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FINANCIAL DAY

FUTURE OF CITIES: PREPARING FOR ECONOMIC GROWTH

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2009

Description:

At present, a certain tendency may be perceived which is characterised by lack of a long-range strategy for the development of cities. Slowdown of economic growth or even the negative growth offer for city authorities an opportunity to design the masterplans aimed at turning the cities into attractive and dynamically evolving places in the future.

Moderator:

Oleg Chirkunov, Governor of Perm Region

Viktor Basargin, Minister for Regional Development of the Russian Federation

Kees Christiaanse, Architect, Planner and Founding Partner, KCAP Architects & Planners

Viatcheslav Glazychev, General director, “Europe” publishing house; President, National Academy of Design

Dr. Mikhail Blinkin, Director, Research Institute of Transport and Road Management

Vadim Moshkovich, Member of the Council of Federation of the Federal Assembly of the Russian Federation, owner of the A101 Project: Construction of an ideal city in Moscow Region

Peter Bishop, Director, London Development Agency

Jürgen Bruns-Berentelg, CEO, Hafencity GmbH

Stepan Solzhenitsyn, partner McKinsey & Company, Russia

Leonid Kazinets, President, BARKLI Construction and Development

Transcript:**O. Chirkunov:**

Not so long ago during the period of economic growth everybody made more or less the same - building of square meters, more and more each year. And if not for crisis we would have built many more square meters. The question is whether it would be right or not and what would we do with these meters in 10-20 years? Perhaps the crisis is just an opportunity for us to think what we really need to build. If we prepare today, we shall be ready for the next period of economic growth and able not only to build the square meters according to plan figures but to construct the cities which are friendly for people.

I would like to give the floor to Professor Christiaanse. He teaches at two institutions – at Eidgenössische Technische Hochschule in Zurich where he is a Head of City Planning Institute and

at London School of Economics. The largest projects he is participating in (perhaps I know not all of them, but I'll mention what I am aware of) are the Olympic Games in London and the Hafencity in Hamburg. We touch on these projects later. Well, Professor Kees Christiaanse.

Prof. I. Christiaanse:

Thank you very much, Mr. Chirkunov. Ladies and gentlemen, I would like to give you a brief overview of some aspects of design. We will first talk about the city of London, and then about the city of Hamburg and then about the city of Perm. If you look at the city of Perm, this shows the city of Perm with a river Kama and you see a map where all the coloured areas are areas that could be redeveloped or that are buildings that are in such bad condition that they should be replaced in the long run. It shows that it is very important to do inner city densification instead of allowing large sprawl and suburban development outside the city. If we look at the principle of city development nowadays, on the left-hand side you see the modern city like it is becoming now. We see a couple of islands, for instance, a university campus, a suburb, a mono-functional business park, another part of town that are connected by railways or by motorways, single access and in this model of the city the different districts do not talk with each other anymore. They do not communicate. On the right-hand side you see a kind of ideal picture of a contemporary city with a multi-directional grid of streets and places in which communities can settle, in which mixed-use is present and by means of mixed-use there is a breeding ground for economic development and also for innovation. If you read your literature, you will know that the principle on your right side is the city bringing economic progress and innovation and the other model is stagnating bringing traffic jams and problems with mobility and resources, et cetera. Now how we do put these IDs into practice? We are working on the city of London to work on the Olympic legacy project. This is one of the first visions for the Olympic Games site in the east of London and this site is a derelict industrial site in which a lot of buildings have to be replaced; a poor area in London for which the Olympic Games are used as a tool, as an instrument to renovate this area, this part of London. On the left-hand side you see the Olympic Games as one big gated community only lasting for two weeks. And on the right-hand side you see the site after the Olympic Games when it is opened up and it starts to communicate and to integrate with the rest of London. We hope that this Olympic Games project as a tool for renovation of the city of London in the future, the lead to a connectivity which leads from the left side, which you see is the current situation of the connectivity of street patterns, to the right side which is in the future the Olympic Games forming a node in this area. What does this Olympic Games project look like? The project looks like this; you see in the middle a park and this park is surrounded by different quarters in which the existing stadium and sports facilities of the Olympic Games are integrated. This is a final situation image after 20 years of development from the

Olympic Games site to a comprehensive and integral neighbourhood. Next, if we look how this will happen, I will show you the next five slides where you gradually see how the area is going to be developed next. So, and then at the end this part of town will look like this and you see that it works as a connector between different sites of town instead of a separating construction. Next, now if we go to the city of Hamburg, we are a little bit further. We are already into realisation of the Harbour City of Hamburg, one of the biggest design projects in Europe as you can see in the red prompter of this picture. Next, you see one of the piers on the construction, next, and this is more or less the architectural quality that we propose also for the Olympic Games legacy area in London and also for the densification of the city of Perm which consists of Perm city blocks, a little bit in the tradition maybe of St. Petersburg if you have been walking around in this area, and within these city blocks, we are working with different projects of different architectures in which always the ground floor has a very active transparent set of functions in order to create active street life enterprises that communicate with each other, in other words, a communicating city with mixed use. You can see some more images in which also it is very important to look at the quality of public space. Public space development, as you also know from the city here, is extremely important. Next you see the central area with the boulevard along with the central harbour area. And finally you see an evening shot which shows the power of development on the waterfront. The whole area is pedestrian-oriented and connected to the city centre and the town hall, which you see in the light line which is running from south on the riverbank to north at the town hall square. Here you see specific positions of cultural institutions, public buildings that are very important; museums, theatres, philharmonic buildings. On the left – you see the new philharmonic building looking out on top of a former warehouse looking across the river Alba, these institutions, let's say, are positioned on key positions within this urban design in order to trigger life and active development. It's very important to think of urban design not as something that we draw and then we build it but of urban design as a process of transformation which takes place gradually and that will have to work with different stakeholders and participants. It's very important, for instance, for us to build large models for urban production, so that we can look and see and discuss with politicians and investors how the city will look. Here, you see me with the Crown Prince of Netherlands who, as you may be know, is a very distant descendant of the Romanov family. So for the city of Perm, we also work on the basis of models. We are building gigantic models of the town of Perm in order to produce an adequate image. Next, you see the situation and we work from two levels, we work from the top down. We make a master plan which creates top down structures. On the other hand, we make local projects that we start immediately, so that we create facts on the ground. It's very important to create immediate effect of a project instead of waiting for ten years to make a scheme and then trying to realise it, this never works. So here you see our basic master plan drawing of the city of Perm and you see that the red

zone is the built-up zone which exists now. This built-up zone which exists now has about 50% of empty space or derelict buildings which will be, in the future, replaced which means that urban extension by means of suburbs is not necessary because there are so many brownstone developments in the city of Perm. Outside this red zone, we're creating a green belt around the city – you see this green zone around the city, so the city is being wrapped into a park landscape and a forest so that it can be concentrated as a very beautiful jewel in the midst of the European landscape. The valleys, the embankment, the forest around it, they form a set of general public spaces that are then refined into boulevards, into streets, into squares et cetera. Next, the zoning will be very special. Contrary to normal general plans and to normal city planning, we will not make heights and different densities. So if you look at the pink colour, the darkest places have the highest density and the highest building height and the lightest places have the lowest density and the lowest level of mixture which is a kind of instrument which is more flexible and allows us to make a better city in the end. Next, you see for instance how this densification principle works. This is the esplanade in Perm which is the central public zone, and on the left-hand you see the density and the morphology of the current existing buildings. Here you see that we can densify this area easily in different ways within this zoning principle with at least an additional 50% of development square meters. This leads to a situation that you have an intimate city structure a little bit resembling some quarters of St. Petersburg in terms of street pattern, in terms of squares, in terms of parks, et cetera. Next, and you see that we are also allowing high-rise projects but we are very delicately tuning high-rise projects in between themselves, so it's not possible to make very individual constructions on one place and the other places are empty. Next, if we talk about this bottom-up process, the existing situation immediately drives to try to make projects. I can show you some of these projects. One is on the bottom right. You see the old ferry station, Perm One, which has been turned into a museum. You see the museum which was sponsored by Senator Gordiev, it has been curated into a large exhibition that attracted people from all over the world, and subsequently the exhibition is being brought to other places in Europe amongst others, and to Milan and to Paris. It's a very important gesture to start facts on the ground with interventions like this in order to support the overall top-down master plan that comes together from above and from below. Here you see another principle. We are working on public transport, and one of the first interventions was to make a free tram line because, as you know, in Russia all the people in Land Rovers and SUVs, they just cross the tram lines and the result is the public transport has only half the speed of what it normally could have. So we discipline the transport industry and, consequently, are going to make next principle, new solutions of a central tram and bus way with the bus stops in a certain design that are safe crossings for cars, et cetera. This is also an intervention that will be done in the next year in order to show to the population that the city is going to be integrated and elaborated. Here

you see, for instance, before and after pictures of an idea how to take the embankment of the river into a better park situation in connection to the valleys that are running through Perm, to take away some of the industry, some of the railway areas and turn them into parks, so that the city has recreational and park facilities in regular intervals from residential districts. Next, here you see an image of how the embankment is going to be enhanced into a quality park. Here you see the railway station, Perm two of the Transsiberian Express, which will be a new station connected to the university campus which will create an integrating help of activity and commercial zone in exchange with the research and the university activities. On the west-side of the city, here you see an exemplary housing project, so-called “Asylum Site”, which is now a psychiatric asylum in the middle of the city. We will create there an exemplary housing project also showing that with low-cost money, you can create high-quality housing. The opera building is going to be a competition starting next month to extend the opera into an opera and ballet theatre. On its place will be an international competition with the internationally renowned architects. Next, we have been arrived at political consensus of leaving the other side of the river, relatively low-dense, as a park-like landscape with university campuses and medical campuses instead of building it full of buildings so that people across the river can have their recreational activities on the other side of the city centre. Next, and of course, also small things are going to be done, for instance, taking the street furniture, taking the kiosk, taking the advertisements’ principle making a regulation for it in order that public space becomes beautiful. Next, and last but not least, we are mobilizing school children and students in order to clean-up the valleys, the public space in order to start to create also a consciousness with residential people in order to take care of the space of their city. It sounds a little bit abstract, but in the end by making a comprehensive master plan and at the same time working on concrete projects on all sorts of levels, this is the way that you can move a city forward into the future.

O. Chirkunov:

Thank you, Professor, it was our pleasure to hear about London, Hamburg and certainly about Perm. And now I would like to give the floor to a man who is dreaming about the construction of an ideal city near Moscow. Vadim Moshkovich, member of the Council of Federation.

V. Moshkovich:

Good afternoon. I am not a professional architect, so I tell you what is going on when one has no knowledge at all. One has to have vision, nothing is possible without it. We spent about three years just to understand what construction is. What are the principles of construction, what is a city, what is a successful city, what is a city designed for life.

Nine months of cooperation with McKinsey (Stephan also took part in it) – we simply learned the things. Together with McKinsey we travelled around the world and watched what had been constructed during the last 30-50 years. Just watched without understanding the difference between the cities, until we started asking questions: why this city is successful and that one – not, why people feel well in this city and bad in that one, and finally we derived the success criteria. They were quite commonplace, but simple; genius is perhaps the simplicity.

Almost nothing has changed since the Roman Empire: people want bread and circuses. It means, in the first place a modern city needs the working places and, secondly, all other factors compiling the quality of life should be present as well. These are ecology, social infrastructure, possibility to get a service within a short period of time, i.e. transport services including public transportation vehicles are required. And thirdly, one has not to be killed; i.e. safety is also necessary. These are the main success criteria for a city.

Look, red line in the right upper corner is the Moscow Ring Road, that line from the right upper corner downwards is Kaluzhskoe highway, and coloured is the land we own. Here used to be sovhoz Kommunarka which is still alive and produces milk. The land stretches between the second and eighteenth kilometre from MRR; it amounts to about 6000 ha.

When it became clear that the city was developing and no agriculture would be possible here (high wages, high costs here), my partners and I tried to figure out what we could do. There were several ways to go: we could divide the land into pieces and sell them as it was no crisis yet or we could make something beautiful. So we decided to make something beautiful and to build a satellite city of Moscow.

I have already told you that firstly we learned. Having understood the success criteria of a city and the principles of its construction (that are, as I've said, jobs and access to the social and transport infrastructure) we invited tenders - the international architecture bureaus. And English-Dutch-American consortium Maxwan URS won .

We designed a master plan for the development of the whole territory. Here is as the previous speaker said: the darker the denser, which is conditioned directly by the land location. Here in the middle to the right is Yuzhnoe Butovo. Here is the last subway station, here is Buninskie Allei. All infrastructure is already present here; there is a subway here, that's why housing density is at the greatest here. Since we call it "City of happiness", we were not greedy, we had no aim to get maximal profit per square meter. Here the housing density is at the greatest and amounts to 10000 meters per hectare. There is no such density anywhere else in Moscow, I would say it is minimum of possible, it allows a person to feel comfortable enough.

Other lands of pink colour - lower left corner, they have of about 2000 meters per hectare. According to general guidelines of our master plan, the city is designed for 350 000 citizens and

more than 15 mln sq. meters of different housing and business-park constructions are to be built here. We need here approximately: 50 schools, 150 kindergartens, couple of clinical hospitals, a few polyclinics, 57 police divisions and so on. As I have already said the main task is to keep balance.

We also implemented the principle of ten-minutes walking distance to any infrastructure object, for people living, e.g., in Moscow or St. Petersburg know well that because of traffic jams the time to reach the office in average exceeds one hour, for sure in Moscow. To bring a kid to the school requires also one hour at minimum and so on. Consequently, we desired to build an ideal city of happiness so that we could offer each citizen within a short period of time exactly what he/she needs and what is of interest for him/her . This is the main idea behind the city and despite the crisis we still adhere to our principles.

Further the various stages of planning follow. One goes from the overall planning to masterplanning, chooses the construction typology, introduces a system of open spaces. We keep in mind our densities and planning principles implying ten minutes walk up to any infrastructure object. These red points represent public centres. Knowing how many people will live here we can determine the ten minutes walking distance and allocate areas for all social infrastructure objects. Blue circles are social objects, schools, and kindergartens.

The Dutch worked out the ecology aspects for us, about 40% of work deal with ecology, open space system, ecocrossings and environment conservation. In the middle you can see the red contour. This is a central park which we have laid out; we have had 2000 ha of forest area. This circle stands for about 300 ha of forest; here will be a central park surrounded by dwelling houses.

A separate part of project deals with transport. Basing on the data of how many citizens will live here, how many cars will be, we designed the transport infrastructure having chosen for it the American planning system. Not any two-lane road is foreseen in the master plan, there are only four-lane roads in order to avoid traffic jams and to prevent the stopping of the transport flow by eventual car accidents. We provided for an express tramway, like this one in the picture, which will unite Yuzhnoe Butovo, Yasenevo and Teplyj Stan in a common express tram system, so people will be able to move fast and reach any place in Moscow according to the subway lines location.

The next point is the planning of quality. And details play a key role here. We worked out the total landscape, the zones of sun exposure, all water resources so that it became possible to locate a house in such a way as to ensure the maximum amount of sunlight for every house.. The Dutch did the same work for us. We have long unpleasant autumns that's why we chose trees so that yellowing of leaves and falling of the leaves followed each other. The Dutch offered us the whole range of green plantings to extend Indian summer for as long as possible. Further are just details of how we planned all these, how provided for space system.

Thank you.

O. Chirkunov:

Thank you, Vadim. There are many important tasks in our life, somebody has to plant a tree, somebody has to build a house. You have chosen to build a city of happiness and we all shall be very happy if you manage it. I would like to give the floor to Viatcheslav Glazychev, Doctor of Science, Professor, an outstanding personality. If we start discussing the city planning, we cannot do without mentioning the name of Glazychev. I give you the floor. Welcome.

V. Glazychev:

Good afternoon, gentlemen. I take off my hat to the spirit of the previous speaker because his task is set forth when chances of a city give rise to doubt. Firstly the word “city” itself is used mechanically to a large extent. We are used to it. We call St. Petersburg a city, Perm - a city, Moscow - a city, New York - a city. Strictly speaking, none of these populated oases is a city for a long time already. It is a large urbanised territory where (as David Lynch showed it long ago) people lay their own routes and know only its limited fragments.

Still “sentiments”, historical tradition are in force and the word “city” means mostly its centre, its heart. There are cities actually without citizens. Venice is a wonderful city where citizens are put aside, they are completely pushed to the sides, live off tourists but curse them just like citizens of St. Petersburg are cursing us now because half of the roads in the city are blocked.

Once Aristotle calculated the number of city citizens as 5040 free persons. Historians did not somehow give thought to the question where such a figure has emerged from. It’s a strange figure. But city is mystic thing, and it is actually a factorial of seven. 1 multiplied by 2, by 3, by 4, by 5, by 6, by 7 results in 5040. Each city has its own magic which is reflected through literature, cinema, TV in a greater degree than in day-to-day life connected mostly with inconveniences.

Second aspect important to note: we experience a huge outgo from a city during one generation. Industry is leaving for thousand of sound reasons. Universities have been leaving for a long time forming their own half monastery structures and quasi-cities. Chain stores are killing downtowns in cities, killing small-scale trade. The market has also abandoned the city, the market that has once created the city. A car damnation is also added to the above, still nobody refuses to use the car in spite of all difficulties to manage it in a city with a million and multimillion population.

Four-lane roads can be laid in a free area site as we have just seen. On the contrary, in a living city fabric one cannot deal without a dynamite; and it is a rather expensive pleasure.

Look, middle-size cities – Zurich, Bordeaux, Strasbourg – are using a modern tramway, which is wonderful, safe, comfortable and so noiseless that I wonder how people manage to turn away from it. But speaking without jokes, this task is quite solvable as well in a city with millions of citizens.

For instance, in Moscow they try already during 15 years to design an express tramway. And permanently confront the same problem – a huge volume of built-up space.

Why do I think it all necessary to mention? Because we are speaking about a city of future which will emerge after the crisis. This future city will change its nature.

If we consider Europe or America, partially also Japan and a number of Asian countries then city inhabitants there are becoming older and older. Proportion in this respect is changing rapidly but the city form is not meant for an elderly person. A classical city was designed for young and strong people, for men to make it worse. It means the situation when a new population, not urban in its culture, is penetrating into the city fabric. This process was always going on, but such degree of replacement has, I think, never occurred before in the cities.

London behind the Liverpool Station is completely India, Bangladesh, a bit further – Pakistan. We know a ring of suburbs near Paris which are actually Morocco, Algeria, Tunis for long time now. It is hard to disentangle the ethnical structure of Moscow, but it is also far from being homogeneous. There is additionally a drama of city ghettos; fortunately there are still none of them in Russia. In the pores of a megapolis dwell a lot of people, registered and not registered, accounted and unaccounted for. Speaking it in other words, we are dealing here with a complex social web which unfortunately is not well studied because there is very little knowledge on a city beyond the architectural planning aspects themselves. We are lacking information on the question badly.

It is rather curious, you know. On the one hand we are witnessing the fantasy ideas of Bradbery, Shekley, Stanislav Lem coming true. Smart houses, information networks to which everybody is connected and is being connected to a larger extent than to the city fabric. Lots of people spend their time in virtual space and this time is comparable with the time spent in the city environment. Does this change perception? Yes, of course.

Additionally, we are dominated by a tourist perception of a city, in which the city is simply replaced by its centre or by monuments spread over a large territory like in Rom and this accentuates the outer form of a city. I am an architect by education, but I know very well the limitations of an architectural imagination which can easily replace structural management of city space, city body with elegant compositions of shapes.

I would like also to note the following. It is almost a jubilee now. A book by Howard was translated into Russian almost a hundred years ago. A book about an ideal city, namely about a settlement system. And also a hundred years ago Patrick Geddes published his first work on what was later called urban planning . We are speaking about an urbanised country.

I think, nowadays the future of a city implies that we should move away from our understanding of a city as a thing which is separated from the non-urban area by a wall, even an imaginable one. There is no physical wall, but an administrative one is in place and it is huge. Tax wall,

administrative wall are existing, they are real. The only possibility to solve the present problems is to accept a serious approach to large urbanised areas implying not administrative but superadministrative, economical and social ideas. We shall get out of the wood. My colleague Knyaginina (present here) and I discussed just before the session: today it is very important to consider a city project from essential and social points of view, as an entity which is based on an existing city.

O. Chirkunov:

I have a very difficult role today. Somehow I should manage the discussion so that all creative people remain within time limits.

V. Glazychev:

I'm saying the last word. I admire the work of colleagues in Hafencity, interesting works have been made in Bilbao, interesting works are being made in Amsterdam but they are fragmentary. Even 150 hectares, the largest project in Europe, are just 150 hectares. Large space requires that we understand what a development resource a city is, and what time are we designing for: yesterday, today or really for the future. This question is worth a very serious and much longer discussion. Thank you.

O. Chirkunov:

Thank you. I give the floor to Peter Bishop.

P. Bishop:

Thank you very much. I want to start here. In 1666 this event produced a plan to rebuild London, the Great Fire. That's the plan at the top and this is the city that Londoners built. And the lesson is that London doesn't like architects, it doesn't like designers, it doesn't like planners. It's a diverse city, it's a low-density city and it is driven by the pragmatism of many small scale decisions, made and driven by private capital. This is a very beautiful drawing from the 1947 London plan. They just tried to paint the diversity of London's districts as it grew and absorbed older settlements. And that diversity is also reflected in its population. Quite simply a Londoner is someone who lives in London and that means we have to plan for that diversity. And this is a graphic we drew a year ago to explain how London is governed. It is not meant to make it easy to understand. It's meant to say that as urbanites we have to navigate this complexity and its an urbanism of negotiation of brokerage to try and make things happen within this very complex environment.

This led us to what we call London's new urban agenda. The idea is quite simple. Cities are shaped best by a few very powerful concepts which are clarified by a lot of very simple but incremental projects, which can be delivered largely by other people and people's money. I want to run through just five quick principles. The first is work with the market place. London is not going to grow out into its green areas, it's going to grow eastwards, it's going to grow northwards and it's going to re-use its old industrial land. We are also becoming very interested in the relationship between the centre and the suburbs, and ways in which we can build on the economic potential of outer London. We are directing all of our development to the areas where we already have the capacity in the public transport system. Where we have that what we try to do is then go in and try to work with people to make the city work better.

This is Central London at the end of Oxford Street where there will be a new station and this is the plan we made with the landowners. It has no statutory power, anybody could ignore this but we brought the landowners together, we brokered an agreement and we drew what could happen, and we got their by in. They'll make this happen. I won't.

The second principle is around sustainable housing. London is growing, we'll have to accommodate 650 thousand new people in the next fifteen years. It means like all of the speakers we are talking about that densification, about becoming compact. We become interested in how we can try and redefine a new architectural vernacular for housing in London. Whether there be a mansion block or the traditional London terrace. And we've just completed a piece of work looking at very simple design, guides and codes to shape this housing. But the principle is to give architects the freedom to design great buildings but of a standard that the next generations will not be redeveloping and demolishing.

The third principle is to work with the fabric of your own city. All cities have their special character. Fifteen years ago this was a car park but now it is one of London's great squares. London has great parks, it has some new parks. And the provision in actually building and enhancing our space is important. And here is a project which we are now beginning in South Kensington in the big museum quarter to remove the cars and build a shared surface which will bring together the museums and create an environment truly on a pedestrian scale and on a human scale. Often it's just very small-scale things you need to do to try the city work for the human being – get rid of the barriers, or design your streets in a very simple way so they are simple, clean, uncluttered and functional.

The next principle, the fourth principle is use special events. The Olympic Games will be in the centre of one of the poorest and most deprived areas of London. Keys has already talked about the challenge of moving from the Olympic Games site into a seamless piece of city. We are now thinking of this as being a new piece of London, a mosaic and to try and bring in the DNA what of

makes London. And we have now started to work in even wider areas by producing six master plans around the Olympics with a very simple challenge of realising the whole basis of the bid, which is the regeneration of one of our poorest areas by seamlessly integrating the Olympics and the Olympic development back into it's fabric, and blurring the edges between new development and the surrounding communities.

We have a simple set of strategies here. But London is unique. We are already building the legacy before the Games, we are already thinking what the legacy should be for these games for London. Which means we are probably ahead of every city that has hosted the Olympics since Barcelona. And again simple concepts, understanding how the area works, looking and understanding the fringes, going in there, engaging the local populations, working with local people and coming up with simple strong ideas. They can then be translated in 50-60-70 projects, which we can simply implement over 5, 10 or even a 15 year period.

If the idea is strong enough the next generation will continue to actually work towards this realisation. I want to use two examples. This is White Chapel Road, it's a very run-down road which runs through a very poor area of London that connects the city, the downtown area with the Olympics. And here it's also going to be the Olympic marathon route. And here we've gone into the area, we've worked with local people, we've started to identify area studies. We try to look at ways in which we can use the fabric to create a fantastic link between the Olympics and Central London. We've come up with very detailed plans at this stage, but this plan will be implemented over five or six years in probably 60 or 70 pieces, but within the broad concept. And we are now working down with our architects into very detailed design studies to try and piece together a wonderful street out of what was previously just a major thoroughfare and highway.

The second project is the linking of the River Thames at the bottom of the picture with the Olympic park right up in the top. As you see from the slide it's an industrial area, it's got major problems of severance and is very contaminated.

We started with a series of relatively straightforward planning studies to look at ways in which we could rethink the valley, around building new centres, working with industry, creating the connectivity of the infrastructure and linking the Olympics with the surrounding area. The big leap was to then say, well actually why not think of this as being a park and we have a lot of very rich, small landscapes along the river system. And we are working here to link these together by a single walkway by which will move in and out of a series of new parks and open spaces, creating a very rich, diverse landscape for Londoners to come and enjoy. But also to reconnect the communities with each other across what was previously the industrial waste land.

The final area I would like to talk about is the environment. I think that it's clear now to me that cities that don't address and resolve the issues about climate change simply won't survive the 21st

century. The first strategy is how we use open space. This is something called the East London Green Grid. It was inspired by the work of Peter Laxton where we've used existing degraded urban landscape. I've just looked at small-scale interventions to pull them together, to manage them, do a bit of landscaping and create a very rich framework for the development of East London.

Some of these spaces will be developed for wildlife and this is the marshland right on the Thames at Raynham. Previously a wasteland, previously a place where London dumped its rubbish. It is now being developed as a major bird and wildlife reserve. It will also accommodate flooding in a controlled way to deal with the sea-level rises that London is facing. Over the next three years we are investing 2 billion Euros in putting a new waste and recycling infrastructure in London and also we are beginning to invest very heavily in decentralised energy networks and new forms of power and heating.

This whole concept comes together in this slide. This is my final slide. We started to think what would happen if you combined the development of public land with the provision of infrastructure with master planning and with an environmental agenda. Without working on a concept, which started in January of this year, about creating what we are calling a Green Enterprise District in East London, and using the regeneration of the environmental industries to drive the jobs, and economic growth in East London linking in the aftermath of the Olympics, at the top there in pink, with the provision of a new major university, with the provision of science parks and green industrial zones. Finally, maybe even a great tourist attraction around science and the environment to bring people in and to get people to really engage with the opportunities.

That is our new agenda. I don't think it is very radical. I guess in many ways it is London doing what most other cities are doing. Perhaps one thing is different and that is the process. For us the way we do it is probably just as important as the end result. We don't do grand designs and we are very nervous about master planning. But we are very interested in incremental strategies that have moved towards big visions and engage other people and other people's energies to work with us. Thanks very much.

O. Chirkunov:

Thank you, Professor. Dear colleagues, has anyone questions? Or shall we proceed? Give a microphone to the young lady, please.

From the Hall:

May I ask a question? I want to ask Professor Christiaanse and Viatcheslav Glazychev as well. If it's possible I would like to know the opinion of both on the following matter: a city structure is perhaps determined by a certain genome which forms the city. This genome is very different

depending on cultural and social features, location of the city and other factors. Is it possible to distinguish between the genome determining city structure of London and genome determining city structure of Perm and genome determining city structure of, for example, Hamburg? Do you see the difference? Is it great? And to what extent does it make one city to be different from another and require individual solutions?

O. Chirkunov:

Welcome, colleagues.

K. Christiaanse:

You know, this is a very interesting question because on the one hand you can say that cities have a very specific character due to the geographical position, due to the culture of the people, due to their history, due to socio-cultural accents, for instance in the cases of university towns. <Inaudible> but on the other hand there is also a global generic <inaudible> and I think that these two extremes that I've just mentioned. One thing is that there is an international culture of urbanism <inaudible>

V. Glazychev:

I'll try to answer in short. There are differences except for very rare exceptions. There is Manhattan: as it was laid out in 1811, so Manhattan lives now just changing the filling of the quarter blocks. Some other cities mostly from the Old World can be mentioned. It's chaos. A special chaos produced by overlapping of many unfinished systems. Here is a plan made by Christopher Wren and his colleague, the plan Peter Bishop showed at the beginning. It is a dream, fragments of which came true in Washington, partially in Paris. And as the above overlapping of the unfinished systems is always individual, only a real study can cover the whole picture. There is not such item as a typical city.

O. Chirkunov:

Are there any more questions, please? We shall proceed then.

From the Hall:

A question to all participants of the discussion. What objectives for the city development do you see in the nearest future? In the next decade? Thank you.

O. Chirkunov:

Welcome, colleagues. Who is ready to answer? It's a killer question.

V. Glazychev:

I would answer simply: cities either will become main producers of national resource or will disappear.

Panellist:

I didn't understand the question...

V. Glazychev:

Could you repeat the question, please?

From the audience:

The question is about objectives of city development. How were cities historically established and how did they develop? As a matter of fact, they were initially meant for trade development.

K. Christiaanse:

You know there is a very good book, a tiny book, it's called *The Economy of Cities* by the urban sociologist Jane Jacobs. She proved against popular belief first the city was born, and then agriculture grew from the city. This is a remarkable observation at first, but it is also very logical. If you see the history of the city, what is the role of the urban environment? The urban environment has a role, has people of different cultures and specialisations come together and communicate, and from this communication urbanity is generated. Cultural life is being generated, innovation is being generated, and therefore economic growth is generated.

You see it also in contemporary metropolises like NYC or Moscow ... <inaudible>

J. Bruns-Berentelg:

Thank you. I might pick up the last question and try at least to develop an answer using the example of HafenCity because it is a question of actually creating quality growth and not talking about a city as a whole, but as a part of a city and trying to prove that a linkage between economic aspects, micro-economic aspects and urban development aspects is crucial for future urban development. Let me show you what in the last 15 years has been one of the dominating aspects. We have been looking, so to say, at prime buildings, at iconic buildings for example, which we are naturally also building. We are talking about the Bilbao Effect, the cultural spread of the economy, the anesthetisation of the urban economy as an important driver of what has been happening and that is still part of the activity, it's part of the architectural profession to come up with iconic ideas here at

headquarter in the residential building, the regional headquarter of Unilever to be occupied next week in HafenCity, or another building which is in future to be served as a science centre just next to the cruise ship terminal. But that is not the city of the future it cannot definitely be the answer of what we are talking, when we are talking about the city level. It naturally supports the touristic activities, it produces additional visibility. It produces competitiveness at the European or international level, but it doesn't produce an answer what a city should be. And let me explain to you a few features with regard to HafenCity, 157 hectares waterfront, and you can see, it is immediately adjacent to the river Elbe, 105 kilometres away and adjacent to the city centres. The features of modern, urban city development, of quality development and that would be my first remark should be developed from a location which is close to the inner city or it should be starting from the inner city. If we want to transform cities, you cannot do that from the periphery, from the gross of the periphery. You have to think about the central locations of the city and expand from that because either you do not have central locations anymore as in some American cities, or you still do have them as in much of European cities. It is an important starting point. And secondly, you can, in the case of HafenCity, observe, that the last sites are crucial for the transformation of the urban development potential. Not only in terms of urban design, but in terms of the economic sphere, the increase of the area of the central city of Hamburg is by 40% by this project. And when you look at it, we started in the year 2000 with a master plan. And you can see now, today, that it has become a very big construction site, one of Europe's probably most important inner city construction site, reaching from the western part of the Elbe Philharmonic Building I've been showing you, is constructed at the present moment to the central part in the north which is a very big office building for media companies in between residential building, corporate headquarters, public parks, subway construction, streets, infrastructure for waterproof new levels, raising the sustainability of this place, an important item which has already been mentioned.

And what we are talking about, how to deal with urban development and integration of economic aspects, we need, it has been mentioned, naturally a vision. And you need to transform this vision into manageable, quality standards, I'll mention a few. You have also to talk about the role of the public sector in raising its capacity. In the last 20 or 30 years, it has not been mentioned. A lot of failures in urban development have occurred because the public sector has been moving out of its responsibility. The urban development question is one of the central public, in creating a public good, in forcing economy with its positive external effects. And the third major point is setting the stage actually for the quality involvement of the private sector. As in the case of HafenCity, almost 85% of the total investment will be from the private sector, but the crucial question is, how to deal with the private sector and create a joint incentive system to increase the quality, one of the issues which was discussed this morning when financial architecture was mentioned that is true also for

the urban environment. So, when we are starting, in terms of HafenCity, we bring together residential and office spaces which make roughly 85% of all the new built spaces for residents and 40 000 jobs in the service industries. The interesting point is that the inner city shouldn't be pure residential space or should be pure working space, but we should find a mode of integration, taking the inspiration of the presence of people for the creation for the new environment which is more intelligent for work spaces. The isolation of people in offices within the framework of individual companies is an important barrier as we know today, to economic growth. City can indirectly foster by the integration of these systems of different types of spaces, of different types of concepts, the economic potential of invention, of creativity, of the speed of transformation and the spread of innovation. We naturally need to develop cultural spaces. It's not only the big buildings, but it is definitely the cultural interpretation of the city overall. And it is this anesthetisation of this city which is potentially an important gain which we can observe from the urban development for the last 15 years, but we must apply it systematically. We must go away, we think, from the mass production of housing, the mass production of offices, a differentiated system of urban development needs to be set in place. Places of consumption are an important development aspect of, naturally, the urban environment due to the liveliness, to the variability of the urban places and so we think it is important to bring people back to the public and not in enclosed buildings which might be difficult and whatnot and the other places where it is very long cold, but I think also that is possible in an environment in which we are operating today. And there is naturally the issue of generating and which has been discussed to a significant degree, the generation of public spaces and elements of the final vision which need to be pursued are to bring this together into social institutions to networks and to build a knowledge system around that, if you build new city areas. The most important point though is that, it is important to bring those elements together. Not to functionally separate them in enclosed different quarters, but to develop a chance to produce an urban encounter between the people working and living in these different types of functional, social spaces and to dissolve, so to say, the physical structure of individualised spatial in order to provide a social encounter space. For example, for employees, for residents, but also in an inner city for hundreds of thousands of visitors, these are the figures for HafenCity, roughly 80,000 per day. The second major element, beyond the vision and quality standard is the role of the public sector. You cannot achieve this by simply leaving the existing markets operating. And you need, so to say, a translation system between private sectors and the normal public sectors the responsibilities, which are here for example, the city state of Hamburg, and we are representing the HafenCity of Hamburg such a translator of public and private uses. We act as land owners, we finance infrastructure activities, we act as master developers, but also we organise communication marketing or develop public spaces. We do not want to overextend the role of the private sector because the private sector is not very

good in some of the issues and areas of urban development and we want to give them a framework in which it operates far more successful than if you were to take over major area development. And you can see from the first phase of development of HafenCity that it is already in terms of urban uses, a very lively place in terms of the variability of different types of uses, at ground floor, you do not recognise that 85% is office space or residential space in the urban area. And it is important to link beyond that private-public spaces and public-public spaces into an integrated system and to develop an incentive system that people use those types of spaces very effectively and to the benefit of the whole city. Chris <inaudible> has shown a few pictures from these interaction potentials which can be generated, well we are now coming to the private sector and the quality involvement of the private sector which bears a major investment volume in the type of development like HafenCity. Now we have to look at the different types of developments which are actually taking place and in a period like this, it is obvious that we are talking about how to deal with risk. How are we dealing with investment cycles in the market? And it is important from the outset to discuss a project which has a duration of 20 years. To change the risk position for the individual investors, but also for the state and to raise the competitive level and the level of innovation in terms of the private sector, that is true for residential developments, for office developments and for major mixed used developments as has been showing here. And it is our strategy, since the beginning to change the competition risk profile. To reduce risk, to increase competition and by increasing competition, you increase also the innovative character resulting in a higher rate of growth. Here you have an area which is 30% commercially used and 70% used by residential development. It would have been very easy to develop this by one developer in terms of investment volume. But we segmented the land into small pieces. So that the developers developed actually, only one building site, 10 000 – 12 000 square meters and by thus produced a high variability of different types of concepts. The developers were not asked for the highest price, but they were asked to come up with the most innovative concept in order to get access to the land. And this is also an important item where one is talking about office development because naturally, these markets have been simply told all the time simply told. And what we have been doing is, simply look into the possibilities to base office development in a lower risk profile in order to have an integration of work spaces and residential spaces by owner occupancy rates for at least 50% so that the speculative element is reduced and the quality is established by pre-leasing and integration into the urban system which allows, after all, that prices can be calibrated at market level if once in a while you go with complete speculative development forward. And you also can, naturally, develop the system by which you dissolve in central areas, your enclosed, individual, largely spread buildings like in this case for example, the shopping centre of the blue area spreading out over an area of eight hectares and producing an integrated system of urban space which is functioning as an inner city and not as

an enclosed shopping centre. This is now under construction. This naturally produces a higher risk, but it can be compensated by producing a competitive market situation, international markets and going with joint venture structures which involve three or four partners all together and setting the system of regulations early in the process so that everyone knows what he or she should do. Well, the system is a little bit slow in terms of reaction. So, what the result of this integration of urban design aspects and micro economic aspects then is, if that we shift naturally the risk and competition profile of the whole urban development system of HafenCity towards the whole lower risk and higher competitive system which again provides a lot of safeguard and continuity in the process of urban development. This continuity brings us closer to the vision I have shown in the beginning. One final aspect, which is very important, is that we do not work by selling immediately when we have selected a developer or a final investor. But we work with pre-contractual corporations so that the individual investors get an option and then do the architectural competitions and work a year until the sales contract can be signed, but also until they have a building permit. We have thus, a process of integrating the design process, securing the design quality for a long duration until finally the construction begins and that is a process which has tremendous advantage. This option development for one and a half years, allows us as the city-owned managing company to coordinate the different types of investments, to insure the quality and naturally to enhance also the design of the coordination of different aspects. But what we also can achieve is that we avoid free rider strategies among different types of investors. We get more continuous development because the other investors can rely on what their neighbours do and we reduce risk and cost also for investors and private sectors. So, in the terms of the financial sector, we would say we also act as financial regulators and by that reduce, so to say, the risk of moral hazard and by that increase the investment value. And this integration process is an important element in terms of coming from good plans to a good city. Thank you very much.

O. Chirkunov:

Thank you. I would like to give the floor to Stephan Solzhenitsyn, McKinsey Company. We have mostly talked about Central Europe, about Russia. As far as I know there is something to be said about USA where the whole construction industry is developing now.

S. Solzhenitsyn:

Well, amazing is (at least from the Russian point of view) a very fine tuning, very advanced class of development, long-term planning, balance of interests, economic development, stages of development. It is actually a very sophisticated job being now performed in Europe, for example, in

London, Hamburg, and such work is being done in the urban environment in the US as well. But I would like to say something different – all this is...

< inaudible >

O. Chirkunov:

Thank you. Leonid Kazinets, BARKLI Corporation. Floor to business, you're welcome.

L. Kazinets:

Thank you. We have seen brilliant solutions for city structure. Now let us consider the situation in detail. No doubt, there are conflicts in the city structure. If they say that architecture is a frozen music, then city planning is a frozen economics. It always reflects the ideology and philosophy, if you like. It all comes down to one very philosophic question answer to which people have not been able to find for several thousand years yet. To what extent is it possible to limit the personal interests for the sake of public benefit? Is happiness of the world worth a tear of a single person?

Example: nobody wants to live in a flat facing a shop, restaurant or noisy school yard but at the same time nobody wants to go far to get to the shop, restaurant or school. In this conflict, this balance of interests there are several participants. These are a person (and society as a unity of personal interests), business (as a structure which produces stock of materials, pays taxes and provides for city functioning) and a state which regulates the above interests and must find the balance. This is a classical model of any business procedure but there is also a speciality - the cities have history. Classical example: historical monuments or private objects situated on the territories of, for instance, to-be airfield in Tokyo or Third Ring of Moscow, when the Third Ring was required.

There are also national features we have spoken about. American dream is an one-storey city with a downtown. But in Moscow people prefer living in the centre with a view to the Kremlin. The state must decide whose interests to infringe – those of a person or of business. An ideal city for a person implies no construction, no production, a lot of greenery, minimum of traffic, and all this on the budget's account. On the other hand, business which has obtained the right to develop sites is striving for maximum of construction and maximum of profit. It's natural as well.

Different models mean conflict of interests. And what ways out can be found? There are rather interesting ideas: divide a city into zones, build the city outside the city or (a brilliant idea!) build youth districts. But then people in these youth districts simultaneously have children, all children simultaneously go to a kindergarten and then simultaneously to school. What shall be done with empty kindergartens, with schools when children will grow up?

Division into zones is a conflict of interests similar to that one in a tower building: many elevators, wide halls and big stairs are good, but when percentage of usable area is getting too small in respect to the total area, economy is lost. The same thing is with electricity: there are business districts where power is consumed in the daytime and residential areas where consumption is going on in the morning and evening. If we combine all the above, we get mixed districts.

What are the ways out, the world approaches to these problems? There is a standard approach which we are speaking about. It implies calculations, rating, city division into zones, definition of certain housing density for each zone. Then while planning the cities we should account for budget and construction volume being distributed between the social function and the shopping, entertainment function, for schools, kindergartens, roads, infrastructure being considered.

Cash flows are distributed in similar ways. In this situation it is very important to be consistent, to follow strictly the decisions made because there is always an inclination to “slide” to this or that side: either to protect the interests of citizens who do not agree with any infill development (classical statement of them: we all are for the underground parking lots or schools but not in our yard, the neighbouring one is better) or to protect interests of business willing to fill the district with effective commercial buildings but in this case where the people should live and how would they get to the business centres? If we set large distances between shopping, industrial, residential districts, we must build transport infrastructure in such an amount that it will “eat up” significant parts of the area.

Thus, we can say that the contemporary city planning sits just in the middle of this conflict between personal, business and state interests.

There are paradoxical solutions which can look as unreal for us now: people in some countries, for example, in America, change their living place because of the age or career. Then if you are 20 years old and you are a student, you live in a campus. If you are a young manager or engineer, you live in an inexpensive district of economy class. If you belong to the middle class - in an expensive cottage, and if you are on pension, you move to a house on the seaside.

Thank you.

O. Chirkunov:

Thank you. I would like to give the floor to Yuriy Osintsev, Deputy Minister for Regional Development. So we smoothly proceed from business to authorities.

Yu. Osintsev:

Thank you. We have already touched upon planning and I would like to add just some words. In the framework of the long-term planning – according to the concept approved for the development in

Russia until 2020 - we can see that nowadays the social and economical effect is produced mostly in cities. Almost 70% of the Russian population lives in cities and towns which occupy less than 1% of the territory of the Russian Federation. Today, while planning the territory or city development it is very important to take into account the strategic signals indicated in the long-term plan up to 2020 on the basis of which the Minregion (Ministry of Regional Development) is developing a methodology to create strategies for federal districts. And the strategies of federal districts will be interconnected and developed together with the strategies of constituents of the Russian Federation which should take into consideration proposals of the local governments concerning the allocation of production and social infrastructure at federal, regional and municipal level.

This coordination is very important today. As for Minregion, we intend to introduce a number of amendments to the town planning code aimed at simplifying the coordination procedures and eliminating the double variants of territory planning in order to solve these problems within a short period of time as there is very little time for developing such territory planning layouts.

I'll tell you some figures on what has already been done because this work is to be completed by January 1, 2010. Nowadays 23 (20%) constituents of the Russian Federations have approved such layouts and got agreements from the municipal districts . Plans of rural settlements (they are the biggest part of the settlements in our country) are approved by only 10% of units, it means more than 20000 rural settlements. Plans of city settlements are approved by 25% of units, this work is best organised in the urban districts – approved more than 40% plans. These districts essentially form the social and economical development in Russia.

That's why it is very important to have clear strategies to reveal regional advantages of each city and constituent in order to ensure the use of these advantages as soon as possible and to create a comfortable environment for people enabling them to realise their scientific, creative, cultural or any other social potential. Thank you.

O. Chirkunov:

Thank you.

M. Blinkin:

Thank you for the opportunity to speak.

I looked at the slides shown by the colleagues from the European capitals and thought about the following: there are large land resources in the USA, for example, where Stephan studied, or in Australia, Canada.

According to the World Bank, about 30-35% of the total urban areas are occupied by the road network. I don't know what figures are valid for Hamburg and London but average figure for the

European capitals amounts to 20-25%. There are no participants from Asia here but road network in Bangkok, Singapore, Thailand amounts to 10-12% of the total city area.

And now the figure which hardly anyone knows by heart. It is 8.4% for Moscow. Logic of the World Bank experts is quite clear: America and Australia have vast land resources, plenty of space. Europe a bit less. And Hong Kong is even more cramped. Now I'm looking at the map of Russia. We are hardly smaller than Canada. And I'm envying them. So in this connection at the end of our discussion I would escalate the question, make even some "alarmism": do our cities have future at all if there is so much socialism in their binom? This overdense housing as my dear colleague Glazychev said – suburbs around factories. I shall tell you some figures. There is a study 2006-2007-2008 for Moscow. Total time spent to get to the job and back home amounts to 4-5.5 hours. It is not a standard certainly but not a statistical outlier as well. Then we come to an elementary vision of city boundaries from the transport point of view. City is a place where I can live and work in a 24 hours cycle. Five hours means disintegration into sheer uncomfortable housing lots.

People usually say that sharp rise of number of cars in Russia is to be blamed. Indeed, the car number in the Russian cities has increased drastically in the last twenty years, by 5-6 times. But now there are 300-400 cars per 1000 citizens. I should mention to our foreign guests that this level was typical in the USA, New Zealand, Australia 70-80 years ago and in Western Europe – 50 years ago. Nowadays there are 900 cars per 1000 citizens in New York as per state on January 1, 2009. And 350 cars – in Moscow. I have no later studies so I'll refer to that of 2006 again; average speed of movement in New York is 24 miles per hour and that in Moscow – less than 24 km per hour. And I should note that New York is not a champion in respect to transport comfortability. It is just a bad city. And Moscow is not a champion in respect to traffic jams. There are cities where the situation is much worse. So no matter how much we speak about it, a car is an integral part of the life the citizens like so much. As the Russian people tasted the freedom of transport choice, household self-sufficiency, they will not refuse these benefits in any case.

A hypothesis I shall now formulate is quite obvious. During the first decade of post-crisis development Russian cities reached the level of 500 and more cars per 1000 citizens. When will this development start I don't know. Wise people discussed it at economic panels.

I would like to cite Valeriy Georgievich Shelyakhovskiy, a classic of the Russian urbanism, who was unfortunately absolutely not understood by his contemporaries. In 1934 he wrote: "If automobilisation gets in sharp conflict with planning, one must struggle not against the automobilisation but against the outdated forms of planning unsound from the transport point of view".

So in future city authorities and city planners will face the following "simple" task: to provide for transport consistency of planning or in modern terms for sustainable mobility.

Russian translation of “sustainable mobility” is usually not good. The point is high level of mobility which a city can stand, manage, master without losing such values as environment quality and cultural identity. At this point any conversation is usually turned to money matters.

Yesterday Anatoly Borisovich Chubais said that Moscow traffic jams were an obvious indicator of the demand for investments into transport. I’ll take the liberty to correct our brilliant manager: the matter is not only money and not to such a great extent. The problem was never and nowhere solved by crude force.

There are “rich” cities among the champion-cities in respect to our transport measurements: Boston, Vancouver, Barcelona, Amsterdam – some of my most favoured cities from the transport point of view. But there are also quite “poor” cities, for example, in Brazil.

And now I would like to cite our contemporary and moderator. In one of his recent interviews Oleg Chirkunov fairly mentioned such factor (more important than money) as brains. I would like to note that hundred years of experience in cars present in cities allowed transport workers to collect huge intellectual knowledge – brains. And first of all it means good civil conventions on land use and transport. I listened to this point in the reports of my European colleagues with great pleasure. There is a clear vision of how to coordinate interests of those involved in construction of something new and those who already own realty or just live in this area.

There are sophisticated civil conventions, culture of agreements in the cities of Europe. I’ll refer to a very simple agreement I learned in Palermo. Do not build a house across the street. In Russian: “You are not the only cool person in the city, there are others as well”.

If we only pass at least this first level convention. I do not even expect to live that long to see more complicated conventions. But we must get through the first level convention: “Do not build a house across the street” otherwise our cities will just vanish. In the mentioned above intellectual reserve there are also such wonderful things as typical planning technological solutions. For example, network division into two levels: “highway” and “street”. Unfortunately, we have wonderful Soviet prospects which are “neither a girl nor a boy”. It is not a “highway” as one can walk from a housing spot. It is not a street either as it is too wide. And we are going on worsening this situation.. It is a barbarism which will kill Moscow.

There are also methods of economical (including fiscal) management of transport behaviour and, consequently, of transport demand. Here we can make use of huge experience starting with the trivial division of parking areas into zones according to tariffs. The more central, the more expensive. And up to such sophisticated things as I saw in Milan, Stockholm, London like charge for entering the city centres. All this experience has been already collected. After all, there are such wonderful things as mathematical models, IT-tools. And all this allows us to solve the above problem – Sustainable mobility.

Certainly no one is ensured to obtain the result. This is my answer to the question on the future of cities. The problem can theoretically be solved, but not everybody is entitled to find the solution. Thank you.

O. Chirkunov:

Thank you, colleagues. Today we mostly listened to people whose task is to create cities including “Cities of happiness”. And now I would like to give the floor to Thomas Savchek. His job is a little bit different.

He must advertise a city, no matter what city it is. We are speaking about city branding.

Afterwards you are welcome to ask questions, colleagues. We shall have some time. We have managed at least two tasks: we are keeping within the time limit and we have kept you from leaving for the Grain Forum.

There is no sense to go there now.

Panellist:

I like to actually start where the question of this distinct lady was about, what is the DNA of a city and you know, the bad news today is basically it was interesting planning, you know, very nice interesting images and pictures. This is how the guys over in the other halls of this conference look at the world. The people who have lunch with your president, this is how they see the world. Basically, a huge global competition of cities, some of them are more important, some of them are less important. They don't care about little details, first of all. It's a huge competition. Competitions for talented people, for highly educated people who can move nowadays very freely, they can work, leave everybody who wants. It is a competition for investments, money flows even now, even today, and also competition for tourists and visitors.

So, these are the tough competition field. I don't have a pointer, but you are aware of the world. There's a huge gap somewhere between Moscow and Beijing. So, I wonder what these guys over at the other halls of the conferences, the bankers and financiers and the CEO of Nestle and all these persons think about global competition of cities. Now, this competition is first of all done in hard factors, infrastructure, connectivity, tax reasons, and tax revenues. And more and more in the recent times, the competition now switched over to soft factors, quality of life and the more people are educated, the more we move towards the knowledge society but different types of sectors and industries. The more people are also interested in this aspects, therefore all this interesting projects we've seen.

Now, this combination of hard factors and soft factors is actually something which has to be now roll together in what I would call the story of a city. The idea of who am I? What is my city? What

kind of story is my city telling the world and myself in this global competition where the cities and regions are competing with each other globally. It is very important that cities and regions define their story, define the reason of being, define their DNA of who they are and faithful to global competition. Now, this is nothing new and then recent years there was a saying about city branding mostly. It was done in this way, mostly through normal advertising, logos and often results were not very, very strong because if you look at all these images and these are all official images from official websites of major cities. I don't see any difference or a differentiation. I don't know if you see something. They resemble each other. What they show and it's not the fault of the people who did these images. The problem is, the challenge here is that some of the cities never defined actually what is their position? What is their identity? What is their DNA? And what kind of story are they telling roles? One of the difficulties is that usually three areas of future city planning or ideas are developed separately. You know you have economic strategies and these guys they're doing the economic strategies and other people are doing urban planning and then there are new field of this whole branding identity and on this red choke points often nothing happens or there's a lot of misunderstanding. So, they sometimes or often have no coherent strategies in terms of how do I position my city, what kind of strategy in terms of my city identity do I have. Nothing this is where the idea of the story which is basically an idea of telling a narrative, of creating a narrative becomes very important. Now let's look at the situation of Russia. This is a very simplifying and I'm sure I'm going to be beaten for this, very simplified view at the image landscape of Russia. We have two image gorillas which I call them St. Petersburg in Moscow these are world cities who are clearly defines their clear story, there's no big question about it. And on the lower level you have what I call special darlings, you know cities like Kaliningrad, Sochi, Vladivostok, who have a clear mission on the clear positioning because of their geographical location or certain uniqueness we all know why. Actually, in winter time, you could argue probably Russian cities as well. The middle is very interesting. The middle which I call here midsize raisers are midsize Russian cities probably one or two million people we all know the names, you know be it <inaudible> Zvenigorod, Yekaterinburg, all these cities are competing often for the same time of investments, the same type of talents of young people either going there to study or especially leaving after studying there and actually you losing potential GDP. This is a situation which you have often in larger countries where you have a set of midsize cities who are more or less running in the same directions. And now remember the first map I showed you, the global competition of cities is very important for exactly what I called midsize raisers to basically define their story and define their positioning. And it's a long-term task. It is not easy, it cannot be solved just by advertising or by nice images or by a nice logo but by really comprehensive strategy, by a comprehensive story, which by the way we

developed for a couple of cities already in Europe and US to really help them to define who they are.

Now, when you start to look at it you probably have to study and again simplifying it here for the purpose. Cities usually traditionally have two major things to do. They have economic power and they have emotional power. Usually, when I teach my students I put up there economic power with money and emotional power I say sex so they understand money and sex. Students understand it easier. You have mega cities that have emotional power and economical power. You have global doer cities that have a very strong economical power, but you know, probably on the emotional landscape are less visible. Cities like Frankfurt probably cities like even Singapore who are more chosen for practical reasons, for a number of reasons, less than for emotional reasons. You have poor protected city which was a quote by the Berlin mayor. Cities like Berlin or Rio de Janeiro who are very low and slow economic power but have a high emotional power. People want to live there, they want to interact there. Actually, the McKinsey office in Berlin is the fastest growing office in Germany because everybody wants to live there and that they have all the projects outside Berlin. The last, which is the category not to be overlooked are shrinking cities, cities who lost economic power and as well economic power, so not attracting talents, not attracting investment, but also not attracting tourists, cities like Detroit, been in the news last couple of weeks, I think they are a very good examples. Now, position your city and again very simplify is, you know, you can't be everything. The most problematic aspects I've seen in my work that every city tries to be everything. They have the best restaurants. They have incredible knowledge hubs you know perhaps a knowledge city. They have a rich history. Now, per definition every city has a rich history, otherwise, it wouldn't be a city. So, there is no real work done in how do I differentiate my story, my positioning compared to my competitors because it's not done and this is no advertising or marketing fund. This is lost revenue, missed opportunities, less income, less wealth for these cities and regions if they're not clear defining who they are. Now, I want to show you here with a simplified graphic, even for example you have low economic power it doesn't mean you cannot position yourself, you know, appealing for young people and students for example a strategy a city like Berlin in Germany is doing. They're doing it very, very successful because they know they have low rents, easy kind of living so that's probably interesting for them. Other cities that probably have less of the emotional power but a lot of economic power they go for probably logistics and infrastructure positioning. Good quality of life is a very interesting aspect which you'll usually have when you have a little bit of less economical power. So the main question again is what is the DNA of my city? And I'll ask you all here in this audience here I know you're from cities and regions. Think about your city and your region, what is it actually? What makes it unique? And I completely agree you know every city is unique, but for some people all cities are the same because they invest

in cities or have opportunities in all cities. Difficulty usually is fragmented interest, you have different people who have different interesting cities, so creating a unique story is very difficult because people have different ideas. It's a long-term approach. There's no quick fix. There's no marketing brochure and then the people and the world will think differently about cities. It's a very, very long term projects. We worked in a couple of cities and sometimes I will be assigned for five or even ten years before really a positioning or story turns.

Danger of sameness again, the most difficult part is to compromise on its strength of its story and not to try to be everything. So, important steps I think is the story aligned. To find out who in your city and in your region is really behind a story, behind a positioning. This can be investment agencies, it can be tourism people, and it can be the local big companies who usually have a huge interest in this. It can be cultural elements, narrative themes development, and also implementation of course are the crucial steps and does all leads actually to the idea basically in this global competition to start to have all these all guys who are there over there in the other halls looking at the world and trying to invest things that they start to see new players coming slowly if this will work on the landscape and filling it up who it's going to be? I don't know yet. There's a huge competition and not everyone is going to be on this map. But you have to have a distinctive story and the positioning to really be successful in this global landscape of the 21st century. Thank you.

O. Chirkunov:

Thank you. We have finished the official part. If anyone has questions, you're welcome. We have some more time.

From the audience:

A question to all the participants. Population is one of the basic resources for city establishment, existence and development. The present situation when Russia annually loses a million of citizens is in essence a closed system. What do you think: is it time for the state to pay attention to the future of cities and towns? At least in respect to the migration policy in order to change the situation?

V. Glazychev:

I'll try to answer. It is an illusion that we have little people. We have little work for them. If we look at the map, we'll see that the reason for this illusion is low density of the population. It is smaller in Australia, in Canada, if looking at the territory on the whole. The problem is setting in clusters. A cluster is not obligatory a city. There are urbanised districts. Only there we can really provide for such conditions as to attract the people we need. And we won't take the people we don't need, even for free. It is not possible to change conditions in 20000 points simultaneously. We are watching a

competition now: which of these clusters in the Ural line will manage to shoot up first? Or they will not manage to defeat Yekaterinburg? Question: there are three competing cities only in this Ural line. The one that will provide for better quality will have no problems with supply of population. People will continue to leave from the North, from rural areas for the cities. There are enough people, there is not enough quality. I would like also to add some words about towns. Towns are the risk zones for the country. There are very many small and middle-size towns almost fully depending on one or more enterprises forming a company town. So perhaps more urgent question is the question of population, migration for such towns? This is mostly an attempt to diversify our economics. This process is going on parallel to the processes we have discussed. This economics diversification is becoming an important condition for their existence, especially during the period of crisis. Thank you.

O. Chirkunov:

Thank you, next question.

From the audience:

Alexander Evgenyev, Saint-Petersburg. May I ask a question to the moderator either? I would like to know your opinion on the influence of politics on city governments, on city development in this or that direction. By an example of Perm, if possible. Where would you place Perm among 11 cities with million of inhabitants excluding St. Petersburg and Moscow according to the investment appeal? And in short what are investment programs to attract investments to a city?

O. Chirkunov:

You know, I have a strong wish to use your question for advertisement purposes - to advertise Perm and its investment possibilities, but I shall not do it. Our session has another goal. Do you know what I'm surprised about speaking about political will, politics and many other things? The fact that there are no mayors of cities and governors here. We are working in a rather restricted format today. We must develop master plans of cities. We are doing them. Are we sure that these documents correspond to the city planning documents? I am sure they do. Are we sure that we have put soul and brains in them? It's difficult to answer this question. I think, the future of the cities depends on their heads as well. And cities acquire somebody's character. The question is whose character. Next question, please.

From the audience:

My name is Mikhail, Promstroygroup. I have question about our today's life. We've been shown beautiful pictures on how to create "cities of happiness". My question is for Vadim and Yuriy first of all. It is: if we don't use the word "crisis" but say "structural changes in the economics" instead, will this situation influence simple things, for example, dwelling, what do you think? What shall we do with project financing which is almost inaccessible for construction or is very expensive? What do you think a role of the state should be in this situation? It is obvious that it is impossible to build such beautiful cities now.

K. Christiaanse:

Ok, maybe I'll say something which is not completely the answer to that question but I think in the experience of planning it is impossible to design a city without the expectation that the city will grow. The problem of design nowadays is that you have to plan for a long-term period and that's what we have to take into account that the master plan will live only in situations of growth, stagnation and also crisis. It means that that you design something is different. In our strategy, we concentrate on the system of public spaces, infrastructure. That means to be a lot of flexibility about the degree <inaudible> to build for. Let's say, in the previous time people were planning the city and building it if there was money. And when there was no money it was a catastrophe And nowadays, working on cities, we're in a kind of open-ended situation that can react to the situation of crisis.

V. Moshkovich:

I'll go on. As I have a concrete project in a concrete place, the crisis only revealed the stability of the project and correctness of the strategy chosen and planning principles implemented. Walk and you shall reach. And you just have to change together with time and challenges present at the moment. It is important to keep the idea. You must be consistent regardless of the situation. It is not a project if any external action changes your idea. If you move in a system, the idea will be implemented, perhaps later, perhaps with amendments. I have no doubt today that we shall do what we planned. No doubt. As far as the role of the state is concerned, it is not defined today though it is declared. Perhaps it also needs time; the questions of today did not exist in the last 50 years. Nothing was built in Russia. We started planning in the last two years and the challenging questions started to appear in the last few years. Before that the state had quite different tasks and goals. Thank you.

From the audience:

My question is about development of cities, development of economics. Tell me, please, what do you think we shall do with the cities built during the Soviet period with city-forming enterprises? Main emphasis is made on the cities held by oil industry and Gasprom now. What shall we do when Gasprom and oil industry leave and there will be just health care, education and other activities requiring budget financing? Perhaps it's time to start with shift teams or oblige the oil workers provide for infrastructure there?

V. Glazychev:

Firstly, a program "Our city without oil" has been in progress in a number of cities for 15 years already.

Let's just add a few words. In the absolutely quiet year 2007 the city budgets were minimised in respect to transport and road activities. There are several dozens of cities where expenditures on transport and road activities in 2007-08 equalled the expenditures to purchase cleaning cloth for washing signs and guide boards. A city of such type – I'm not willing to call its name aloud – has not long to live, unfortunately. What to do there is the most complicated public social problem. But it cannot be returned. It's regrettable. By the way, there are no oil cities in the list. Thank you.

From the audience:

Andrey Silin, Moscow. I would go on with the question which was asked by Tatyana Yuryevna Popova and speak about city organics. We several times heard a notion of the city's DNA, a possibility to interpret the genome. I have a question for Thomas Sevchik. Can the city genome change and to what extent is it an independent fabric? Can we only feel and study it or can one change it? Who is this "one"? Can it be the state? Or is it a society to a large extent? Thank you.

T. Sevchik:

It's a very good question. Generally spoken, I don't think you can completely change or redo your DNA. But you can create a new interpretation to it. Cities, like regions, countries as well, they also live with some sort of geography, some sort of mentality. You know, there're aspects you never can change. I mean there're successful examples, I'm thinking of cities like Barcelona, it was completely different 30 years ago. Or Dublin. 20 years ago Dublin was seen as a poor European mega-catholic city, where you couldn't have sex without going to jail. Now it's a happy and interesting city. You know, I think you can work on the interpretation of this DNA. And you can also, to a certain extend, extend it or stretch it. But you probably will never be able to completely change it. <Inaudible> will never be probably called Rio de Janeiro. And dance all night. But we

also have emotional aspects which are interesting to develop and define. And the second part of your question is interesting. In our opinion, there are usually many players involved in it, and all need to be considered. Even local population. You can't have a long-term positioning and branding of a city or region against your own population because the city and a brand is middlewater. This middlewater needs positioning and image, whatever the case. Pure water cannot speak. But local population needs to be involved in the development of a sound positioning. And there're actually examples of cities in the USA, in Europe, in Asia.