

Luzhkov's Ouster Explained

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In happier days, former Mayor Yuri Luzhkov with President Dmitry Medvedev and metro chief Dmitry Gayev at the Slaviansky Bulvar station in September 2008.

Breaking its near-silence on the ouster of Mayor Yuri Luzhkov last year, the Kremlin said Wednesday that Luzhkov was fired for poorly managing Moscow and fostering "exorbitant corruption" here.

Luzhkov's billionaire wife, Yelena Baturina, promptly threatened to sue for defamation. Luzhkov himself accused the Kremlin earlier of overseeing a "mad syphoning off" of city assets following his ouster.

President Dmitry Medvedev dismissed Luzhkov after 18 years as mayor in September 2010, and the only explanation that he has offered was that he had "lost confidence" in him. Medvedev did hint in June that the ouster involved corruption allegations, telling a forum of international investors — without mentioning Luzhkov — that corrupt officials should be fired for "loss of confidence" when there is evidence of bribery but not enough to press criminal charges.

Kremlin chief of staff Sergei Naryshkin said Wednesday that Luzhkov was sacked "first, over extremely inefficient city management and, second, over the exorbitant corruption that Luzhkov and his subordinates allowed" in Moscow, Interfax reported.

Baturina, in an [interview](#) with Dozhd television, called on Naryshkin to provide evidence to back up his allegations or apologize. She also suggested that he resign and promised to sue him for defamation for the corruption allegations.

Luzhkov [told](#) Dozhd for a story published Wednesday that Medvedev might have been talked into firing him by "national industrial groups" that wanted to control city property.

He did not name the groups, but said they were involved in recent share sales of Sibir Energy to Gazprom Neft; the Mosmetrostoi metro developer to Tsentrostroi, linked to Vladimir Kogan and Valery Abramson; and Bank of Moscow to VTB Group.

Luzhkov, speaking by phone from Austria, also mentioned Vnukovo Airport, a stake in which is expected to go on sale for almost 14 billion rubles (\$450 million) within two months, part of a massive sale of Moscow assets under new Mayor Sergei Sobyenin, a longtime ally of Medvedev's mentor, Prime Minister Vladimir Putin.

"Moscow was a juicy tidbit for these people who have already siphoned off so many assets in Russia," Luzhkov said.

He also conceded that his dismissal was linked to Medvedev's "political displeasure" with him.

Luzhkov has been summoned by the police for questioning in connection with a loan of 12.7 billion rubles (\$416 million) in city funds that Bank of Moscow extended to the Premier Estate bank but allegedly wound up in the personal account of his wife.

The summons came after Luzhkov criticized Medvedev and the ruling United Russia party on Radio Free Europe last week. He spoke in that interview from London.

With the London interview, Luzhkov "started the untimely promotion of his alleged achievements and the president's failures," and that is why he was summoned for questioning, a Kremlin source [told](#) Gazeta.ru on Tuesday.

It remains unclear when Luzhkov will return to Russia for questioning. On Wednesday, he dismissed speculation that he feared arrest, saying he would return in early November.

The mayor said earlier that he feared criminal prosecution after his removal.

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