an advanced socio-economic society in the solitude of the university library, but any practical attempts were smothered in layers of bureaucracy. If something worked, it came out so badly that it would have been better never to begin. The incompetence of Russian political professionals, as it is obvious from reading his memoirs, lay not in the lack of good ideas and right solutions, but in the lack of means to implement any of these solutions.

On the surface of the city's political life, the Moscow battlefield belonged to the conservatives, who licked the boots of imperial power, and the liberals, who advocated the Russian cities' and citizens' right to autonomy. But between "politics" and real life lay a "bewitched" zone that incapacitated both factions.

It was in this impassable netherworld of political infighting that a young merchant, a hereditary honorable citizen of Moscow, Nikolai Alexeev, decided to act. He was infuriated by the incapability of the government. He nominated himself against a useless and obsequious merchant named Tarasov, not because Alexeev considered himself part of a different platform, but because he "hated the party system" in general and "looked down on the public chit-chat." His contemporary, the writer Amfiteatrov, offered the following portrayal of a meeting of the Moscow Duma under Alexeev's leadership:

Deputy: "Gentlemen town-councilors! The tears of the widows and the orphans..."

Alexeev (ringing a bell): "Without the melancholy, puh-leez."

Deputy: "The city, like a pelican, feeding its chil-

dren blood..."

Alexeev: "And without the allegory, puh-leez."

Deputy: "But, Mr. Mayor, the principles of the autonomic government of the city..."

Alexeev: "And without the constitution, puh-leez -- especially without that!"

Alexeev was apolitical. Despising the "talkers" from any party, he counteracted them with decisive practicality built upon personal responsibility. He implemented a strategy of action based on speed, impact and improvisation as opposed to the abstract attempts of the interest groups stagnating in gradualism, correctness, and procedure.

An excellent example of Alexeev's style came during a session of the provincial *zemstvo*, when in fifteen minutes he solved a problem about the care of the mentally ill that has not been solved for fifteen years. The plan was simple: Find shelter immediately, heat it today, put in the beds tomorrow, and move in the patients the day after tomorrow. He appropriated a site immediately, but there were objections: The edict could come into effect only after eight days. Alexeev nevertheless took it upon himself to put the plan into effect the very next day. There were more objections: The transcript of the meeting would not be ready until the next day. Alexeev proposed to take a piece of paper instead of the transcripts, write out the edict, and present it for immediate approval. During the break, Nikolai Alexandrovich met with the owners of the house and secured their consent. The next day he reported that the house already was heated, the bunks prepared, the staff formed, and the bedclothes ready.

Many considered Alexeev an ideal mayor but far from an ideal chairman of the city Duma -- which would be the correct opinion had the principle of the separation of power been developed in Russia at that time. Many accused him of authoritarian behavior and having a dis-

dain for the democratic process -- and it's hard to disagree, of course, but we must remember that his suppression of his opponents was not a character trait but a vehicle for reaching essential goals.

The session that took place on May 19, 1892, attracted crowds to the Duma, which was debating an 8 million-ruble loan for creating a canal system for Moscow. The opposition -- twenty-three persons planning to block Alexeev's project -- met in the pub of the Large Moscow Camaraderie across the street from the Duma. When they finally arrived at the parliament meeting, the decision already had been made. The opposition was ridiculed with the nickname of "the pub subcommittee."

Did such methods show a "disdain for democracy?" Or were they a part of strategy, a tendency for improvisation, or a sense of humor at least?

Another example. There are many versions of the story of Alexeev's bow to a merchant for the donation of a large sum for a hospital. Here's one of them. The mental hospital was quartered in the former marines' almshouse in Sokolniki. The estimate for a new hospital came out to 1.5 million rubles. Nikolai Alexandrovich donated a large sum himself and appealed to the merchants for equally munificent donations. One of the richest ones, T., known for his stinginess, deposited only 10,000 rubles, and so, during the next meeting where the most prominent merchants of the city were present, Alexeev approached him, saying: "You really hurt my feelings, Ivan Sergeivich. For such a cause only 10,000 rubles? And I decided that if Ivan Sergeivich gives 50,000 rubles, I would bow low to him!"

Immediately Alexeev fell down on his knees. Disconcerted, T. begged him to rise, assuring him that he promised and that he will keep his promise; but Nikolai Alexandrovich stubbornly stood on his knees and repeated:

"Until you present me with a check, I will not rise." The ink-pot and a pen were sent for immediately, but Alexeev still would not rise. Only after Alexeev held the check did he rise and, dusting himself off, said loudly to the whole room, "I was ready to kneel for 25,000 rubles." T. hurriedly left.

Alexeev improvised constantly. While serving as a chairman for the committee regarding the armed forces of the city, he gave an impromptu examination to the draftees who presented teaching certificates that gave them temporary exemption from the military service. It immediately became clear that many of the teachers had trouble adding 2 plus 2. From then on, according to contemporary sources, this method for evading military service lost its popularity.

There are many more examples: During a year of the cholera, Alexeev inspected the city markets in person at dawn, confiscating the unripe berries and compensating the poor peddlers for the confiscated products; during a year of famine, he organized additional city bakeries to prevent speculation on bread and went South to buy grain himself. Of all these stories, what appealed to me the most in Alexeev was not simply his capacity for quick, decisive action but his ability to make a truly administrative decision, one that would direct creative energy in militantly unfavorable circumstances.

Today we observe the grandeur of the *GUM* building across the street from the Kremlin. It fits beautifully into the ensemble of the Red Square so much so that it's hard to imagine anything else in its place. It's simply impossible to imagine the hodgepodge of merchant stores and shops that stood there half a century after the Moscow fire. They were constructed at different times without any sort of plan or architectural supervision, and, worse, their sanitary conditions were horrible. Beginning in 1860, the

governor-general raised the issue of liquidation of the so-called "top commerce rows" that spoiled the center of our great city; however, the issue was not settled until 1886 when Alexeev gathered the store owners and persuaded them to pitch in and create a joint-stock company. A special committee was created that was assigned to work out the rules and compromises within the organization. The idea was simple: Everyone would receive a place in the future *Gostiny Dvor*, and in the meantime their business would be conducted in temporary iron buildings constructed especially for that purpose.

By September 1889 the demolition of the old rows began; by May of following year, laying the foundations for the new buildings had begun. Of course, as it usually happens in Russia, the implementation of a reasonable plan did not pass without the arbitrary meddling of higher powers. By a whim of the governor-general, the demolition of the old shops was scheduled so suddenly that Alexeev did not have time to warn some of the store owners, which meant that they simply went broke. The mayor attempted to prevent the governor's piracy and to save the voluntary agreement, but alas, the emperor's deputy was only annoyed by requests to pay heed to people's needs. Despite this errant stop, the renovation plans eventually were successful. By 1893 the Pomerantsev and Klein building was finished, and then the iron rows where the trading took place all this time were moved to the Bolotnaya Square.

Addressing a meeting of the Duma on April 18, 1889, on the fourth anniversary of his taking office, Alexeev said: "Four years ago we began to perform our assigned by law duties without words, without promises..." That was Alexeev's credo, but the most important thing was that "without words" the duties were fulfilled. Alexeev's Duma left no problems to its successors, while previous Dumas

were in habit of leaving up to 60.

Alexeev's accomplishments were considerable: During his administration the big Mytishi water pipe was built; a canal system was begun; city slaughterhouses were built; thirty city colleges were established; and through his initiative, preparations for passenger train stations on the Lower Novgorod and Kursk railroad lines began. There were a multitude of other beginnings for Moscow, including cultural developments. It was Alexeev, acting as the executor of S.M. Tretyakov's will, who insisted that the donated art gallery was turned over to the city immediately.

Alexeev's own money, according to a contemporary, was Moscow's credit fund, to which he made generous donations. Alexeev spent so much on receptions (having a fondness for receiving delegations and partaking in congresses) that his successor Rukavishnikov, apparently as rich as Alexeev, failed to meet the established standard for receptions and in 1896 resigned his office. Then, grasping the importance of the matter, the Duma appropriated a large sum for receiving.

The source of Alexeev's wealth was not very clear. He probably had enough energy and time for his own interests as well. The important question is how, being a pubic figure, a manufacturer-millionaire found strength in himself not to represent the manufacturers-millionaires and even to counter the interests of his own faction on occasion. For example, in St. Petersburg, a committee was in session regarding a reevaluation of the contract between the owners and the workers. The questions on the table included softening the legislation dealing with penalties that made the workers' lives as hard as their positions were unbearable. The situation was intense, and the issue could be settled to the satisfaction of either side. The industrialists, of course, painted in bright colors the patriar-

chal utopia that reigned in the factories. Alexeev kept quiet until he thought of a gambit. He reminded those present at a recent meeting in the same building of a committee dealing with the issues of the department of the military: The army was concerned about the physical condition of the recruits from the industrial workers. He then caustically doubted the patriarchal utopia in the Russian fabrics, and, linking the national issue of the army's fighting efficiency with the more private one, led the higher officials to the conclusion that a modification of laws in favor of the proletariat was necessary.

It's always exciting to observe Alexeev's "moves." For all their variety, they all possess the same style, a common signature, so to speak. He decided to fight bribery. There was a proverb among the merchants that there were two truly frightening places in the world: Hell, and Orphanage Court. The latter was a relic from the time of Catherine the Great, which assigned the wardship of wealthy merchants over widows and orphans. Depending on the composition of the widowed merchant family, the wardship differed, therefore officials acquired space for maneuvering and accepting bribes. Without further ado, Alexeev took upon himself the role of "first and foremost" in the Orphanage Court. He heated and lighted the place out of his own pocket and meanwhile raised the question of its financing. An issue was that the salaries of Orphanage Court officials were miserably small. The head of a "desk," for example, was obliged to pay for his own assistant from a salary of 3 rubles per month (less than a watchman), so sustenance via bribes was obviously a necessity. Finally the salary was increased forty times, and the bribery stopped.

Effectiveness -- that is the key word for appraising Alexeev's platform. He was, as we would say today, from "the party of the managers," and I am convinced that if

there had been more of his kind in Russia, it would not have undergone the "management" of the Bolsheviks.

Fittingly, Nikolai Alexandrovich spent the last two days of his life in the Duma.

On March 9, 1893, the swearing-in of new town councilors was scheduled, as well as the declaration of candidacies for mayor. Alexeev was elected as a town counselor but did not want to run for a third term as mayor. That morning he arrived in the Duma and, as usual, began receiving visitors. A petite bourgeois named Adrianov from Novohopersk answered Alexeev's standard question "What would you like ?" with two bullets. Upon seeing Alexeev's serious condition, the doctors did not dare move the dying man. The surgery performed by N.V. Sklifosofski could not make a difference. With earthly efforts to no avail, they turned to heaven. A miraculous icon of the Virgin Mary was brought to the Duma from Iversk, and the abbot of the Archangel Church, in congregation with the local clergy, prayed to it for the life of the wounded man.

Alexeev died at dawn on March 11.

His assassin was pronounced insane and never bore the responsibility. It remains unknown whether he was someone's pawn.

This question has always bugged me: What country is this, where people like Stolypin and Alexeev, are murdered? I understand the incorrectness of the question. Any historian can easily describe the uniqueness of the events, name a thousand possible reasons, and crush me with statistics. You can say the same about Pushkin. But when Marina Tsvetaega writes: "A poet in Russia is the one who is marked for death," we understand the symbolic meaning of that.

I believe it is not solely the destiny of Russian poets to stand alone as a free, strong persons against the back-

ground of the faceless masses, which the government thinks it owns. It also is the destiny of those people who, in spite of politics, are able to combine the practical grasp with a high sense of responsibility, although they too have been "cut down" in one way or the other at all times.

If we remember that before his death Alexeev said, "I am dying like a soldier on duty," and don't attribute those words simply to the love of gestures which certainly was present in this man, then we can try to explain exactly what he meant by independence of behavior and why his powerful character and his ability not to lick authority's boots did not prevent him from serving two complete terms in a time of counter-reforms and breaches of the city's autonomy to which he devoted so much effort and thought. Perhaps Alexeev's feeling of being a "soldier on duty" stemmed from a direct loyalty to the state in spite of all its imperial airs.

It does not matter that, unlike Chicherin, Alexeev started seeing the military governor-general off to the station after an official visit because, if there was an opportunity, he could start a running joke about the same governor-general throughout Moscow or how he greeted the king of Sweden with the only phrase he knew in that language -- an advertisement on the side of a Swedish pack of matches -- and that meant more a "threat" for the official authorities than simply a breach for protocol. Tolerating the imperial formalities that he despised, Alexeev carried on for the good of the whole empire, of which he considered himself a soldier and not without strong emotions.

Alexeev died at the age of 42. A fifth of his short life -- eight years -- he spent as the mayor of Moscow. Of course, he was created by the spirit of the times, so to speak, for it was in that age that the opportunities for a man with his special talents opened up. But he made such an

imprint in the biography of the city that all who wrote about Moscow and its history unanimously named Alexeev the most "typical of Moscow" of all the rulers that had been or were to come. What is the matter here? And just what is that special "Moscow" quality?

The question is of vital importance for us now because, as we revive the basics of Moscow's autonomy, we have to be sure that we are not compromising the historical tradition, that we are not imposing something alien upon the city, something not rooted in the collective memory of the Muscovites.

It can be said again and again that Moscow became an entirely different city after the Bolsheviks, that the makeup of the population changed entirely, that the city came apart, that it was disfigured by standard apartment buildings, that it had lost so much... Nevertheless, everyone who visits, much less settles here, joins the "spirit of Moscow" that combines, paradoxically, the might of one of the largest capital cities and the amazing patriarchal character and hospitality that has increased rather than disappeared in the years past. I have heard this from foreigners visiting the city; from friends in different cities from different republics. I feel it every day as I visit the outlying regions and meet with people. Even the style of communication between the head of the executive power and the citizens is entirely different from the one in, say, Orel or St. Petersburg.

The spirit forms unconsciously, independent of intention, due to the informal frankness of Boris Notkin on the radio each Tuesday; the friendly handshakes with the visitors of the city hall, whatever they come with; the almost domestic scandalousness in the complaints of the inhabitants of some house when visiting time comes: "Why did not you come earlier and fix our roof? How can you have other business when it's leaking over here?"

This intimacy in interaction, which I would call "bonding," is a two-way street, affecting both the citizens and their leaders. If the mayor is personally at fault for anything that goes wrong in the city, then he is not a formal authority, but a "keeper" obligated to regard every problem, every centimeter of the city territory, every crack on the pavement, as personal and virtually domestic. Such an attitude brings energy, power, confidence -- so if not everything is fixed, patched up, and corrected in time, then one looks at it at domestic faults for which the wife will chastise.

I think that we perceive such a "keeper" quality in Alexeev. He exudes -- and that, perhaps, is what's most important -- that quality of the city which his contemporaries referred to as "patriarchal spirit," meaning an intimacy of interactions and simple attitudes under attack from the courtly formality brought by Peter the Great from Europe. Moscow, remaining the capital of pre-Petrian Russia, formed an internal opposition to the distancing formality as opposed to St. Petersburg, where the idea of the sanctity and absolute power of the hierarchy and formal procedure was grounded. The old capital of Moscow perceived these ideas as alien to the specific character of Russia, and even though a lot of people adapted to the new way of relating, they never personified Moscow.

That was Alexeev's place, the place of the man who could "play" by some unique Moscow rules and could prove their effectiveness. Maneuvering between the imperial demands of absolute power, the conservative position of the bureaucrats, and the apathy of the citizens, Alexeev waged everything on the traditional "housekeeping" type of rule, meaning that one chooses the clear goal and then implements it decisively, ruthlessly, and without consideration for any hierarchies and procedures.

I do not want to romanticize such method of gov-

erning. It is a forced one, a transitional one, and, of course, it would be nice if everything worked like clockwork, so that it may never be needed. But even today, Moscow, as the capital, epitomizes the Russian spirit, perpetually shifting to the edge of formlessness. That means that if an effective decision is reached and implemented, there is also the transition from the hated existence of stagnation and entropy to a calm dynamic development.

Any decisions we make look toward that second, and perhaps more important, goal.

CHAPTER 5

COME ON! LET'S GO!

The first thing to be set on fire was a S-100 bulldozer. Any suggestion of an accident was impossible: a rusty gas can was left at the scene.

Then the construction wagon went up in flames, and the firemen reported the same signature.

We were the target of guerilla warfare.

The guerrilla soldiers were not some militant terrorists, but peaceful citizens of a village formerly called Zhulebino, inhabitants of sagging houses that have not been repaired for ages, that lacked gas, water, plumbing -- the whole gamut of municipal amenities.

Zhulebinites as they were called, demanded that their half-ruined homes be left intact in the midst of multi-

storey buildings, gorgeous stores and other gifts of urbanization generously planned for this neighborhood. The architects devoted so much time to Zhulebino that it seemed they had all bases covered, even the future nitpicking of sarcastic newspaper reporters and humorless ecologists. They not only planned children's playgrounds, shopping complexes, parking lots and all the rest that today falls under the category of "infrastructure," they also dug up the archives and asked the long-time residents what Zhulebino traditions they could revive.

The project was met with enthusiasm. It seemed that the municipal agencies had nothing to worry about. An agreement with the construction workers was reached: Those were the first attempts of the new system of stimulating the building complex, and the majority of the population happily moved into the well-equipped apartments in Kosino, selling their *srooby*.

But ten or twelve families would not budge. The municipal authorities offered them many alternatives -- housing with improved planning in the same district, with garages -- but all was in vain.

This was unheard-of! The head of the construction was boiling mad on the other end of the receiver. Where is the Office of the Public Prosecutor? Why is the militia doing nothing? We must get the hooligans! We'll show them. Good example to others.

I saw his point. The law was on our side, yet the construction had been halted. Any delay was detrimental, and every day of delay helped the vandals, who were strengthening their position, gathering force to oppose the government.

Those were unique years. Any domestic question became politicized, and political struggle took the shape of a domestic quarrel. Many regarded their newly gained liberty as lawlessness, and, without noticing it, they became

puppets in the hands of those who actively sought scandal in order to accuse the executive powers of arbitrary behavior, selling out and brutality.

In short, "Come on! Let's go!"

We were already on our way, going over the speed limit, as usual (the only violation I allow myself as a mayor). We drove up and found a crowd. It looked like about 200 people, so obviously they were not just the local inhabitants. We stopped the car, and I got out.

"Maybe you should not, Yuri Mikhaylovich," I was warned. "We agreed to meet them at the club, after all."

"We can't do that now. It would have looked like I am afraid of them!"

I don't know what was the motive of the ringleaders for changing the meeting place, but I had to admit that they were experienced organizers. At the hall, our conversation would be a peaceful conference with a tribune for the speaker, and the seats for the audience. Here in the street people were organized according to the pack principle: noise,screams, gloomy faces, everyone yelling something, worries that his words will not reach this statesman who is connected to all the misfortunes.

Doyou, dear reader, know what is the principle of the pack?

It means that everyone outside the crowd is an enemy.

A man in the militia uniform stood in front of me. I still remember his name, Pavlov. He said right out that he will open fire if anyone tries to tear down his house. I attempted to steer the conversation to calmer level.

"I am sorry, but you are an employee of the peace and security services," I said. "Your duty is to maintain the law, and not only during work hours. And what do you mean by fire back? You of all people should know the

consequences of such illegal actions."

"I am desperate!" he cried. "We are all desperate! The courts will not do anything! All the powers are united against us!"

"That is not true," I said sincerely. "In recent cases the courts and the prosecutors have done nothing but put sticks in the wheels of governments and defend the rights of the people."

Meanwhile I was looking around. The noise was horrible. My companions got involved in the discussion as well, so now the crowd was divided into groups.

"You know what," I said to Pavlov. "Let's continue this debate at the club. Let's sit down, hear everyone out, and look for a solution, calmly and reasonably. If there is no other way, then you will have to move. There is nothing you can do about that. And if there is a chance to find an alternative, it would be foolish not to use it. Come on!"

And the rest had no choice but to follow us.

The hall turned out to be tiny, about 200 seats, so it was rather crowded, and it was in some way pathetic: The chairs were school-type, made from light plywood; the table was unstable on its metal legs; a microphone was, of course, broken. To top it all, the head of the Department of Building & Reconstruction, following the pre-written agenda and without seeming to grasp the situation, began to report in a dull voice how he will relocate those people. I thought they would tear him to pieces like a pack of hounds. The audience went wild. People jumped from their seats, especially women.

In short, what I call now-or-never moment came. There is a moment like that in every situation. If you miss it, you can say all you want later on how there was no way out, but in your heart you know that there is always a moment when the way out is possible.

I took the floor and said in manner that bordered on rude (the best approach in such cases), "Let's come to

an agreement. Either we go on, or we don't. From now on, I am presiding the meeting. Everyone will have the floor, I promise. I have time. But on one condition. One more scream, and I and my comrades will leave this distinguished gathering, and we will continue this in court. You want that? No? Then be completely quiet!"

People took turns speaking. The builders talked of their grand designs; the Zhulebinites, it seemed, uttered complete nonsense. First it was about some goat without which, as it turns out, life was impossible. Then it was about the flowers in the front-garden, then about the onion beds.

But from behind these details, the true nature of the problem emerged. No, this was not a whim provoked by the deputies' promises, but something very serious and important.

They said: "Listen! Generations of our ancestors lived here in Zhulebino. These pieces of lands were passed on from father to son from grandfather to grandson. This land is our inherited property. The Bolsheviks nationalized it, but aren't you people against the Bolsheviks? It feeds us, it protects us from the arbitrariness of the government. What are we going to do without it? Before- there was no law, but now -- don't you agree? -- that private property cannot be touched? Is this not what the new government fought for?"

I listened to them, and the housing area planned by the contractors,supported by the municipal administration, and tried by the lawyers (the law was on our side, after all) began to fall apart before my eyes. It went to pieces in the face of this old lady's certainty that she cannot live without her goat; with the certainty of her neighbor that the world cannot turn without rare flowers in her front-yard; and with Pavlov's stubbornness when it came to his apple-tree and onion bulbs.

These people were passing up new apartments. They did not want hot water, or gas, or plumbing, but not because they were indifferent to comfort. These people were passing up new apartments because a city apartment ruined that structure, that hierarchy of values that connected them with their fathers and grandfathers, that was rooted in their ancestry that ran deeper than modern comforts.

Earlier, during the communist regime, no one would have listened to them, of course, and they would not have dared such a protest; but that was why we eliminated the communist government -- because it did not consider those people as people. Now, although the new regulations are not complete, although we do not yet know how to formulate the hereditary right to the land, we cannot ignore their demands for the only corner of the world where their forefathers had lived. This, alas, is the truth at the heart of a transitory period. Here principles have to be formulated as we go along, case by case. No, I was not going to be intimidated by anyone at this meeting, but those people could not be left in despair.

What exactly is an owner? Where is that emotion rooted? Why did the communists' attempt to eliminate private ownership broke the backbone of a great state? Until recently, there were plenty of skilled and qualified workers in Soviet Russia, but by liquidating private property, the bolsheviks robbed the society of the blood-pumping engine. Confident in their absolute power, they set out to create a new breed of people who would know no impetus except for the common good. During the industrialization of the 1920s and 1930s and faced with a common enemy during World War II, such an ideology worked because the instinct of an owner broadened to include the Motherland. But in peace time, deprived of a legal outlet, citizens delved into stealing, shady business and that social

boorishness which, for lack of a better definition, we call bad management.

Now before me were people with a reborn sense of ownership in its original purity and innocence. How could I not sympathize with them? Of course, they were at the mercy of conscienceless politicians, but only because we, the new government, followed in the footsteps of the old one. We failed to detect in their behavior the principles that we had actually fought for.

Those were my thoughts while the Zhulebinites spoke, but everything became confusing as soon as the leaders of the municipal agencies spoke up. The fact is that these farmers were faced with the inexorable logic of a city that had already incorporated them into its plans, and the outcome of this conflict could be tragic.

Suddenly, all the alternatives that had been running through my mind became one. The houses could not be left standing, that much was certain. Those ruins could not interfere with the tight structure of the district, and the thousands of people on the waiting lists for housing could not suffer because of them. However, on the other hand, the feelings of the owners could not be disregarded. That too was certain, otherwise it was unclear why we took the power from the Bolsheviks.

I want to point out the double impossibility of this situation: Only at the point when the impasse is reached there is hope for a truly managed decision. While you follow the preset pattern, you are an official, not a leader. There are situations when that is the optimal behavior, but this book is not devoted to them.

Here was our solution. Not long before this incident we visited Kaminsky shop in one of the then-first building cooperatives. We looked at the models of standardized cottage projects. Tight-fitting and well-designed, they appealed with their use of comprehensive construc-

tion technology with glass and concrete. The architects were concerned whether there would be a market in the complex.

"Don't jack up the prices," I said. "We'll keep you in mind."

Now, in this seemingly dead-end situation, a vision of sorts appears: Kaminsky's drawings fit in perfectly into the Zhulebino project. Over there, on the edge, near the woods, where the idea was to lower the storeys and to build cottages. We'll divide the space into eleven pieces of land, build the houses, and the issue will be resolved.

A coincidence? Most certainly. But if I ever teach -- and I've been invited -- young leaders, the most important thing to teach them would be how to create such coincidences.

First of all, one cannot go into something like this unprepared. If there are not three or four alternatives on hand, it is better to wait. To prepare means to study the documents, the specialist's viewpoints and find out how similar problems have been solved. These preparations may not be used, but one must have them ready, otherwise they arrive during a meeting, crowding the edges of the mind and blocking the one and only decision that is trying to surface.

Secondly, it is necessary to learn how to listen. Listening to another person is a special skill. I do not want to sound pompous, but I consider that skill a gift of God and a fundamental of Christian love. In any case, if the leader has no desire to understand the thoughts, much less the needs of the people, he has no business governing. He will simply run out of patience, no matter how long he could manage to sit still with an empty gaze.

Finally, the third necessary condition is the passion for creative discovery. The leader must feel the same pleasure upon the arrival of the long-awaited solution, as

a painter or a scientist who finally cries "Eureka!" Perhaps we do not normally associate creativity with governing because we are more used to linking power with corruption and privilege. That is an inherent part of the Russian mentality: Here people crouch before the power-holders even as they despise them, but if we are really on our way to becoming a democratic society, why not admit that a leader's work is the same as any other work? That if he agrees to a sixteen-hour work day with no weekends or vacations, it is obviously not the privileges that motivate him. Where others excel in science or poetry, he does so in the realm of governing.

But I digress.

The digression is not arbitrary: Now there is a pause in the leader's work. The meeting is in session, and the solution is found. What to do next? Wait. Under no circumstances should the leader speak before the time is right. Wait until someone proposes something even remotely similar because in the same way there is a genetic sense of ownership, there also is a sense of ambition. It is almost the same thing, and because of that the goal is management not by an official but in a way by everyone in the meeting. With this perceived consensus, they will not approach the decision with the apathy of a functionary, but as its authors -- and the difference between a functionary and an author is unmeasurable.

That's why when someone suggested estimating the price of the apartments offered to the Zhulebinites and re-budgeting to dole out pieces of land for everyone instead, everyone at the meeting considered that proposition their own. The mayor did not decide for them -- they decided themselves.

I addressed the Zhulebinites: "How do you feel about this proposal? We have a way of implementing this alternative."

The response was . question: "How much will it cost us?"

Now finally came my turn to speak: "It is cheaper for city hall to close the issue rather than bargain."

They were astonished. It seemed like in the midst of the battle, the enemy leader was offering something they could not even imagine.

"And you won't trick us?" the asked.

"Well, so far we have not been known to do that," I said. "But you know what? Let's end this meeting right now and begin working out the details of this proposal with every family separately. If you are all satisfied, you will sign an agreement to relocate -- and you can take your pieces of wood. We don't need them."

Everyone left the meeting calmly. People started to thank me. That lady who kept talking about her unique flowers invited me to come see them. I had to refuse -- I was exhausted beyond measure, so I left. Nevertheless, this woman brought the flowers to the next meeting where everyone agreed with pleasure to relocation.

One year later I visited Zhulebino again. There was a huge city there now, and, of course, it was not only pleasant, but touching as well: The owners met me with bouquets outside every cottage. What I remember most from that visit was that their flowers were not from the garden, but simply blue field flowers.

I don't even know what these flowers are called, but they are very beautiful in a bouquet.

CHAPTER 6

"OH, THOSE ROADS !"

The schedule of a mayor is extremely intense. Exhausted at the end of the working day, I start reading papers for the next day's meetings and begin to daydream. That's when my eye spots some historical documents, and with a piercing clarity, I see how it was all long ago at the places and sites I now know so well.

"It is quite desirable to install a street urinal at the food market square because the arches of the Chinese wall already suffer from unscrupulous men attending the market. Better still, the strip of ground attached to the Chinese wall is not paved." *("Izvestia of the Moscow city Duma," 1892, No. 6.)*

"Yesterday around 7 am a big water pipe broke near the Moskvoretsky bridge. Water immediately under-

mined the roadway and in fifteen minutes a whole lake formed. Lakes like this form in Moscow even without any mishaps after a comparatively intensive showers." *(Russkoje Slovo, March 27, 1910.)*

"Seeing the Moscow roadways one may imagine that there was an earthquake recently in the city. Streets, alleys, commons, and backyards resembled Cordilleras. On the sidewalks there are frozen rivers and lakes." *("Budil'nik", 1884, No. 8.)*

"At a rainy autumn and early in spring Butyrsky driveway has so such mire that people have to carry the deceased over fences to avoid wading through the mud. The city council at last heeded howls of the residents and renamed Butyrsky drive for Upper and Low Maslovka. Instead of the old weathered signs, new enameled signs were installed. And that was exactly where improvements stopped." *("Russkoje Slovo," circa 1900.)*

"It is already July, but to drive from "Truba" to "Samotyoka" along the left side of Tsvetnoy Boulevard is absolutely impossible. ... They dig with their little iron shovels, momentarily lay the flat stones on the loose ground, then put down sand, and the driveway is ready." *("Russkije Vedomosti, June 26, 1866.)*

Oh, those Moscow roads! They emerged from the swamps ("Mokhovaya," "Borovitsky Gates,"), were washed away by rains, became frozen all the way through, dusty, muddy. They finally were paved by round wooden logs, although relatively late by European standards.

In the 17th century, the *zemsky* administration already had the offices of streets administrators (*Golova*), but actually they were concerned only with a single street paved with white cobbles, Tvezskaya, because it was the street used by foreign delegations.

The picture changes after the Peter I ordinance of 1693: The sovereign ordered the center of Moscow paved by cobblestone delivered from the suburbs. At the beginning of the 18th century, the Kremlin and much more of the city was cobbled. As for outlying neighborhoods, it was a long wait depending on the will and abilities of local homeowners. It is only the middle of the 19th century that any kind of uniformity appears and this only after the City Council took responsibility for street-paving. Meanwhile, homeowners did not always take care of the city-paved parts of the roads. In this case, the Duma willingly acquired the driveways as its property, leaving homeowners only the sidewalks.

We can see from the opening quotations how the road system was maintained. If you add the Russian character, dear reader, you will not be surprised by a telegram which was sent to the Head of City Council in the winter of 1913 and which is now in front of me on my working desk. It reads: **"The extremely bad conditions of the roads in the center of Moscow result in daily losses of 30,000 rubles for the dragmen and the whole charter business, which is why we earnestly request the ordinance of Your Excellency for the immediate strewing on the driveways a sufficient amount of snow taken from the backyards and roofs, as well as about the thorough cleaning and re-**

moval of waste from the sidewalks and store it in the backyards or at special waste disposals."

During winters, Red Square was a center of struggle with the snowdrifts. From all ends of the city, the snow was delivered there on the carts, and two huge snow-melting machines provided disposal. From early morning till late in the evening, the central square of the old capital was covered by steam from the melting snow.

And then it became warmer... From all the documents I have at my disposal now, I want to offer only one example. At the end of century, the Duma was strongly involved in the discussion of a so called "tire problem." The root of the matter lay in the fact the newly introduced fashionable rubber tire, which now the carriages were equipped with, splashed the mud all around. As you can understand, there was always a lot of mud on the streets. The Duma's committee struggled for three years to find the right solution of this problem without coming to any conclusion. At last, in 1898, the pedestrians lost their patience. They collected thousands of signatures on the petition to ban the rubber tire.

At a special session of Duma, a few deputies timidly made their comments, that there wouldn't be any "splashing" if the driveways were kept in order and properly maintained. Basically, all the discussion produced was a plan to restrict the tire-equipped carriage to a walking pace and only after it had rained.

"Can you imagine," objected town councilor A. Gennert, "someone who is far from home and has to return home after the rain, perhaps with well-dressed ladies? Is it inconvenient to take a coachman if you have a certain type of woman's dress on; to move in your own carriage at a funeral's pace? Ridiculous. I suggest that we permit driving after the rain at a light coachman's pace..." So the debate went.

Moscow's combination of climate and soil was the reason why asphalt was so long in carving its way into Moscow streets. It was generally believed – and not without reason -- that it does not fit for a swampy, deeply freesing Moscow ground.

In 1875, A. Petunnikov was assigned by the Duma to go abroad to research the technology of street paving. Upon his return, the engineer presented a report suggesting the use of a pressed asphalt instead of cobbling.

In the autumn of 1896, special experiments were undertaken at Tverskaya street. Accordingly, five sectors were paved with pressed hexagonal asphalt bricks, solid asphalt and all the usual wood paving. Pretty soon all the sectors wore out, but the solid asphalt fascinated the wealthy citizens to such a degree that they started using it to cover the streets attached to their estates.

Still the Duma preferred the old-fashioned cobblestone paving as more cheap and durable. In 1909 Balchug, Volhonka and Theatre Drive were paved this way. Meanwhile the city council did not give up its search for alternative technologies.

In 1911 M. Shekotov, an engineer, was sent to business trip to Sweden to learn more about quarry development and its applications for road construction. Upon returning, Shekotov recommended a granite cover on a sand base ("pillows") as the most fitting for Moscow, but everything remained in the theoretical stage; however by 1927--95 percent of Moscow's streets were paved in cobble.

The desire for "smooth" streets and squares gained the power together with Bolshevik image of Moscow in the 1930s: "the New Moscow," an ideal city of clean and broad squares and boulevards. But it is only after the war that this image really may be expanded beyond the center of the city. For example, our Redhill embankment got its

asphalted road only at the end of the 1950s.

The situation changed drastically in the 1960s when Khruschev's idea of development of virgin and long-fallow lands began to materialize, not only in far-off Kazakhstan steppes but in the capital as well. Along with mass building projects on the outskirts of Moscow, the demand for asphalt roads increased so much that quantity began to affect quality.

The main objective of the Department of Engineering Provision became not the laying of the roads and sidewalks, but rather their perpetual maintenance and repair. You see, asphalt is a not durable cover. The ground here in Moscow freezes quite deep in winter, and during the spring thaw the ground swells; the asphalt then cracks, sinks, and pits, bumps, holes begin to appear. To maintain the road it has to be recovered every five years. That means the total volume of road work correlates not with the amount of new paving but with the total space of the new asphalt covering: If an annual repair will be less of 20 percent... To make a long story short, here is where one remembers the old Russian saying about fools and roads being the sources of all misfortunes.

In the "pre-Brezhnev" era, when the Communist Party command system was still effective, all repair-maintenance works were performed according to a plan and decree, as it has to be into an "exemplary communist city." I would not say that the roads were good, but one could trace a certain logic in the work of the municipal service under the guidance of the District Party Committees. Whatever roads the authorities could reach "with their eyes," the repairs were performed in the best possible way. But as soon as the "dictatorship of scarceness" began to take control, the roads were the first to feel the effect: The state and the level of its maintenance indicated that the socialist system was transforming into something, which was ex-

tremely hard to define.

When I went to work at Mossovet, I was welcomed by a shocking state of affairs. The city was living in a permanent state of "roadlessness and slovenliness." I was outraged after becoming acquainted with the road management service. It was a perfect system of doing nothing.

There is such a road -- I believe it is Bogorodsky highway -- that runs along the back side of the Sokolniki Forest Preserve. It's almost carless. Once, I passed by, just by accident, and saw repair works in full progress. As far as I could see, the road was fine, far from being busy. So what needed repairing?

"It's very simple," said my driver. "It's close to nature, no cars, no sewers. Just drive a big road-roller and rest on the grass."

This was a finely tuned method of reciprocal swindling. The road-maintenance services were subordinated to a single department, which got money from the budget; planned the volume of work to be done; chose the street to repair; assigned its own contractors; and did the job. Its chairman made a formal acceptance of the completed job, evaluated the results, and paid himself, even bonuses. He also fined himself, if it was necessary.

Isn't that a perfect system of managing? I cannot imagine a more talented swindling, and, at the same time, a more sadistic attitude to one's native city.

It might be appropriate here to digress about peculiarities of the socialist system in general. Soviet economists tried, more than once, to out-smart it by inventing newer and newer economic-industrial indexes. Dissertations grew from these proposals. Some suggested to pay for quality, not quantity. Others insisted on paying not the whole salary, but in portions with "bonuses." And I have to say that Party authorities were pretty quick in respond-

ing to these idea.

But taken from an absolutely different system, these principles of "material stimulation" on the grounds of socialism gave birth only to new forms of finding loopholes and swindling. As a result, according to the laws of "Her Majesty Economics" this scam came to the state when the most rational and survivable notion under the given conditions was just to pretend. The authorities pretended that they paid the workers, while, in exchange, the workers pretended that they were fulfilling their duties. The system was stimulating the reciprocal illusion. The imitation of compensation for work resulted in imitation of work, and vice versa. You never knew which was the chicken and which was the egg.

In our efforts to put an end to "roadlessness and slovenliness," we were confronted with an absolutely different problem. A lot of journalists, if to judge by their questions, think that Moscow's current ruling body gets things done because the mayor himself goes everywhere and keeps everything under control. Generally speaking, this is as it should be: A manager cannot survey the situation while sitting at his desk; however, to inspect and to control personally is the old Communist Party method. It runs smoothly only until it does not requires a manager's permanent interference.

In order to solve our problem, we first invited Vadim Tumanov to Moscow. He is quite famous, having worked in Komi, then in Karelia, and he was building pretty good roads. We called him, met with him and came to the following agreement. We leased him one bitumen plant for a year along with the necessary road-building machinery. We provided his workers with dwellings and, based on his methods, began to develop an economic mechanism that would bring us as private entrepreneurs or contractors to this kind of work.

The first thing we haggled were the rates, i.e., what should be paid for a simple road, for a complex one, for day work, for night work. All this was new for us. For example, it would be more convenient for Moscow if the road builders wanted to work at night, if they would prefer the roads with sewage wells and pavements to the one where you just simply move on the road rollers.

Next we focused on the machinery. The city had a lot of old road construction equipment, but none of it was any good. We began our search and started to buy imported equipment, e.g, we bought "Kohers" from Germany for the solid asphalt, tried to use them and then realized that in winter they didn't produce enough heat. We signed contracts with our factories and started to manufacture our own machines with pick hammers on a diesel engine. Now Germans became interested in our production. Well, they are welcome to buy.

So, with all these innovations, whose descriptions I will spare the reader, we didn't solve the problem of building this or that road or highway, but we did create an economic environment for free enterprise and contract bidding.

When the first cooperatives were organized ("Road roller," "Highway" and "Road waste" -- even the names are sound and symbolic!) we came to conclusion that Tumanov's ideas were working: People became "economically" interested in the results. They started to work for the city, which meant that we were on the right road. Last year 60 percent of the streets and roadways were constructed by these enterprises, and we couldn't have done a thing unless the right equipment and way to do business were found.

Now we say to prefectures: "Make your orders. You have money from the city budget. You know better what should be built or repaired. And no explanations of

not-doing are accepted. There are a lot of contractors available."

The Department of Engineering Provisions also reshaped its way of doing business. Now it provides 40 percent of all work, mainly pertaining to the all-city roadways. Nothing has changed drastically on the surface. As in old days, the Department has its "line" in the budget, it has an annual plan, and it has its guaranteed funds. But it no longer has the right to make orders and officially approve them. Before, it was a monopoly; now there is a basis for competition and comparison. Before, it accepted the accomplished work itself; now there is an administrative inspection submitted exclusively to the mayor. Before, the system itself chose what to repair; now the list of roads and driveways is compiled by the longest-suffering party, the State Automobile Inspection.

When all this was accomplished, when the city gained a sufficient amount of contractors, a surprising phenomena revealed itself. The manufacturing of asphalt did not practically increase -- people in municipal organs are the same-- but the volume of works done raised 400 percent!

Now, a little calculation. There are approximately 100 million square meters of roads in Moscow. In the past, only 4.5 million square meters actually were taken care of annually. Now we are maintaining 17 million square meters. If we will not lose this tempo, we will have more or less decent roads in Moscow.

What is more important is that the city keeps itself now like a "fastidious tsarina" from a folk tale. Do you remember how she challenged her grooms? We are doing the same because we created a competitive environment. Now there are many potential contractors willing to work, not through bribes but on the basis of honest contract bidding.

That's how it goes. A commission announces a job for contracting, municipal and private enterprises provide their bits, and then, the one with the best offer, i.e., the one which is cheaper, with better average quality at previous contracts, more reputable, etc., gets the contract. Not from a single person but from a commission, which is not so easy to "buy" on the root.

That's no big deal, you may say. Agreed. It's not a big deal, at least on the surface, but in reality, what a colossal work! Certainly, the results have not yet appeared to everybody because our roads, to be frank, are still far from perfect. However, there is a tendency, a positive shift toward creating a system, not a "one-time hurrah." Today our road services and facilities are not the same as they were even three years ago.

Now we are gradually starting to think over the second stage of demunicipalization. In other words, we are driving to the point that the road services would become totally independent from the city. The machinery will remain Moscow's -- our entrepreneurs still cannot afford such expensive equipment -- but in the future,and this is our idea, the city, which has the money, would only order and pay for the completed job. All the rest will be the responsibility of the firms who want to take the job and win the bid.

Now I no longer have to go personally to inspect how the roads are repaired.

To inspect and control -- it is (excuse my repetitiveness) an old Bolshevik's method. It is effective only if you have a gun in your hand.

CHAPTER 7

THE BROKEN SPELL

"You are so good at painting successes and victories," my first reader told me, returning the manuscript. "And you're right that people are concerned about what's going wrong. Look at how much rubbish is on the streets. Talk about this."

So again I return to my desk. It's early morning, and the birds are singing. How nice it would be now outside on the playground. I am on vacation, you see. But nothing can be done -- the voice of the voter is the voice of God. Even if this voter, by a happy coincidence, is your own wife.

I have not the slightest interest, believe me, to write about garbage. The problem is temporary, and we know what we have to do. The problem will disappear as soon as we can release some money from payroll budget and buy the necessary machinery. You can take my word for it, the word of a former *dvornik*.

Although the special machinery in my youth was impossible, we managed to perform our duties in a way that is no longer used and will never be improved. A broom, a crowbar and a shovel -- that was our machinery. The most important part of *dvornik*'s work was to wake up early.

I was binding brooms myself stocking twig beforehand, in summer. A broom is a capricious tool, and it's not for nothing that *baba-yaga* flies with its help in folk tales. Each one has its own temper. If you fail to bind it properly, it will make so much dust that you may as well stop working.

My crowbar was given to me by a house manager. This tool had to be treated with respect. It required strength and dexterity. To break a block of ice with its sharp end or to chop thin ice on a sidewalk with its flat edge -- that is real art. If you keep the angle and punch evenly, then the pieces of ice will be of almost the same size, which makes them easier to rake away. The best moment with a crowbar is to enjoy the process. If you can't get the grasp of it, don't work. It is a law. But what I was most proud of was learning to use a shovel, which had to be specially cared for. My shovel was not a regular plywood one, which you could receive from housing maintenance office, but aluminum -- broad, light-weight, sharp. The house manager, pot-bellied and strict Vasily Ivanovich, who used to come and inspect the work, greatly respected me for this shovel. His priorities, though were the icicles. Nothing could make him more angry than if he found even a single one left hanging.

That's how your most humble servant spent all six college years taking care of my own court-yard and enjoying the respect of the neighborhood. This respect reflected the prestige of that kind of duties from pre-revolutionary times. A *dvornik* is the image of a master; it is the idea of a responsible ownership and care. It is not accidentally

that in the 20th *bolsheviks* tried their best in order to eliminate the idia of "*dvornik*" itself introducing instead "broomers" and "waste removers", but people kept their respect for *dvorniks*, and after the war this institution came back to life easily, without any effort from city authorities.

Now the whole situation with keeping our city clean is not the simplest one to solve. But still, it is solvable. Again, it is a problem of finding some extra money in the city budget, so we could raise the salaries and buy mini-tractors. That's all we need – it'll be nice and clean. But there are problems in Moscow's everyday life that make it seem cursed, spellbound, and you don't know what to do about it.

A problem like this reminds me of a traffic jam. Nobody is against moving, everybody wants to move, but because everyone moves, it comes out all wrong.

Apropos of jams, let's talk about them. One does not need to go far to find a problem!

The decree of Tsar Alexey Mikhaylovich of April 26, 1670, ordered that it was forbidden to enter Kremlin for the horse-rider beyond a certain rank. That was neither the first and nor the last ban applied by Moscow authorities in their endless battle with congestion in the center of the city.

Now, with all respect to old traditions, it's not the way we would like to start solving problems in our new post-Soviet era. The reason does not lay simply in the fact that bans like this contradict the nature of democracy. What's more important, we through our own hard experience learned about an elusiveness of a ban, any ban. Aren't bans exactly what we learned from socialism, blessed be its memory?

Bans may work at the beginning. Then secret connections and ways around them appear, intentionally de-

signed to find loopholes with fraud and bribery. Pretty soon we arrive at the point that everything runs as it did before, with the only difference that the bands of swindlers became more strong and their wallets more thick.

The other popular method of solving the traffic problem, widening the streets, also runs through the history of the city. Despite moving the buildings in the 1930s or making the *New Arbat* "dentures" in the 1960s, this tradition existed prior to Bolshevism. The very first attempt to regulate the width of the capital's streets was undertaken, we believe, in 1585. Tsar Fyodor Ioannovich ordered that the width of the streets should be 12 *sazens*, or about 25 meters wide, and alleys be 6 *sazens* wide. For these times, it was a revolutionary measure, and only the lack the "mechanism of realization," as we would say now, made this new measure null. Muscovites not only never allotted parts of their yards for the streets; on the contrary, they warped parts of the streets and without a moment's hesitation turned them into dead-ends.

The fire of 1629, which destroyed half of the White City, at last forced Moscow authorities to measure the city streets and alleys in order to check their width in compliance with the ordinance of 1585. The results were discouraging. A lot of streets were as broad as 2.5 meters instead of required 12.5 meters.

Tsar Mikhail introduced new standards that were not as rigid, but he also could not get a lot from Moscow homeowners. After fire rebuilding and reconstruction of Moscow, city dwellings did not follow the demand of leveling the facades, which caused more problems. Even Peter the Great could not overcome this problem. By his ordinance from September 14, 1715, he majestically decreed that buildings in Moscow should be leveled on their sites. If not, the houses must be expropriated to the State or rebuilt at the architect's expense. But Moscow's character

was not something that could easily surrender.

It's interesting that when you read tsar's decrees you see that usually they are rather reasonable. For example, on the map of Moscow of 1752 we discover "red" leveling lines, but they had absolutely no effect for they were issued under the assumption that whatever tsar will order, it would be fulfilled. Are you amazed? Why such a faith in decrees? Is it possible that neither the tsars nor his retinue knew that the only thing in Russia at which people really succeed is the art of not fulfilling the orders of authorities? Even Peter the Great, whom we used to respect for his "business" grasp and working smartness, even he was not too strict about the follow-ups of his orders. It was this way or another, but nothing was changing in Moscow until the fire of 1812, when not only buildings but the whole zoning of the city ceased to exist.

"The fire worked a lot as beautyfire" a poet wrote later. A special commission established after the war tackled the business of rebuilding immediately. The city map was carefully drawn with all the driveways within the limits of the Camer-Collezsky rampart, and at last, in 1818, the "project plan" was completed. Still, despite all this colossal effort, little was done for widening the streets in the 19th century. The main obstacle was the high cost to redeem the lots and sectors from the owners necessary for the roads. The owners asked unimaginable prizes. Only after passing the new code in 1872 did the City Council get the right and possibility to increase the budgeting and begin to redeem the land at a reasonable price.

Soon the Revolution came, and what happened next, how the buildings were replaced or destroyed in Moscow -- that you'd better ask the eyewitnesses. And I, with your kind permission, had better stop here to tell this sad story in order not to fall totally in a gloomy mood. My only comment is that those authoritarian methods of solv-

ing problems, these barbarian solutions which resulted in the destruction of the historical center of the city, set our teeth on edge to such a degree that we definitely should never follow this pattern again.

What remains? The "third way," the most difficult and subtle one: To reform the traffic system as a whole entity and as a system increasing its capacity and intensity. Highways without stoplights, multi-leveled road junctions, building one more ring -- an expressway encircling the uptown -- those are our options.

Will it be appropriate to say here that Muscovites admire high-speed driving, that it is an authentic Moscow tradition?

"Moscow coachmen ride like madmen and yell, *"Gik! Gik!"* -- and people part to let them pass." This is from a foreigner's letter from the 17th century. As for the "words" with which made the people "part," one can easily guess by reading these titles of the tsar's ordinances: "Pertaining to riding in the city with whips and reins" (1683) and "Pertaining to the prohibition for riding at a high speed and cursing" (1744).

In front of me lays the Peter I orders to the Moscow chief of the Police Department to undertake measures that would force Moscow coachmen to drive slower and make sure that, **"those who are inclined to race the fast horses would better arrange those races at their settlements or on the river at a winter time."**

Here is the Ordinance of the Empress Elisaveta Petrovna (Elizabeth) from March 9, 1742: **"It is prohibited to ride in Moscow on fast horses so that people would not be pressed or killed."**

As a dessert for the reader, I offer one more quotation: **"Her Majesty the Empress became aware that in Moscow they ride horses at a high speed for which reason those who come into them are not only whipped**

by the riders but are trampled down by horses as well without any reason and regret, and abusive words are used..."

On the whole, if we judge the tsar's ordinances, we may conclude that the famous Gogol's exclamation, "And what Russian is not fond of fast driving!" exactly fits the Moscow tradition.

People who have never been trapped on Sadovy Circle, who have not damned the whole world in frustration while caught in traffic, who have not prayed fervently for a break, who have not been ready to sell their souls to Devil for the possibility of being on time – they will never understand the ferocity with which the traffic problem was discussed at City Hall. The word "traffic" originally (and my English readers know it better than anybody else) means "movement," "motion." But recently I discovered that traffic controllers in Moscow usually use this word describing the bottlenecks and jams. Those are the paradoxes of the Russian language and mentality: What means "motion" for others means "stop" for us.

It is quite logical that "traffic," in the Russian meaning, became a serious problem in Moscow now, in the beginning of the 1990s. The city, which for a long period of time was planned as a domain of public transportation, became one day flooded by rapid and uncontrolled growth of privately owned vehicles. Among the reasons were an accelerated transition to new market-oriented system, elimination of the artificially low supply of cars available for sale to private owners, the emergence of new categories of rich people and enterprises, and a lot, lot more.

As a result, there is currently more than 1 million privately owned cars in Moscow, and the amount grows every day. Add to this the municipal and departmental transportation, our plans to build, reconstruct, re-design, and

you will agree that the "traffic crisis" is not the one we could have avoided in the new Moscow.

The problem is so complex and multi-faceted that it can not be solved by "direct action." Transportation and traffic is an integral and interdependent "organism" and any interfering in one place may cause the unpredictable consequences in another. That's why the dealing with this matter requires precise skill, professionalism, knowledge, intuition and analysis as well as varied approaches and the investigation of alternatives.

The conflict of opinions here is an absolutely normal thing. The real art of management consists not in the coming to quick decisions and tough control for their fulfillment but in a patient revealing of the different points of view, involving the specialists and the managing authorities into a general discussion considering and developing the interests of all parties involved.

These tactics are special, and I will dwell on them a little without exactly being sure whether it is appropriate to discuss it in this book.

I was often asked (not only by friends but by coworkers as well) what are those endless meetings for? Isn't it better just to invite a couple of selected specialists, to figure out the right decision with their help and to implement it with a firm hand? Let me tell you a secret -- ultimately that's exactly how it happens. But I vowed that I would never resemble one man -- a certain Slyunkov, a member of Politburo, who in the times when I was the Chairman's deputy in Mossovet, used to "invite" me in his office, spoke the rubbish for two hours and then dismissed me feeling angry and idiotic for having to listen to his brainwashing. The only objective of these sessions was for him to demonstrate what a pathetic useless I was. Each time I left his office, I vowed that I never, never in my life would look and behave like him.

No, dear reader, the proper managerial "technique" consists in gathering all the parties involved, listening to what everybody has to say, and, following Carnegie's advice, expressing admiration of their vision and understanding of the whole matter.

The leader's goal is to create the inspiring atmosphere of discussion, the creative euphoria of brainstorming. "Dull" organizational decision are also a subject to "ownership." They have to become "somebody's," they have to be "privatized" by the managers of the middle level, they have to become their own decisions -- then only will they be moved into real life.

An experienced manager presiding over a meeting or discussion always has a parallel objective -- not to impose his decision on his subordinates. He may imperceptibly push them, guide them with his questions, but by no means should he enforce them or push too hard. He wins by patience, not by power. He considers the meeting successful only then when he concludes it with the words: "Our final decision -- here it is -- is the result of your ideas. Thank you very much for your contributions." It is only after such a conversation that he acquires and inspires creative allies who will fight to make the decision a reality.

These "allies" are specialists, which means they are one-sided to a certain degree. Prior to a mutual decision, each of them saw the problem from his angle. Now, thanks to the meeting, each has caught the image of the integral problem and grasped this integrity. He does not need to be controlled anymore. He takes a spark of fire from this meeting because it was his decision as well, and to stand for his own, well, it's human nature.

So we began our traffic talk, and it was strange, frankly speaking, because never before had the mayor undertaken so many meetings discussing one problem, never made so many visits to the Scientific Research Institute of

Genplan, never listened for hours to researchers of its transportation department, never communicated so much with street-traffic controllers and employees of the State Auto Inspection. On the other hand, nobody before felt as frustrated because the situation seemed to be hopeless. Everybody knew only one solution: To limit access to the streets. There were no alternatives.

You become awfully disappointed in yourself in situations like this. A simple problem, and you are helpless. At the same time, you know that this helplessness is not justified because the world is so rich that it has the solution hiding somewhere. You just have to pursue it by following its whispers of, "Find me, find me."

So, one day, from complete desperation, I unexpectedly tossed out an idea to make the Sadovy Circle a one-way highway. Inside I heard me asking myself whether I was crazy -- a highway inside the city, without stoplights, and a speed limit of 50 miles per hour. We would build new underground crossings, exits, ramps, junctions, and we would rearrange the traffic on the neighboring streets. The only remaining question was setting the price of gasoline. What did they think?

What's good about these kinds of ideas is that they take care of themselves further on. It does not mean that they are so brilliant, that they have to be immediately accepted, but they stimulate the whole process and bear fruit elsewhere, where you did not even plant them.

As it usually happens, the idea immediately gained its supporters ("Let's begin immediately!"), its opponents ("Stop your wild experiments at Moscow's expense!"), and "centrists." I listen trying to figure out the side taken by those parties who will have to bring this idea to life. If they oppose the plan, then it's better to give up. That's where it stands so far. However, before we put the whole idea on hold, we researched it thoroughly. We made a lot of calcu-

lations, modeled different situations and variants on computers, discovered the hidden "traps." This preliminary work rewarded us.

The first positive result was the start of work on a tunnel under Lefortovo where now the Moscow ring-road remains unlinked. For a long time and for some unknown reason the project slowed down. Now it's a priority, and it appears that we can accomplish it without foreign investment and no harm will come to one of Moscow's historic landmarks that is so dear to the hearts of it's citizens.

The second result, an absolutely unexpected one, is the creation of a "zero ring road" around China city and the Kremlin. This idea emerged in the discussions regarding the construction of a trade mall under Manezhnaya Square. The problem was in the existing driveway which runs between this square and Alexander's Garden. The project stipulated the creation of a tunnel there. It's a normal engineering decision, not too difficult to fulfill, but somehow it was wrong to have two holes in the very heart of Moscow. The very notion disgusted me. I felt like an artist who pushes again and again in his search for ultimate perfection and never compromises his artistic ideal and works until it appears to him.

The solution was so simple and aesthetically attractive that practically, everybody accepted it. "Zero-ring" circled the Kremlin.

"And what about Sadovy Circle?" I asked.

"Maybe we postpone it a bit," they responded. "Let's first build some underground crossings, tunnels and other projects that will work whether the traffic in the future be one or two ways."

I was happy. That was the answer we are looking at today. It satisfies all the main parties involved. They now know the strategic direction. They will search for alternatives. They know that it is impossible to be inactive.

■ The Headquarters of Moscow's Ministry of Building Industry

■ Hotel "Balchug"
Reconstructed in 1993

■ "Palace-Hotel",
Tverskaya street

■ Hotel "Intour-Sokolniki",
Russakovskaya street, 1996

■ McDonald's Building.
Gazette Alley, 1993

■ "Pashkov Dom" - Russian State Library,
Under reconstruction

■ Fountains on Poklonnaya mountain

■ A Coloumn & a view at the building of the Central Museum of the Great Patriotic war at Poklonnaya mountain, 1995

■ St. George - the - Dragonslayer
(a part of the Central Museum of the Great Patriotic war complex at Poklonnaya mountain), 1995

■ Apartment building with retail stores,
Novodabotskaya street, 1994

■ Man'ezhnaya square under reconstruction

■ Apartment building,
Vernadsky alley, 1995-96

CHAPTER 8

AROUND THE APARTMENT PROBLEM

In the novel, "The Master and Margarita" by Mikhail Bulgakov, there is a strange phrase uttered, according to the author, by Satan himself. He says that Muscovites basically are decent people, "only the apartment problem has spoiled them." Bulgakov doesn't say anything else, and few know that the statement has ancient roots which, with God's help, we may yet uncover.

The limitation of mortgages, the requisition of the buildings, and the subdivision of apartments often are associated with the "barbarism of the Soviet government," but in reality these trends sprang up long ago.

The story of the "apartment problem" is evidence of how much pure Bolshevik-style activity there existed in pre-Bolshevik Russia, and how natural was

the evolution of Bolshevism from the old czarist order, especially from the militarized Russia between 1914 and 1917.

I hope the reader does not have to be reminded that before the Russian Revolution, housing was exclusively private property. Homeowner in czarist Russia meant the person who leased the housing, not the person who lived in it, and it could be anyone from the holder of a profitable house with dozens of furnished rooms to a widow of a minor civil servant cramming tenants into a small domicile for some profit.

Among the Moscow bourgeoisie, house-ownership was considered a reasonably reliable investment: Once a house is bought, all that is left to do is to collect the rent from the tenants and not to miss a single opportunity to raise it, motivating it by necessity to pay for the paving of the adjacent street. House-owning did not require any particular talents. Overseeing the *dvornik*, signing the contract with handyman about fixing the roof and finding a way to clear snow during the winter were the extent of the house-owners' responsibilities. Their main obligations, if one is to believe the unkind rumors, had nothing to do with housekeeping -- it was maintaining the housebooks and the logbooks, and aiding the police. Because of this latter "duty," houseowners were disliked more often than not, but that was the tenants' problem, at least for a time.

Our story begins at the end of 1914, when Russia experienced rapid inflation as a result of the start of World War I. The houseowners presumed that no one would infringe on their right to inflate their profits right along with higher prices for other goods and services. Even before the war there was a shortage of living space in Moscow, so once the war started, the army, the influx of the refugees and the crowded hospitals made living space more

scarce than ever. Consequently, the owners, with little hesitation, began to raise their rents, first, as usual, for the unfortunate refugees, then for everyone else.

And then it happened.

Hospital wardens initiated a letter-writing campaign, and they soon were followed by the "Society of Tenants" and the "Society of the City Employees," which included 23,000 people over all. Then everyone joined -- workers, midwives, Latvian refugees, "everyone who was united in any way."

To the houseowners' amazement, the Moscow press was sympathetic to the protest. Even yellow press featured special sections in which articles appeared almost daily with screaming headlines such as "Crusade Against Houseowners," "Houseowners Tricks," "Tenants' Plight." The resolutions of the protesting organizations were reprinted. Even a conservative newspaper like *The Russian Gazette*, after brief consideration, printed a few articles on "The Cries of the Tenant." It was not that every newspaper felt obliged to take a moral stand, but no one could fall behind his colleagues in the professional quickness. This newspaper reaction completely predetermined the position of the government.

Governments generally dislike taking any actions that openly worsen the conditions of its subjects. It's better for a government to raise money indirectly through taxes or tariffs because it knows that these subtle means will keep people from blaming it directly when their savings cannot buy a wooden coffin, much less an apartment. Nothing strikes a Russian as directly and deeply in his heart as an increase of the rent.

The government's "protection of the people" was conducted very decisively. In August 1915 by "a mandatory decree" the Duma forbade the increase of apartment rent. This decree then was confirmed by an order from

the leader of the Moscow Military District (MMD).

Other cities followed Moscow's example.

The houseowners tried to fight back, and it is hard to read their petition to the Duma without compassion. "Requesting to request" an annulment of the hated decree from the leader of the MMD, they appealed to logic and justice:

"Refusal to revise this decree would place the homeowners in an inferior position compared to the other property owners and capital owners. The owners of government bonds continue collecting the same percentage; no one encroaches upon the profits of the merchant and industrial organizations. Civil servants, finance and industry workers are receiving raises because of the increase in the cost of living. So are the government workers. It would be very strange and unjust if the homeowners, who possessed a certain limited income from their property before the war, because of the war and the higher cost of living, were obligated, unlike others, to forfeit that income."

They asked for permission to raise rents only 10 to 20 percent, which, considering the skyrocketing prices, was quite reasonable. The government responded with more penalties, and on July 6, 1916, it passed another important prohibition banning the refusal to renew tenants' "for the same rent" contracts.

Only by the end of the summer, when the worth of a ruble plummeted to 25 kopeks, did the central government interfere and do what the governors and the commanders had not dared to do. The cabinet approved an "apartment law" on August 27, 1916, repealed all previous decrees and forbade increasing only the rent for the apartment itself. Thus it allowed for increase "in connection with the rising price of the firewood," thus raising the price for the communal services. However this compro-

mise was too late to help the homeowners.

Then came the catastrophic inflation. Before the war, a homeowner receiving a yearly profit of 4,000 to 5,000 rubles was a well-off man. A worker received only about 400 to 500 rubles per year. By the end of the war, with the ruble's worth reduced a hundredfold while the worker's pay was reaching 30,000 rubles. The homeowner was left with 4,000 or 5,000 rubles in rents, so he ended up worse off than his old janitor.

2

Neither the government nor the homeowners suspected the full impact of what had happened. Everyone supposed that the war would be over soon, and the temporary losses would be compensated, but in reality, such a mess was created that we are still not fully out of it today.

While permitting the increase of the fee for communal services, the "apartment law" did not permit any increase of that part of the rent which went toward making capital repairs. The result manifested itself quickly: The houses decayed.

The houseowners economized severely, and as a result the tenants were freezing. As a deliberate protest, the Society of Homeowners passed a resolution that a houseowner was obligated to heat the house only with the amount of anthracite that the city legislature appropriated.

Notice the logical progression of their behavior: the homeowners stopped combatting the difficulties. There was plenty of firewood and fuel on the market, but there was no question of a cooperative for, say, the centralized purchase of fuel during the whole period of the disintegration of building management.

Everyone began relying exclusively on the municipal powers.

During the same winter something else unheard of happened: The owners stopped hiring transport for clearing the adjacent streets of snow, and this measure was sanctioned officially. The governor allowed the snow to be removed from the streets into the yards.

It was the same with canal project: Previously there were workers for hire; now everyone went the Municipal Agency only, and the canal department was overloaded with work requests. Beginning from January 1, 1917, the department of water-pipe repairs was formed -- a historical moment in a sense that a department with shops became a father of a multitude of future city repair services.

In short, on the eve of the October Revolution, the ideal of the Moscow houseowners became clear -- to shift the burden of the city management to the municipal agencies.

3

But that was not the end of it. We come to the crucial part of the "apartment problem," which Bulgakov's devil named as the reason for Muscovites' corruption.

New housing construction had ceased with the beginning of the war, and no repairs were conducted on existing buildings. With an increase in population, a housing shortage ensued. Already in the fall of 1916, students, upon their return from summer break, went to police stations to spend the night. The abnormality of the situation was apparent to everyone, and so the Duma, which was formed after the February Revolution (not the Bolshevik Duma, but the previous one) came up with this plan.

On the same day when Zimny was besieged in Petrograd, October 25, 1917, a decree titled, "About the Assignment of the Right of Housing Requisition to the Moscow City Public Government," included the following statement: **"The city of Moscow is assigned a right to**

requisition occupied and unoccupied housing in the boundaries of the city of Moscow for measures to decrease the housing shortage among the population. In the same fashion, the city of Moscow is assigned the right to issue mandatory edicts regarding an increase of the number of denizens in apartment and other housing in accordance with rules and regulations to be worked out by the Duma."

But the yet "to be worked out" rules and regulations were worked out by another power altogether.

4

In December 1917, the Moscow soviet (Mossovet) liquidated the right of private ownership of large housing, and housing ownership was transferred to the city. The great epoch of municipal living began, comparable in its design and consequences to collectivization, industrialization, and other great battles fought for socialism.

New problems arose immediately, the first one being, who will be in charge of municipal living? Here once again we have a cause to marvel at the will of Providence. It turned out that by the time of the October coup everything was virtually prepared. So, in almost all large houses the so-called "house committees" already were functioning, and they were organized, basically for the distribution of bread cards, by the inhabitants themselves. It was upon them that by the decree of December 12, 1917 the management of *zhilfond* was thrust. The decree stated that overseeing the houses was the responsibility of the house committees, which were, therefore, granted the right to collect the rent, lease empty apartments, conduct necessary repairs, and invite paid personnel to oversee the house.

The great swindler Ostap Bender, colourful chief the character of I. Ilf and Y. Petrov novels after the fail-

ure of his fraud, was contemplating becoming a house-director. The idea was not as ridiculous as it may seem today. A massive housing reform was under way, and the confiscation of apartments and the grouping the inhabitants acquired epidemic proportions. If we remember that the Soviet government immediately began assigning to the house directors and the members of the house committees the secret duties of registering and keeping track of the citizens, it becomes obvious that it was a perfect opportunity for a crook.

Maintaining the houses was something else entirely. Once the responsibility for maintenance shifted to the house committees, the best of times still did not arrive. In hopes of lowering the rent, the inhabitants tried to economize everything, primarily things that could not be economized if the building was to remain intact. Repairs were chaotic; construction safety and fire hazards were ignored. Judging from the Mossovet documents, fires often were caused by the insertion of smoke pipes in to the ventilation system or their passage in the wooden walls without insulation; large chimneys were constructed right on the floor; trusses which were caved in were supported by braces leaning against the beams; room dividers were moved arbitrarily. In short, according to one of Mossovet documents of that time, "the tenants' interest in the improvement of their apartments in no way guarantees interest towards the apartments on the part of the house committees."

I have in front of me a report of D. Kuzovkov, a former employee of the Department of Living and Land, titled "Municipalization of Housing and the Administration of Apartments in Moscow" addressed to the Mossovet. The author comments on the gist of what was happening: **"Even though the whole population wants the street to be comfortable to walk on, if the well-being of the**

street is assigned to the pedestrians, no one will ever repair and sweep the pavement, clear away the snow, light the streetlights. To leave the management of the housing to the tenants is equivalent to leaving the streets to the care of the pedestrians, or the operation of a streetcar to the passengers."

Attempts to detect in the house committees' actions "sabotage by irresponsible elements" and replace them with "poverty committees" or "communist cells" produced no results. It was then that the idea of "block managements" arose, a prototype of *ZHAKs* that were to come later. By a Mossovet decree of November 1918, houses in the same or in the neighboring blocks united to form "block management." The leader of the *Ukvarthoz* was responsible not to the tenants, but to the district department of the Mossovet.

5

So what was the role of rent in the financial structure of the management? Virtually nonexistent.

One of the first *Sovnarkom*'s decrees, "About the Organization of the Local Autonomy," transferred the function of the former Duma to the city *soviets*. The city *soviets* -- probably setting a precedent in world history -- started being financed by the government!

Due to the 200-percent devaluation of the ruble since 1914, the rent by 1919 had increased about two and a half times, which still made it the cheapest of all the fixed prices. If before the war a room without heat cost 8 rubles and that constituted 20 percent of the tenant's 40-ruble per month income, the wartime rent of 20 rubles was only 1 percent of the 2,000 ruble-per-month wage. In other words, by that time a month's rent was equal to the cost of two cigarettes or six matches.

The Sovnarkom committee considered different alternatives in relation to this issue: The rent could be

raised in the boundaries of the necessary exploitation spending, the deficit could be compensated by the government, or something else could be done somehow... In the end, on July 11, 1919, the *Sovnarkom* came out with a decree bearing a characteristic title, "About the Apartment Raise to the Wages of the Workers and Employees in the cities of Moscow and Petrograd and about the Prohibition of Raising the Housing Fee." One month later *VTSIK* annulled the raise, but the prohibition on rent increase remained in effect.

In 1920 the government implemented a new principle -- free housing. It made a case for implementation with the argument that sudden inflation will make any rent pointless anyway, and it costs money to collect it. This order did not last long, but it corrupted the people. When the 1921 edict "About Payment for Communal Services" came out revoking free housing, naturally, no one wanted to pay.

The Moscow government made this proposal: to create a symbolic rent, starting from 20 kopeks (differentiating into 17 categories), but insisting on the fact of payment itself which could be raised every year. It reality, it increased 50 percent annually every year that Lenin's New Economic Policy of 1921 lasted.

6

By beginning of 1921, approximately 11,000 buildings were towen down in Moscow, which sharply decreased the amount of the housing. There were many reasons for the demolition: Houses were ruined, decayed, taken apart for firewood, etc. The irresponsibility of tenants and of house managers alike contributed to the decay and led to a housing catastrophe.

On September 3, 1921, the Mossovet passed "A

Clause regarding Housing Comradeships." The idea of the innovation is familiar to us through Ilf and Petrov's motto: "The care for the well-being of the housing is the concern of its inhabitants."

Bulgakov, who considered the "apartment problem" the main reason for Muscovites' spoiling, described the arrival of the new housing management like this:

"And they moved the housing comrades into apartment No. 3."

"Really?"

"Yessir, a whole four of them."

"Good God! I can imagine what will happen in the apartment now. So what about them?"

"Well, nothing, sir."

"And Fyodor Pavlovich?"

"They went for the screen and the bricks. They are going to put up a divider."

"The Devil knows what's going on!"

"They are going to move tenants into every apartment, Filipp Filippovich, they are... There was a meeting just now. They elected a new comradeship and kicked the old one out just like that."

"They have a dog's heart."

It was supposed that the housing comradeships would care for the well-being of the houses, but in reality their efforts were focused not on the condition of the housing management but on the continuing massive housing changes.

7

With the beginning of New Economic Policy, compulsory subdivision and evictions were "mainstreamed into the realm of revolutionary legality."

Or so it says in the SNK Program of 1926: "The

measures of compulsory compacting of citizens are to be permitted only in certain circumstances in clearly established by law cases and in strict due lawful order."

Now let us see what cases those are and what order. Before me is a clarification of a Moscow city court written, as they say, for dummies. Let's take the concept of "compacting," or subdivision: **"Not every move into the main occupant's living area is compacting, only that into the intra-room surplus. For example, if Ivanov alone occupies sixteen meters, he has a right to move Petrov into his room either as a temporary tenant or on a surplus. If after the move Ivanov declares Petrov to the housing management as a temporary tenant, Ivanov continues to pay for the surplus and has a prerogative to eviet Petrov as the temporary tenant. If Ivanov filed a request to the housing management to move in Petrov on the surplus as compacting..."** And so on.

Now let's imagine this in practice. We are talking about a sixteen-square-meter room! Exactly what kind of subdivision were they talking about? Here is what kind: In a Mossovet decree on July 28, 1924, the "housing-sanitary norm" was to be "sixteen square *arshins* per person without discrimination to the age," which later on became eight meters per person. We can read the results described by Ilf and Petrov: "The main room was partitioned by plywood dividers into long chunks, each two arshins wide. The rooms looked like pencil-cases, except instead of pens and pencils they were full of people and *primus* stoves."

To fully imagine what was happening in such communal apartments, let us once again use an example from an official document. Let's take the concept of "sanitary norm": **"A room is inhabited by two comrades. One of them marries and, without the consent of the other, moves his wife in. The neighbor protests, the case**

goes to court. In some cases the court evicts the wife; in others, it refuses an eviction..."

Unless one immerses himself in the period, no one can properly appreciate exactly what was happening in Moscow after the passing of Lenin, "the leader of all nations of all times."

8

Once the New Economic Program began, there was an attempt to organize a transition to a self-repayment system for the housing management. An attempt was made by the *Narkomat* of the interior affairs, which back then still a traditional department, overseeing local management -- not the frightening NKVD, heir to *Cheka* and GPU. Communal cooperatives, *komhozes*, were taken off government funding. The Mossovet organized "policy of demunicipalization." A limited right of private construction was restored after it had been prohibited by the 1918 decree, and "non-eviction" from privately funded buildings was guaranteed. Most small houses (five and fewer apartments per house) were returned to their former owners. The larger ones are leased to housing comradeships and institutions -- the leaseholders promise to restore and exploit them out of their own pocket.

Making room for private enterprise in the grand scheme of socialism, the Mossovet was dealing with reason and reality. It aimed to transfer the burden of the housing fund to the shoulders of the leaseholders; however, it was confronted with an unexpected phenomenon: Surprisingly, many former owners did not want their property back. By the end of the 1920s there about two thousand unclaimed houses in Moscow.

At the same time the Mossovet was learning to actively make profit through rent, but its last increase took place in 1926. In "the year of the great breaking point,"

1927, the question of cheapest housing in the world became a political issue.

9

In the early 1930s communal management was cordially evicted from the NKVD, and the latter was assigned a more important state function. We can judge the atmosphere reigning among the good people of the communal living by opening at random any issue of the *Communist Construction* magazine in 1938: **"In a number of places in Moscow, the forces of the enemy, in the guise of irresponsibility created by the existing system of the repair business, attempted to sabotage the repair, i.e., the job of improving living conditions..."**

In another issue: **"A despicable gang entrenched in the Academy of Communal Management deorganized the job. ... It's time to reform the academy into a truly scientific staff of communalists so that the enemies of the people and the traitors of the Motherland can never invade it."**

In the conditions of the growing espionage hysteria, house services were assigned important functions. According to the new "Decree about House Management," the duties of a house director included the appointment of managers responsible for apartments occupied by multiple tenants and daily oversight of their work, the delivery of court notices to tenants, and their presence during searches.

This was the new form of the solution to the "apartment problem." There was an eviction campaign of "harmful elements" that emptied a few hundred apartments. It became enough to denounce a neighbor to get his space. Some tenants were arrested at night, some were tossed on the street, and some simply received a notice via regular mail, not special delivery, to appear in the district department of the NKVD. When the tenant arrived at the department, he received a seventy-two-hour banishment no-

tice then and there, and he was ordered to pay a fine from his own pocket. In the course of this action, his passport with the housing assignment and the apartment itself were confiscated.

Let's not concentrate on that dark period in detail because enough has been written about it. Let's just say that during Stalin's rule, the "apartment problem" reached its high-water mark. In the crowded communal apartments, in the situation of constant housing crisis and change, Muscovites almost forgot what it meant to pay for housing. Without grasping that fact, we cannot fully comprehend what was done in the 1960s.

Khruschev decided to deal with the apartment problem by visiting a number of countries and exploring in detail the combined bathrooms, the low ceilings and the standard concrete blocks. That fit into his design. Being a man of one idea, Khruschev attacked the housing problem with such short-sightedness that architects soon forgot about aesthetics and builders about quality. Khruschev's idea was insanely simple: "Today's generation will achieve communism."

Communism was supposed to be finally implemented in twenty years in five-story structures. Thirty years later they have to be dismantled because beams are sagging, panels and pipes are falling apart,and the sanitary conditions are beyond endurance. It's becoming just plain dangerous to live in those *khrushobas*. They were so poorly constructed that they cannot even be used as temporary housing.

Here the reader may ask why I am taking such a critical tone? Was not the Moscow housing crisis horrifying? How many lives were ruined for that reason? Wasn't it a joy, a miracle, to move into *khrushobas* from the communal apartments? And, finally, is not standardization and unification an evolution toward the mass living condi-

tions of the future?

All this is true enough. But since our starting point is Bulgakov's comment about the "spoiling of the Muscovites," let us look at this period from his critical position.

Not much more effort was required to make everything more standard and unified in Moscow housing. The trend was a good one, but its implementation was less than successful, not only because recently constructed buildings had to be torn down, thus lowering the number of available flats, but for other, more subtle reasons which you cannot measure with a ruler.

Taking the most wretched housing projects as its starting point and raising them by a socialist process to a level previously unknown in the world, the architects changed the very image of the capital. Yes, I grew up in a barrack, but that was never considered a norm. Now a new image of modern man was propagated -- a man who was entitled to a concrete cube, two and a half meters high, and completely isolated from his surroundings.

That is all, by the way. The main thing is -- and here we should be grateful to the post-communist "thaw" -- that the tempo of housing construction during the Soviet regime solved the worst part of the "apartment problem," without which, if we believe the Bulgakov's Devil, the Muscovites cannot be reformed.

II.

We are left with the second part of the question, the hardest part and the most unpopular. What the czar's regime did not dare to do needs to be done today: Housing prices need to be raised.

The last thing I want is to tell that to Muscovites, but do we have an alternative? After all, there are simple principles to which we should return based on the eter-

nal concepts of private property, a man's right to own his housing, to keep and manage it by himself.

Meanwhile, the situation in Moscow has become so warped that it is impossible to draw any knowledge from what happened after 1914. We cannot base anything on the Soviet period that encompassed several generations.

So, the problem is simple, although it reads as if it's from a math book.

Starting at the end of 1991, 85 percent of housing was municipal property; the rest was institutional property. Almost none was private. The rent comprised 3 percent of the exploitation (double check this figure) spending. The result for an undetermined time was that all apartments must be privately owned, and their owners must pay for their upkeep and the repairs themselves as it is done in the rest of the world.

The question is how to get from point A to point Z?

If Russian society was prosperous and its citizens had normal incomes as in all well-developed countries, there would be no problem. The problem arises not from any confusion, but from the low level of prosperity of our society.

The transfer of the apartments into private ownership created a paradox. The price of housing in the Moscow region currently is two or three times higher than anywhere in the world, but a large faction of the new owners not only are incapable of financing the repairs, they are too poor even to keep up the apartment. About 40 percent of Muscovites have incomes that are below the poverty level, so any thought of having to own and keep up an apartment is impossible.

What are we to do, dear reader? For the time being, the Moscow government has chosen the path of "housing subsidies," meaning, on one hand, that the apartment rent is increasing because there are plenty of people with good

incomes in Moscow, although it's unclear why they should have city grants as well.

On the other hand, the system guarantees that the rent will not consume more than 30 percent of a family's income. Whoever cannot pay can come over, and an adjustment in their rent will be made.

The system is not ideal. We'll be looking for alternatives. But with all this work, let's not forget what Satan, not to be mentioned before nightfall, said about the reasons that decay came to the capital.

Undoubtedly, one cannot find a better specialist on spoil and decay.

CHAPTER 9

MOB INSTINCT

The modern city is not a good place for revolutions. All its structures are intended for peaceful life.

Municipal authority is apolitical by definition: It spends so much time and effort sustaining a normal urban routine that any uncontrolled mass action is an unnecessary headache that disturbs the established way of life.

That's why I object to any unauthorized demonstrations no matter what the colors of the banner carried by its zealots.

Nobody should be permitted to unleash a mob's power.

I came to this conclusion on August 22, 1991, the day after the failure of the communist coup d'etat against Gorbachev.

I want to talk about that day.

I spent the morning circling the city, estimating the damage, counting the broken trolleys, planning the amount of repairs and the priority in which they'd be made. I had to make important decisions and commands on the whole range of issues in order to return the city to normal life.

Suddenly a telephone rang in my car. I was informed of a crowd gathering in the square just opposite the KGB building, and they wanted to throw down the Dzerzhinsky monument.

"Some is already on top of the statue," a breathless voice told me. "He's town a steel cable over the neck. People stopped a truck and fastened the cable to pull it down."

I was alarmed, but not for Dzerzinsky: "The Iron Felix" had long ago became a symbol of political terror whose millions of innocent victims are still calling for revenge. But the statue weighed 87 tons, and any unprofessional handling could have catastrophic consequences. First, you never know where it will fall. It could kill people. Second, the over-exalted crowd hardly realized what is hiding under the square: city communications, the subway, water and gas lines. If the monstrous beast crushes the pavement blocks, it will harvest human lives and after his death.

We rushed to the square.

As we approached we thanked God that it had not yet come down. Even the powerful truck could not move it -- the Soviets were building "for centuries."

A rally was in the progress at the square. The people at loudspeaker were Gennady Khazanov, Mstislav Rostropovich, Yegor Yakovlev, the same group that was at the Moscow "White House." Now, however, their mood was different. It was obvious that they are sensing the aggression of the crowd and wanted to reduce its destructive urges. To some extent they were succeeding, but for

how long?

I stepped next to the orators, and I could see that the people in this square smelled victory. The difference of this throng from the one that was waiting for the tank attack at the White House was striking. Even if though they were the same people, at the White House it was a brotherhood, here it was a mob. At the White House everybody cared about one other: their gestures were restrained and welcoming, and the general mood was as between brothers and sisters. Here there was a real danger from the crowd's frantic desire for vengeance.

The head of the Central District, Alexander Muzykantsky, took the loudspeaker. He announced that on the behalf of Moscow Government and Mayor's office, "the decision to dismantle the monument was already confirmed. The hated Dzerzinsky statue would be taken away! Immediately! Now! Three powerful lifting cranes were on their way! Just wait a little..."

Then I saw as a gigantic mass of humanity momentarily make its decision. I'd never seen anything like it. The crowd lived as a single organism. Despite its obvious aggression in the form of shouts, gestures, movements, it was not a hectic gathering. No, it was a gathering with a will, with a clear objective that it wanted to accomplish immediately.

The crowd demanded strong, swift action, but they listened to us. The city authorities were with them in spirit. They trusted us.

There were, of course, isolated incidents of violence. Let me tell about one.

A group of young people who stood close to the KGB "Big House" decided to break into the building. They started to assault the doors. I don't know what those who were inside felt -- I am sure that the power of that mob would impress anybody -- but those inside were professionals.

They were trained and knew what and how to do. When the assault became too intense, the doors opened for a moment, and a hand with a gas balloon appeared for a moment. One attacker got a full charge of tear gas straight in his face, and the door clutched back. The gas probably was the infamous "*Cheremuha*" because his face swelled in a moment, and he was taken to the hospital. No more attempts were made to take the building by storm.

Assured that the crowd calmed, I tried to return to City Hall, but I never made it. I was told by phone that a mob was gathering on the Old Square at the building of the Central Committee of the Communist Party of the Soviet Union and that any attempt to stop it would be impossible. I should describe what is CPSU complex on the Old Square. It is a whole block of 15 buildings and about 170,000 square meters built as both a fortress and a labyrinth, stuffed with top secret information pertaining to the whole spectrum of activities of the highest echelons of Communist Party elite.

This was where all the secret state policies were formed. Here was the headquarters of party leaders for internal and foreign communist structures. The complex was regularly rebuilt in order to increase the level of protection and effectiveness of the secret operations. Nobody knew where and how the secret data was stored, what documents or computers held information about party funds, its accounts or its secret operations. The data was coded and ciphered.

To let the crowd to "walk" through the corridors and offices -- and KGB security could hardly resist this invasion -- would undermine all future investigations and decisions of CPSU activity, not to mention possible looting.

Something had to be done immediately. But what?

We had undertaken the first steps of "precaution" the day before when it became known in the City Hall

about a suspicious activity from the backyards of the party buildings. It seems that loaded trucks, one after another, were leaving the party headquarters. Nobody knew what documents, equipment and valuable items they carried.

I had given a command to SAI (State Auto Inspection) to bar the trucks and not let them leave. We posted sentries with members of Parlaiment in charge of the situation, but that was the maximum of what we could legally do as city authorities. It was only the next day, that Gorbachev signed "Agree" to a memo from his chief aid Burbulis saying, "A fierce destruction of documents is taking place in party headquarters. An urgent order from the General Secretary is required for the immediate closure of the facility."

Still we decided to act. Our measures were approved by City Hall, and Moscow Government in an instant. We could not lose a second.

Upon our arrival to the Old Square, we saw that some windows and signs were already broken, but the crowd looked different from the one at Dzerzinsky's monument. Comparing these three sites -- White House, at KGB headquarters and the Communist Party headquarters -- it was almost impossible to accept that the crowd consisted of the same people. Here we saw a lot of hatred, outrage and bitterness. I know how the people hated communists, but I never imagined in the Russian people such a hatred for the vanquished.

The air was electrified with only one emotion -- to destroy. It seemed impossible to stop this crowd.

I climbed a ladder which was given to me by some of the journalists. Through a megaphone I announced an ordinance of the City Council and government "to seal entrances in the building... to disconnect all utilities..." Feeling the tension of the crowd of many thousands, I added jokingly, "except sewage! We don't want those inside to

carry a load in their trousers!"

That was met with laughter and relief. The ordinance was supported by loud ovation. The militia immediately started to seal the doors.

The crowd calmed down, the danger was over.

On our way back to City Hall, we stopped again at the Dzerzinsky monument. The peak of excitement had already dissipated, but they waited nevertheless for the destruction of the monument. We confirmed once again that the abhorred statue would be removed that night.

"We will wait," came their answer.

Actually, somewhere around 11 p.m., powerful cranes arrived and workers began to dismantle the statue before a square still filled with thousands of attentive viewers.

Our municipal services demonstrated the highest professionalism. Never before they worked for public show.

Quickly the bolts were removed. Accompanied by loud shouting and exclamations, the "Iron Felix" was lifted in the air. The crowd cried in triumph. Snapshots of this moment were published in the newspapers all over the world.

The statue was loaded on a platform, but now we had to decide where to take it. I don't remember whose idea it was to place the statue at the "House of Artists" lawn, but it was great. It perfectly fit my old idea to collect all bronze and granite Soviet leaders, heroes, collective-farmers, and to fence them and to make a playground for children. When they grow up, they could guess what kind of times were those when the "people's power" wanted to immortalize itself with the monsters like this.

Meanwhile, the crowd was not satisfied with Dzerzinsky's removal. A group of young people approached me, introduced themselves as the "defenders of the White House" and demanded that more machines and specialists were sent to dismount monuments to Sverdlov and Kalinin.

"That's all?" I asked.

"Then Lenin," they said.

I agreed. Around 1 a.m. we moved to Sverdlov Square to remove the monument of the man by whose order the czar's family was executed.

It was late as I drove to Kalinin Avenue to watch the dismantling of one more idol, "the All-Union alderman" who signed so many decrees for arrests and executions, probably more than anyone else in the history. There were fewer people at the statue, and the dismantling had the atmosphere of ordinary business. The whole matter with Kalinin was over in no time.

Next came Lenin, a gigantic monument on October Square. Upon arriving there I saw that the aggressive atmosphere had dissipated. There were a few people remaining, and they were not "passionate" or agitated, and they did not seriously insist on their demand for taking down the statue. Rather, they were just curious, watching for an unusual show.

That's when I decided to stop it, so now Lenin still stands, and whatever my feelings each time when I drive by, I know that my decision was the right one. All those monsters are part of our history, and if somebody will insist that they should not stand in our city, I would answer that I am against rewriting history. However appalling it may look, it has to remain with us.

Muscovites one day may decide to tear down some of these monuments. Other statues simply will disintegrate in time. But all this has to happen according to the will of the city community, not by the will of the mob. The mob has no right to dictate. It's too unstable, too irrational. If here, where the crowd trusted us, it was still so difficult to control it, what can you expect in less obvious and controllable situations? A man in a crowd loses his sense of responsibility and sound mind. Putting it scientifically, he

loses his ego, and this is the state when the most bestial, aggressive instincts overcome human.

A mob can be manipulated, and this is dangerous. That is my deepest conviction.

While forming, a crowd can yet be inspired by some reasonable idea, but once formed, it represents an entity of a totally different nature. There is always a place for hooligans, psychos and the mentally unstable. A minor incident, unprovoked blood, and suddenly someone with a loud voice is enough to turn the crowd 180 degrees from a peaceful rally into an outburst of bestial emotions, and then it is a drama with an unpredictable finale.

We rely on the militia, but the militia is also people, and it is not always possible to expect that they will remain in calm when the crowd starts to throw stones at them.

The mood of a crowd is contagious, especially in conflicts. Maybe we have too little democratic experience, but I watched as tear-gas units assigned to protect citizens and to prevent possible violence gradually won over to the irrational cries of the mob.

A city with millions of people has an abundance of infrastructure, hidden communication and engineering constructions, gas pipes, chemical and hazardous production lines, weapon manufacturing. To solve its political problems by using the dark power of a crowd is a crime -- it doesn't matter what are the reasons.

Maybe I think like a municipal executive, but that's why I'm writing this book -- to express my convictions.

Those who accuse me of hating communists are wrong. I only am against those who destroy the order. A mayor's obligation and responsibility is to protect and preserve his city's people, roads that will be broken by tanks, fences from which planks will be pulled out, and all those buses, trolleys, streetlights.

I will always stand for the rights of opposition to express its views, but I am against those who take the Bolshevik tactics of releasing a mob's bestial instincts. "Cobblestones are the weapon of the proletariat," they cried. Nothing good comes from it.

Those who begin their games with the mob do not calculate the consequences, equally dangerous for all parties. To use mob for the destructive goals means undermining the democratic foundation of respect to law and order, something that we only begin to understand.

A young democracy must stand firmly against such destructive methods of attack, for one more dictatorship Russia will not survive.

CHAPTER 10

THE CHAPTER, WHICH THE AUTHOR HAD NO INTENTION OF WRITING

Every book has its own quirks. This one, for example, refused to end. Already the editor added his inhuman, from the author's point of view, corrections. Already the designer has dug through all the Moscow photo archives, and finally offered a dummy. It was at that moment that a meeting took place, literally, on the stairwell, after which I decided to sabotage all the publication deadlines in order to write a new chapter.

It's a fact. The artist's studio was located, as usual, in the garret (under the roof) of one of the houses on Tverskaya street near the city hall. It was a beautiful day, and I did not want to take a car. Muscovites, especially the women, looked somehow especially festive. I felt almost happy. When I entered the doorway -- renovated, with a hall-porter -- my mood was at its zenith. "So," I thought, "some

Muscovites are leading a civilized life-style after all." And here, as in the famous story by Zoshenko, my upbeat mood quickly plunged to unhappy depths.

"Yuri Mikhailovich, don't you recognize me?"

The face of the hall-porter looked familiar, but before I finally recognized him, I experienced a slight shock. He was one of the best workmen of the firm where I was previously a manager. Honest, productive, experienced -- he never refused tasks that would be too much for the others -- and now, as I found out from our brief conversation, he was sharing the fate of many middle-aged workers: Delayed paychecks at first, then unpaid leave, and finally liquidation of the department. Now he had a job, thank God. This one. A porter.

Who, pray tell, pays for such a glamorous foyer? The people who live here?

"No, not quite," he said. "It's just that there is this ... businessman."

I don't know whether the reader will empathize, but I felt a bitter taste in my mouth as I remembered, at the same time, a quote from Chesterton: "There were no revolutions in history; only counter-revolutions."

I went upstairs. The book was ready. I liked the dummy, and yet it was absolutely clear that it could not be published without one more chapter.

The one that I had no intention of writing.

When people see a healthy and capable, yet poor, man in the West, they usually blame his poverty on him. They say that either he did not work hard enough or chose the wrong career or just did not think ahead properly -- or something else.

Such a stern attitude towards the poor in free-market countries is grounded, of course, in ideology. It is precisely this threat of poverty that makes the majority of the American society work hard and put away savings. The absolute liquidation of poverty would lead to the same effect that as a liquidation of wolves for deer herds: They would soon forget how to run.

The nature of mass poverty in Russia is entirely different, and the situation in our native land is completely unlike the one in the West, where they pick and choose those who need public assistance. I am excluding the elderly and the disabled, of course, because their percentage is roughly the same everywhere. But where do all those poor people come from in such a rich country? And how did a healthy, qualified, sober person, who until quite recently had been an owner of a huge Russian "national property" and honestly fulfilled his duty to the system, end up among them?

No, there is nothing to blame on most of our poor. The parents created the national wealth. The parents protected it from the numerous attacks throughout the span of more than half a century of Russian history. Most importantly, these people never gave their consent to transfer their share of the national property into the hands on a tiny fraction of the population for the price of two kilograms of sausage. Those who ended up ahead of them, used the distributive machinery of the previous Soviet system and not the principles of free and honest competition.

Who will explain to our poor people why after ten years of reforms, 90 percent of our citizens are worse off

than they were after World War II? Even the population of Russia is declining in spite of the influx from other republics.

The new power holders should literally bow to the Russian people in gratitude for their patience, especially in light of the fact -- and everyone remembers this -- that at other times, our people managed in a few months to shift the Soviet industrial base beyond the Urals mountains and in two years raised the annual level of production of tanks to 30,000 and airplanes to 40,000. Please don't tell me that there are no people today willing to work as selflessly. I know how the things are: There are plenty of such people. Unfortunately, they are not "in the driver's seat."

When one asks the Americans how many people in United States can be considered in need of public assistance, they say that it depends. But any way you cut it, the maximum is 20 percent, an obvious minority. Yet, according to the political scientists, this minority presents in itself as an enormous social force weakened only by the global scale of the social programs.

In Russian, about 90 percent of the population receive up to 400,000 rubles per month (about $80) and only 5 percent receive above $1000 per month, while the prices are equivalent to those around the world. But it is that minority that is disturbing the normal structure of demand on the market because it makes raising prices more beneficial than increasing the total sales. It also dictates the obviously impossible-for-most exchange rate of one dollar for one ruble in the stock market.

Such a distribution of the national wealth cannot exist for long, at least not in a free country. It can last for a significant length of time only through use of force.

The thing that hurts the most is that this policy is implemented in order to consolidate the terms of foreign

credits -- in other words, the $6 billion from the International Monetary Fund. But that only comes out to $3 per month per head! That money has to be paid back, too, and for that paltry sum we are conducting reforms in a way not beneficial for the Russian people but in a way that profits the IMF.

I am just curious: Which country is truly interested in helping to transform Russia into a strong, competitive nation with a strong geopolitical role, able to supply the world market with high-quality products? Even if such a country exists, it is probably some small country, unhappy with the monopoly of the giants and interested in the balance of power. Unfortunately, such countries never influence IMF decisions. On the other hand, let's consider who in Russia would not contribute $3 per month if they saw that the reforms are being conducted in the interest of their children and grandchildren?

No, ladies and gentlemen, we are selling the future of our country -- and selling it cheaply. The supporters of the current government policy, judging from their words, base most of their hopes in investment. I am afraid that with such policy those ideas are no more realistic that the once-given promise that "this generation of the Soviet people will live in communism."

While there are sources of income in the country that are not connected with production yet bring a 130-percent profit a month on the invested capital, there is no point in waiting for the Russian investment in production. What moron, pardon the expression, will return money into the country in order to exchange it for rubles when he can get a more profitable conversion rate by importing low-quality foreign products? And, judging from the level of the taxes on the profits of corporations and citizens, the government does not feel a particular economic need for return of the fundamental part of the capital to Russia.

The only necessity is the crumbs necessary to sustain life, or a little extra for some super-profitable transaction.

As for the foreign investment creating high-paying jobs, there is no point in waiting for them either given the current situation. Of course, the foreign money will be invested in ecologically sketchy industries on our territory. Doubtless there will be investments in the readily marketed net of the foreign goods such as tobacco products. Investment also is possible in areas that will use the virtually free land and environment in Russia in order, e.g., to privatize a factory for next to nothing and then to stop its functioning as a possible rival. Investments that use the imperfections of our "transitional" laws and the ubiquitous mismanagement, e.g., McDonald's, are a real possibility. It is profitable to invest in the possibility of hiring a Russian man for a $100 a month. Because a country's power and independence depend largely on the conditions of its communications and information networks, investments that aid their development can probably be expected. (The threat it poses is obvious when we look at Crimea. Remember the first thing that the Ukrainian government did to President Meshkov? Right. They cut off the communications.)

Doesn't the government see and know these obvious things? I know for sure that they understand everything perfectly, so the only explanation is the fact that those in power, whether willingly or not, are catering to some "order of the society" that consists of preserving the status quo and the redistribution of the national wealth is being passed off as reform for as long as possible.

The reasons for such policies are accompanied by -- I won't say political rhetoric -- but certain ideological loopholes that would arouse the envy of even the party leaders of the 1970s. I am talking about the thesis about the privatization for the pure principle of it and all the

talk about the unquestionable advantages of private property independent of the social good. The more you listen to those speeches, the more oddities remain in the shadows. They are multiplying,evading our understanding,and remain beyond our comprehension. Some publicists are actually campaigning to admit that ruling establishment does not follow the logic of the rational thought, that our second Russian revolution catalyzed some unknown social forces, and that we are now being pulled into their satanic game...

I don't like to think in those categories. I am a specialist in governing, not a master of demonology. I believe in the rational, in simple explanations of obvious things, and that's why I will try to explain with as much clarity as possible what it is exactly that I see.

It seems to me that in the lulling talk about the inevitability of primary accumulation and the obsoleteness of thesis about social justice, we release a genie from the bottle that will not rest until he seizes absolute power in the country, destroys 30 percent of the population, and renders 70 percent of what's left into poverty.

I am talking about parasitic capital.

That is not capital -- classical, productive, working according to the famous formula "money-product-money" that lies at the base of the well-being of all developed countries. People mastered it long ago, so that along with its growth, the social well-being would increase as well. Productive capital within the framework of a reasonable tax system cannot exist without the middle class, without products and services, without competition. That is the secret of stability and prosperity of such countries as the United States, Germany, Japan, Sweden, et al.

But there is another type of capital -- wild, thievish -- that cannot exist without misappropriating others' belongings, which is why I am calling it a parasitic without

any emotional connotations purely as a biological term.

Unlike the productive capital, it works according to the formula "money-raw material-money" with anything and everything included under raw material, i.e., it is not confined to oil, gas, wood and metals, but it can include anything that is not watched over properly that can be misappropriated and directly or indirectly re-sold, across the border if possible. And because there is no use from parasitic capital in a poverty-stricken country (without a climate for a productive utilization of labor), the export of such capital across the border is simply inevitable.

Parasitic capital is growing at the expense of the division of the national wealth, while the productive capital is accompanied by multiplication. While we continue to divide, as opposed to multiply, and subtract, as opposed to add, we will not stop the disintegration of our economic system. That is why I am so up in arms against parasitic capital.

On a global scale, parasitic capital has appeared in our country, of all places, because up until now there has never been a situation where all of a sudden colossal wealth, the former "national wealth," was left unowned, hence all the consequences.

If a large fraction of the profits from the difference between the internal and the world market prices on raw materials is received not by a private owner, the people of the Russian Federation, but a parasitic capital, the result is bad not only in terms of injustice. This torpedoes all the stimuli of constructive activity. Productive labor has lost its value in our country precisely because any activity, except for the parasitic or the criminal one, has lost its value.

If someone became rich while creating productive capital, his wealth is justified in the eyes of the society. Anyone who wants to be wealthier has a "simple" method

at his service: To offer products and services of a higher quality and at a lower price than the competition. There is no particular need for criminal activity under such arrangement, but stability and obedience of the laws are vital.

The situation is completely different if one becomes rich via parasitic capital. He has no basis except force. To liquidate such a person means make the capital "free" again, which means that for a long time the bloody "handling" will continue, either by the Russian *mafia* or by national and territorial coalitions. In any case, there will be no stability until a single criminal clan achieves the monopoly over the country and turns it into a police state with the aforementioned sad consequences (30 percent dead, 70 percent poor). But then the agenda will consist of wars between countries for "living space."

Of course, in the grand historical scheme, parasitic capital causes its own death, but the problem is that it may take more than 70 years to die, and in the meantime, it will drown Russia and the world in blood.

So there they are -- straightforward answers to the previously posed "damned" questions.

What happened to our former national wealth? Why, after ten years of reforms, do the majority of our citizens suffer from poverty? And where do the rich come from while the level of production is sinking?

Nothing has happened to our former "national wealth" except that it ended up almost in its entirety in the hands of parasitic capital, that cannot use it effectively without exporting, whether directly or indirectly, a larger part of it. That's how our rich people got rich.

In the meantime, our poor people got poorer because, along with the national wealth, parasitic capital acquired those profits which were, speaking economically, previously received by all citizens. They didn't always re-

ceive it on equal terms, but everybody, give or take a few, had some share in this national "rent." May the insistent democrats forgive me, but under the "developed socialism," the people made ends meet with relative success by the virtue of the veiled consumption of that national "rent." Now not only has the country lost a big part of its capital, it is also beginning to pay it to parasitic capital. I use the word "beginning" because there is still one type of "rent" that has so far evaded a similar fate: rent for land. The people of the Russian Federation are so far not only not paying "rent" to parasitic capital but even partially use it. However, even that last stronghold may fall soon.

Now the reader can rightfully ask about the possible measures following from our analysis. In my opinion, they are more or less obvious. We have written about them more than once. They are supported by the scientists and by practical people. They are torpedoes only to the parasitic capital that has acquired -- or rather bought -- huge political influence.

If we want to change, we must suppress the development of parasitic capital in Russia and create favorable conditions for the development of productive capital.

Simple? No. Complex? Very complex, for parasitic capital is buying more and more political clout. Unfortunately, Russia has no other choice.

In reading all this, one may think that such a program corresponds with the intents of the communists since they openly advocate the redistribution of the misappropriated wealth and property. It would be even less desirable to have our program confused with the ideas of the fascists who are threatening to confiscate the stolen goods even from the *mafia* if it does not cooperate with them. Those are all terrifying perspectives.

In a civilized, well-fed society, the changes, even the most decisive ones, usually take place within the frame-

work of rational thought, result in minimal losses, and definitely do not lead to bloodshed. We are hungry, uncivilized both politically and economically, and everything from the past is crumbling, creating chaos and anarchy everywhere. What can happen in such circumstances is recorded in blood on the pages of history. It will suffice to recollect two *putsches* -- the communist one in 1917 and the fascist one in the early 1930s in Germany. Their results are public knowledge.

Quick and simple solutions of real problems are appealing only to the *lumpens* of all social strata, the unsatisfied blinded by their own anger. Their numbers will grow, of course, proportionally to the increase of their hardships, but we should not let our primitive instincts get the better of us. The lovers of quick decisions are of use only to a Fuhrer without principles, who will be able to play off all of this. The last door will be opened before this scenario by Russian and especially foreign politicians, if they will still be dragging in the tail end of the events. It depends on Russian and, I repeat, foreign politicians, whether the dark forces will gain power and align with reactionary nationalism, chauvinism and religious fanaticism. The fallen idol of communism has left a void, and in Russia, as some say, it's impossible to live without an icon.

No, I am not simply urging Russians, I am adjuring them, not to succumb to the idea of "steal the stolen." Russia will simply not survive another bloody change.

Aside from that, with a well-developed legislation, it is not all that important who is the primary owner of the capital: What is important are the conditions on which the rights of its ownership are consolidated.

The tax system in the developed countries renders ownership of ineffectively used property a virtual bankruptcy. That secures the automatic bloodless transfer of it into the hands of productive capital. To begin such a pro-

cess, it is only necessary to clearly define the sources that feed parasitic capital and to destroy those suckers. The rest will be handled by "the natural order of things." If we transfer property into the sphere of normal market transactions, the pragmatic approach will place accent marks where necessary.

So, it is necessary, first of all, to adopt a simple strategy, that of a steadfast decrease in taxes on citizens and corporations, and of an equally steadfast increase in taxes on large property and use of natural resources, such an increase as to make quantity finally convert to quality.

The current figure of revenue from the excise-duty on the use of natural resources is about 12 trillion rubles, a pathetically small sum.

Even the total budget of the United States finances about 15 percent of itself through resource usage. And that is a country where the gross internal product is formed, for the most part, at the expense of the high-tech scientific corporations. As for such places as Alaska, its denizens receive $600 per person per year as a benefit from the Alaskan oil.

In my opinion, our revenue for the usage of natural resources should be no less than 20 percent. That is, of course, in conjunction with an adequate decrease in taxes on profit. Then it will be easy and painless to repeal any licensing on exports of raw material and energy sources, and the rising prices on these products will turn from a curse into a blessing because the raw material (in a broad sense) is the property of Russian people. The increase of its price should not negatively affect the economic situation of the citizens whose consumption rate of them is average. Those whose consumption rate is below average should even profit, receiving their share from those who consume more.

If we elect this course, it is possible to reclaim as

much as 100 trillion rubles a year in profit from parasitic capitalism, but let's not regard this sum as a pure addition to the budget. No, it is necessary to distribute a large part of it directly to the citizens (through the same decrease in taxes) so that it would find its way into the budget only later as a payment for services.

It is necessary to expand on that last idea. It's as if we don't notice that our privatization touched only the redistribution of national property but did not create a middle class. It did not liquidate most citizens' absolute dependency on the state, on how well or how bad the bureaucrats and officials are performing their duties. This is the second reason in which people's poverty is rooted.

Reforms will remain stalled while our citizens continue to receive only 20 percent of the cost of labor; the rest will be first taken away in taxation and then returned as subsidies for social and communal services. Speaking in simple terms, instead of paying someone $165 a month and subsidizing him with $300 more, we should create an opportunity for him to earn $500 and reject the subsidies.

What is so novel in what I am saying? Virtually nothing. We repeatedly addressed the masses through the press, the President and the government with serious warnings that the chosen path of implementing reforms and the current economic policy are, in fact, dead ends. We offered proposals. There are benevolent resolutions on our proposals, both from the President and from the Chairman of the Russian government, but they have never been publicly debated. Many praise these resolutions -- hardly anyone had anything bad to say -- and some individual proposals were implemented, but such a program cannot be implemented by pieces.

Foreseeing possible reproaches of the excessive "liberalism" of the program, I would like to emphasize that

analogous relations between the citizens and the government have been firmly established in all successful countries. Regardless of the original orientation of that government -- whether towards extreme liberalism or towards constructive socialism -- the successive application of the pragmatic approach leads to a roughly the same socially balanced scheme. The centralization of gross internal product varies from one-third in the United States to one half in Sweden, with a visible tendency towards minimizing dispersal.

Yes, in a healthy society, there will always be about 10 percent who are poor and about the same percentage of wealthy. But there is also a basic need provided for the majority, the middle class which is the basis of social stability and the productive force of the society. Such a society works in a very intense fashion. The poor are an impetus for the middle class to intensify their efforts; the rich are an indicator of possibility. The most important thing is that the social structure as a whole is based upon the sacred principle that is guarded by the whole system of the legal and political establishments: Wealth cannot be created and multiplied outside the production of goods and services.

Speaking plainly, we are adopting neither a "liberal" nor a "socialist" position. Our approach could be called "social pragmatism," if such a party existed. In the framework of social pragmatism, all decisions, including the distribution of functions between public and private sectors, should be made not on the basis of this or other ideological principles, but on the basis of the common good.

In other words, enough of "privatization for the abstract principle." Let's finally privatize for the common good. Any talk of "principle advantages of private property" turn to political rhetoric in our circumstances, since proponents only serve to cover up the transfer of

national wealth to parasitic capital.

If my hopes that these simple ideas will not dissolve into nothing but will finally find energy and decisiveness action, it is only because I believe in the collective survival instinct, the one that during threatened social "sorting outs" forces us to stop ripping each other's throats and rise together in a common prayer, whatever the language, and ask God for a light at the end of the tunnel and the energy for its passing through.

Maybe some will be nonplussed by hearing such words from someone who has just declared himself a social pragmatist, but that's the thing -- aside from faith and decisiveness, social pragmatism simply has no other base.

GLOSSARY

Baba-Yaga: an ugly witch in Russian folk tales.

Bolsheviks: The leading party of the 1917 Revolution; *bolshevik* is derived from *bolshinstvo*, which means "majority."

Budilnik: alarm-clock.

Cheka: All - Russian Special Comission for Combating counter-revolution and Sabotage (1917-22); F. Dzerzhinsky ("The Iron Felix") was its first Chairman.

Collectivization: Stalin's policy of forcing peasantry into state-owned collective farms.

Dacha: A traditional Russian country house.

Demidov, P.: Russian industrialist, philanthropist and patron of the arts.

Dvornik: A groundskeeper.

Duma: representative legislative body in old Russia; a lower chamber of Parlament.

Foros: A city in the Crimea where top Soviet leaders took their vacations and where M. Gorbachev was under the "home arrest" during the attempted coup d'etat in August 1991.

Golova: Literally, the "head"; old Russian title for the official in charge of various administrative bodies.

Gosplan: State Planning Committee.

Gostiny Dvor: An old department store in Moscow and the current one in St. Petersburg.

GPU: State Political Department of NKVD (see below).

GUM: State Universal Department Store on Red Square.

Ilf, I. and Petrov, Y.: The authors of two great Soviet satiric novels, *The Twelve Chairs* and *The Golden Calf*.

Izvestia: news.

Kaganovitch, L.: Stalin's second in command and head of the Ministry of Railroads.

Khrushoba: A nickname for 5- storey frame-and- panel houses built in the time of N. Khruschev.

Lysenko, T.: President of the Agricultural Academy under Stalin, responsible for the purges of many fellow scientists, including N. Vavilov, president of the Academy of Science.

Morozov, S.: Russian industrialist, philanthropist and patron of the arts.

Mosagroprom: Moscow Agricultural-Industrial Complex, a city ministry.

Mossovet: Moscow Soviet, or city council.

Muzhik: A peasant.

Mikoyan, A.: Longtime Minister of Trade and member of the Politburo.

NKVD: Ministry of Interior during the 1920s - 30s

Obrok: Rent paid by a tenant farmer to the state, in kind or in cash.

Party: Communist Party of the Soviet Union.

Plodovoschprom: The Mosagroprom committee in charge of fruits and vegetables.

Primus: A portable kerosene stove.

Raykom: District Committee of the Communist Party of the Soviet Union.

Ryzhkov, N.: Chairman of the Council of Ministers under M. Gorbachev.

Sklifowovski, N.: Famous Russian surgeon and founder of the Moscow Hospital which now bears his name.

Slovo: word

Sovmin: Council of Ministers.

Sovnarkom: Council of the PeopleÕs Commissars, i.e., the council of ministers during the first years of Soviet power.

Sroob: A Russian peasant hut made of thick logs.

Stolonachalnik: Since 1811, an official who presides over a "desk" (*stol*) the lower structural part of state central and local government offices.

Stolypin, P.: A great reformer who held the position of Minister of the Interior; assassinated in 1911.

Tretyakov, S.: Great Russian philanthropist and patron of the arts.

Tretyakov Gallery: Central gallery of Russian art in Moscow, chiefly derived from the private collection of S. Tretyakov.

Tihedrin, N.: Famous 19th century Russian satirist.

Ukvarthoz: A department of the ministry which oversees apartment complexes.

Valenki: A kind of felt boots.

ZHAK: The lowest unit of the municipal industry which oversees and provides services for apartment complexes and its teenants.

Zhiguli: The most popular car in the Soviet Union.

Zhilfond: A municipal body in charges of apartment complexes.

Zemstvo: elective bodies of local self-governing, first introdused in Russia in 1864.

Zimny: The Winter Palace, an official residence of the Russian Tsars in St. Petersburg.

mayor in almost a century who really loves and cares about Moscow, and not only because it's his home town. Then - why?

To put it simply, Moscow is the heart of Russia. No other place captures the Russian spirit as fully as this beautiful, hospitable and courageous city, which will celebrate its 850th anniversary in 1997.

As a student of Moscow's history, Luzhkov understands his unique position in the sweeping panorama of his beloved city, which is important in his tireless efforts to restore Moscow to its time-honored traditions after 70 years of communist rule.

While many cities in post-Soviet Russia struggle to survive, Moscow is thriving under the rule of "the man who succeeds".

What is the secret of his success? Let Luzhkov, a Russian heart in the heart of Russia, tell you in his own words.

Prince Yuri Dolgoruky founded Moscow in 1147, and today, 850 years later, a man bearing the same first name finds himself mayor of Moscow.

The Russian *Yuri* is a variant of *Georgi*, or George.

Perhaps it is fate that the founder of Moscow and its present mayor share the name of the city's patron St. George-the-Dragonslayer, for the tasks which Prince Yuri Dolgoruky faced and those challenges before Yuri Luzhkov require the heart of a noble warrior.

But the beast slain by St. George was nowhere near as fearsome as the dragon of Russia's communist past which Luzhkov currently battles from Moscow City Hall.