

Lack of Diversity Puts Tolyatti at Risk

By [The Moscow Times](#)

March 11, 2012

The  **Moscow Times**

TOLYATTI, Samara Region — Most campaign posters in Moscow or St. Petersburg from Sunday's presidential election did not show Prime Minister Vladimir Putin's face because his standing had fallen so much there.

In Tolyatti, on the Volga, his face was everywhere. Putin peered sanguinely down from a large billboard in the city beside the road leading into Russia's biggest car plant.

At first glance, this might appear to defy logic. Tolyatti and hundreds of other Soviet-era monogorods dominated by one plant or industry are the kind of place where you might expect Putin to face hostility after 12 years in power as president or prime minister.

Even critics say Putin is still popular in Tolyatti, and one of the reasons is his largesse in helping bail out AvtoVAZ when it fell on hard times.

"Anything is good in a famine — and that [famine] is our big problem," said Sergei Dyachkov, a retired sociologist who worked for AvtoVAZ for a quarter of a century.

“While there might be dislike of the party in power, there is still loyalty toward Putin,” he said.

After the global financial crisis of 2008–09, the government pumped billions of dollars in interest-free or low-interest loans from state banks into AvtoVAZ, helping it survive and averting the danger of protests in Tolyatti.

“All those who are planning to get elected will unfortunately lose against our prime minister,” said Vadim Sokolov, a former deputy mayor of Tolyatti who heads a fund for the city’s economic development.

“He has not done [everything] — this saddens me. But he’s trying, he’s doing a lot of work. He is reliable.”

Tolyatti, a city of 720,000, lies on the banks of the Volga River about 1,000 kilometers southeast of Moscow. Named after late Italian Communist leader Palmiro Togliatti, it is one of the largest single-industry towns from the Soviet era.

The Soviet Union’s central planning built most of them far from Moscow and St. Petersburg, often with poor infrastructure and no means of surviving if the economy falters.

Vladimir Gusev, chief executive of a major engineering company who loves living in Tolyatti, says the whole concept of monogorods was wrong.

“Monogorods — this is a road to nowhere,” Gusev said. “If AvtoVAZ has economic and salary problems, that means the city has problems.”

The fatal flaws became obvious during the 2008–09 crisis, particularly when a strike broke out in Pikalyovo, a monogorod of 22,000 in the Leningrad region.

Almost entirely dependent on a cement-producing complex owned by one of Russia’s richest men, Oleg Deripaska, workers revolted when plants were shut down, leaving thousands out of work and a huge backlog of unpaid wages.

Putin went to Pikalyovo and theatrically threw a pen at Deripaska, ordering him to pay the workers and get them back to work. Such tactics could now pay dividends for him.

“Putin played an effective card [in Tolyatti] and in other monogorods,” Dyachkov said.

There were two opposition protests in Tolyatti after the Dec. 4 parliamentary elections, but they were small because local people are convinced their lives will not change, organizers said.

“What is most painful to me is that people are complying with all of this, are resigned to their fate,” said Pyotr Zolotaryov, an independent trade union leader. “But there is one reason for that. People are worried about losing their job.”

That fear is palpable in Tolyatti’s makeshift beer bars made of wood and covered only with aluminum siding, where workers gather after work.

At one of them, called the Office Bar, which serves a cheap beer named after the Zhiguli car produced by AvtoVAZ, a 27-year-old worker at the plant moaned about the lack of alternative work as he had a drink after his shift.

“I have a job, and I don’t want to lose it,” said the worker, who gave his name only as Anton. “Do I like it? Hell, no, but what is my alternative if I have to feed a wife and two kids?”

Zolotaryov said some workers had also voted for Putin simply because of traditional blind faith in their leaders.

“It is not because Putin has done anything special for them,” he said. “It’s just lack of political awareness. ... People don’t stop to think why things are going the way they’re going.”

AvtoVAZ, which is majority owned by the state, has at least survived the economic crisis and posted a net profit of 3.6 billion rubles (\$122 million) last year.

Initially known as VAZ and established in Tolyatti in the 1960s, it says its plants, services and suppliers affect 4 million people’s finances.

Unemployment is relatively low, about a quarter of the national figure of 6.6 percent. But pay is miserable and wage arrears in the Samara region, where Tolyatti is located, grew last year by 30 percent — while it fell in Russia as a whole.

AvtoVAZ pays its workers on time but has cut its labor force to 66,000 from 104,000 in the past three years, partly due to restructuring, the impact of which has been felt in the whole city, critics say.

“That’s when the city’s degradation really started,” Dyachkov said. “The degradation went everywhere — in business, finances, professional and human relations — and that’s the story. It’s not a monogorod, it’s a depressing town.”

Mayor Anatoly Pushkov, who is about to leave office, said the city’s biggest challenge now was to attract investment.

“For Tolyatti to grow, it needs more funds,” Pushkov said.

There are no specific funds in the state budget for monogorods. Any funding for them has mostly come out of anti-crisis funds.

Official figures show that there are 335 single-industry towns in Russia, half of them with fewer than 20,000 inhabitants. Industry experts say the total is higher, closer to 800 towns and settlements, and that the economic impact affects millions of people.

The Union of Russian Cities, a government group, said in a report that 35 of the monogorods were in an economically disastrous state in 2010.

It is estimated that more than 1 trillion rubles would be needed by 2020 to modernize the towns, mainly to finance construction and revamp infrastructure.

Dyachkov said the government would not risk letting a large city like Tolyatti end up in ruin.

“You cannot joke with a city like Tolyatti,” he said. “That’s why the government, one way or another, will feed it. But not other monogorods.”

Original url:

<https://www.themoscowtimes.com/2012/03/11/lack-of-diversity-puts-tolyatti-at-risk-a13164>