The Capital City Question

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Russia's destiny is to be the world's largest landmass.

The first of their kind are always alone: there is no one to turn to for guidance on solving a whole range of problems that no one else faces. The development and harmonious utilization of vast territories fall precisely within this category of challenges. Small, densely populated European countries or island nations do not face the challenge of developing individual territories. On the contrary, economic actors there compete fiercely for every scrap of land, striving to use it for the greatest economic benefit.

In this sense, too, our country has a "special status," as Tyutchev put it: on the one hand, the largest metropolitan areas operate under the same rules as similar territories in the most developed parts of the world; on the other hand, well over half of Russia's land has never really been put to use and seems to be of no use to anyone.

We clearly will never have enough people or resources to bring the entire national land fund into economic circulation. But we cannot accept that not only are we unable to fully harness the potential of our country's unique wealth, but we are also gradually losing the territories of villages, hamlets, and small towns – areas that were developed long ago but are no longer needed in the post-Soviet reality.

Rapid urbanization, the transition to a market economy, and the "liberation" from state planning have stripped these important elements of Russia's spatial framework of their raison d'être. For decades, there has been an inexorable exodus of people from the periphery to the largest cities. The process may seem inevitable, but it is by no means harmless.

Of course, concentrating people in one or a few locations – saving on infrastructure costs and channeling the consumer market toward centralized distribution – is far cheaper than "spreading" resources across vast areas. But is it fair to rely on the logic of primitive investment analysis here? After all, the goal of economic development should be to ensure the development of society, which goes far beyond meeting people's basic needs for housing and food.

The construction of massive apartment complexes on the outskirts of more or less large cities does not solve this problem; it merely leads to the creation of a kind of compact socio-economic buffer zone between "central" Russia and the rest of the country, through which large cities draw in a young workforce, leaving the rest of Russia facing the prospect of gradual depopulation.

But while the problem of depopulation is not always apparent in the European part of Russia due to its relatively high population density, it is strikingly evident in Siberia and the Far East: one need only drive along any major highway connecting large cities to see this. Endless forests, mountains, and fields give way every few hundred kilometers to cramped, poorly developed clusters of residential complexes. At the same time, the millions of square meters of new housing completed each year still have not provided Russian families with enough space to live comfortably and raise a family.

Outside the major cities, there are simply no jobs today – let alone highly skilled and well-paid positions that might interest young people and give them the opportunity to build a life in their hometowns without leaving the environment they've known since childhood. Far from all young people are ambitious enough to pursue "national" or international careers under any circumstances. Most would be happy to spend their adult, independent lives close to their family home, "where everything is simple and familiar." But to achieve this, they need to be provided with meaningful and well-paid work, and the social, cultural, and everyday infrastructure in the regions must be rapidly modernized. In short, the quality of life there must be raised to such a level that a young person considering a move to the capital would have something to lose.

It is clear that the private sector will not – and should not – address such issues; this is the state's mission, provided it deems the problem a priority and makes its resolution one of the nation's goals. But even the government cannot direct investment resources – which are particularly scarce today – toward artificially creating favorable conditions for living and working in "low-rise Russia." Any investment must be justified by expected returns and by the launch of new, self-sustaining cycles of economic growth in these regions.

In the "Siberian Club" section of this issue, this problem is discussed in the context of an idea that resurfaces periodically: Should we follow someone's example and move our country's capital deeper into the country, farther away from Europe?

Two of our authors, independently of one another, reach similar conclusions: rather than pursuing the concept – attractive at first glance – of a one-time relocation of the center of government, the economy, culture, and science to another region, we should move toward more realistic projects aimed at fostering polycentric development.

S.A. Samusenko analyzes international experience with relocating capitals and demonstrates, through a number of examples, that there are no universal solutions to this issue. The historical, political, and economic circumstances that led to the relocation of capitals in various cases differ too greatly. And the success of such projects is mixed: the construction of what are essentially new cities undoubtedly provides a significant medium-term investment boost, but at the same time leads to an outflow of population and resources from existing settlements.

It is important to emphasize that over the past hundred years, there have been no instances of capital relocations in countries even remotely comparable to Russia in terms of territorial and economic scale, geopolitical influence, and the complexity of their socioeconomic development challenges. This fact alone may serve as an argument against a wholesale relocation of a major power's capital.

For his part, F.V. Chernitsyn proposes viewing the "capital question" as a tool for launching a new wave of development in the Trans-Urals region, which is critically necessary for our country today for a number of geopolitical and other reasons, as the author explains in detail. The partial transfer of certain capital functions to Siberian cities could give meaning to investments in their development.

Russia has taken stock. It is time to act.

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