

Q&A: City Leader Seeks Teammates Stronger Than He Is

By [Andrew McChesney](#)

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Deputy Mayor Andrei Sharonov speaks the language of foreign investors. **Vladimir Filonov**

Deputy Mayor Andrei Sharonov, slight and soft-spoken, shifted in his chair as he confided that Moscow had tanked in a World Bank survey on the ease of doing business. Although the report would be unveiled in only a few hours, Sharonov ruefully mentioned it when asked what impact city bureaucracy was having on foreign investors.

"It's not a secret. I will tell you in advance that Moscow placed No. 30 among 30 Russian cities in terms of doing business," he said in an interview.

Andrei Sharonov

Education

1986 — Ufa State Aviation Technical University (Ufa), degree in aviation device

building

1994 — Institute of Sociopolitical Research of the Russian Academy of Sciences

(Moscow), Ph.D. in sociology

1996 — Russian Presidential Academy of National Economy and Public Administration (Moscow), degree in civil law

Work Experience

1986-89 — Ufa State Aviation Technical

University, research engineer in the aviation device-building department

(1986-87); secretary of the institute's Komsomol committee (1987-89)

1989-91 — Congress of People's Deputies of the Soviet Union, member, appointed by Komsomol

1991-96 — State Committee for Youth Affairs, chairman (The committee went through three different names during his leadership)

1997-2007 — Economic Development and Trade Ministry, including deputy minister responsible for social security and development issues (1997-2000); deputy minister responsible for the reform

of natural monopolies, state procurement and the E-Russia program (2000-03); and first deputy minister and state secretary.

2007-10 — Troika Dialog, managing director and chairman of the board

2010-present — Moscow City Hall, deputy mayor for economic policy, responsible for budgeting, industrial and city business development, including working with foreign investors, as well as competition and public procurement policy, trade and services; heads the municipal tariff regulator

Favorite book: There is only one book that I read two times in a row, "Doctor Zhivago" (1957, Boris Pasternak). I love this book. Reading now: Books on urbanism, because I do not feel sufficiently educated in this area. I'm also reading a book called "About Prayer," an interesting and philosophical compilation of prayers by people like Leo

Tolstoy, Mother Teresa and American presidents.

Movie pick: I do not have a favorite, and I am not fond of new films; maybe I'm a bit conservative. But I think there is a heritage in film, and I am trying to discover this heritage for myself. Thanks to my daughter and wife, I am now watching the top 100 films of all time from American, Italian and French cinema.

Favorite Moscow restaurant: My responsibilities as deputy mayor include the food services industry, so if I told you, it would look like an advertisement. I will say that the food and restaurant industry has been developing without the serious involvement of the city government and has become a competitive environment with positive results. I love this industry, both as a user and as a person involved in managing the sector in City Hall.

Weekend getaway destination: My home in a forest in Khimki. The marginal value of a short break is very high, and two or three days of vacation will refresh you and make you crave getting back to work. I like this change of pace on the weekend.

Unfortunately, it's quite rare that I get such a break because I usually spend part of Saturdays at work.

Sharonov [said](#) Moscow rated poorly because of red tape associated with construction permits and connecting to the electricity grid, and he offered assurances that City Hall was working to ease the bureaucracy.

While the rating is a black eye for City Hall, it is personal for Sharonov, the city government's top liaison with foreign investors. But the mere fact that Sharonov spoke openly about the report before its release at the recent St. Petersburg International Economic Forum — and met with a reporter twice over two days for an extended interview at the forum — signals a sea change in the attitude of the Mayor's Office, which under the previous administration had often waited for investors instead of reaching out to them.

Sharonov is well-suited to work with foreign investors. At 48, he is among a younger generation of liberal-minded politicians who represent the new Russia. His economic credentials are strong. He served from 1997 to 2007 as deputy minister in the Economics Ministry and its rebranded successor, the Economic Development and Trade Ministry.

He can speak with authority to private investors after taking a three-year break

from government service to work as managing director and chairman at Troika Dialog, at the time Russia's largest private investment bank. He can also speak the language of investors: English. Sharonov, who insisted on being interviewed in English, said he learned the language only five years ago while helming Troika Dialog. "I realized that I had to learn English," he said. "There were employees who did not speak Russian. There also were clients."

Sharonov, who became deputy mayor in December 2010, sat down with The Moscow Times to discuss the expansion of the Moscow city limits on July 1, how he intends to improve the quality of life in Moscow by requiring police officers to speak English, and why he prefers to work with people more capable and competent than himself.

Q: What does Moscow's expansion mean for foreign investors?

A: I can't imagine that there will be any particular implications for investors except for the fact that we want to create another center of development and move the city's monocentric structure toward a fully centric structure, thereby creating more opportunities for investors. That is one of the ideas for this expansion of Moscow.

Plans to move government buildings out of the downtown area and into the suburbs of the expanded city will also help ease traffic jams, a common complaint among foreign investors.

But the traffic jams are impossible to solve overnight because the problem was created over a long period of time. Moscow's current structure was envisaged at the beginning of the '70s, when it was projected that the city would have three cars per 100 residents. Now we have 32 cars per 100 residents.

But the density of the road network is extremely low in comparison with the number of cars, so it's impossible to solve this problem by improving the road network. That's why our emphasis is on public transportation. We would like to create new metro lines, another 75 kilometers over the next five years. That's almost 25 percent bigger than the current size of the Moscow subway system, and we want to expand even more by 2020. We will connect the city center and the suburbs with a type of multimobile transportation system. People will be able to trade their cars for public transportation.

Q: How much will Moscow's expansion cost City Hall?

A: We will be obligated to finance all costs for social policy, education, health care, social infrastructure and communal infrastructure on the new territory. But the number of residents living in the new territory is substantially low compared with the rest of Moscow, accounting for only 2.5 percent of our previous population, or 250,000 people. So this will not pose a serious burden in terms of direct costs. But we do face substantial expenditures in developing infrastructure in the new territory, even in the areas closest to the current border with Moscow. It's difficult, however, to put a figure on those expenditures because of the absence of any specific projects at this point.

Q: How are plans progressing to turn Moscow into an international financial center?

A: Let me start with the fact that Moscow is an international financial center, according to many ratings. This is not our invention; it's international recognition. But Moscow's

positioning in these ratings is quite low. For example, Z/Yen, which carried out a survey on behalf of the city of London, ranks Moscow as No. 65 out of 75 international financial centers. London is No. 1 and New York is No. 2. This means that Moscow is an international financial center, but we would like to enter the ranks of the top 10 or 20.

Three main pillars form the foundation of any international financial center. The first is the investment climate. And this is a problem for both Moscow and Russia because, for example, a main concern of investors is an independent court system. But unfortunately, it is not the city's job to manage this problem. There are, however, many problems and constraints that we can manage at the municipal level, like cutting through regulations for construction permits.

The second pillar is special financial infrastructure, and I think that we excel in this area. We have a stock exchange that is among the top 10 to 20 in the world, which isn't bad for a city that started relatively late in comparison with other contenders.

The third pillar is the quality of life. This is the most important for us as a city authority. We must address this issue whether Moscow is an international financial center or not. In this sense, it's a win-win situation. It's good for residents, and when we work on the quality of life in the city, we increase the chances of Moscow moving up in the ratings of international financial centers.

Q: What specifically are you doing to improve the quality of life in Moscow?

A: We are working to improve transportation, health care, education, the environment, the hospitality industry, tourism, the investment climate for small and medium enterprises and security in the city. We have to introduce changes in health care to make sure treatments match international standards in terms of protocols and other documentation. The same goes for education, because we want foreigners to be able to place their children in the Russian education system and not experience any problems with the recognition of their diplomas. We also are developing a program under which police officers, health-care workers and other people in city services are required to speak at least one foreign language, allowing them to communicate with foreigners.

Q: Are many police officers and health-care workers studying a second language now?

A: Unfortunately, not yet. The program has just been decided, and it is part of an agenda that we intend to fulfill over the next five years. We don't know yet how many police officers will be required to speak English or another foreign language. But we will want to make sure that there are a sufficient number of officers stationed in the main parts of the city who are able to communicate with foreigners.

Q: What advice would you give a foreign investor who complains about corruption?

A: Come to me if you have concerns. Mayor Sobyenin has said that he and his deputies — including me — are ready to directly receive information about bribery or any attempts from city services to get money from investors. It's important to be open about what is going on.

As for a systemic approach, we are trying to squeeze out corruption as much as possible. We are taking a number of steps to reduce the opportunities that public employees have to make discretionary decisions that can have a big impact on investors. We are trying to standardize the work of public employees to limit personal contacts. For example, we are trying to eliminate direct contact between policemen and drivers in terms of fines for improper parking. Instead, special vehicles have started driving back and forth on the streets and taking pictures of illegally parked cars. The owner of the car then gets the fine through the mail. The wrongly parked car is not a topic of conversation between the police officer and the driver. It boils down to a bill, and one the driver must pay. And there's also documentation — the picture showing that the car was parked improperly. This is how we are trying to decrease the desire to bribe corrupt people.

Q: What is your secret for finding and managing employees?

A: Any leader has to have a team, and it's very important to form the right team around you. I have tried to create this team by prompting an attractive atmosphere and a spirit of cooperation within the workplace. I love meritocracy and try to cultivate it; this is what we need in politics. Unfortunately, it's not considered an ideal in Russia's political culture.

I also like to be surrounded and supported by people who are stronger than me. I look for people who are better than me and more competent and capable in their areas of responsibility. This is part of team building. I do not understand leaders who try to surround themselves with weaker people. I guess it's a sign that they are not sure that they are safe from some sort of office intrigues and are trying to keep a low profile.

Q: How do you make sure that people fulfill the goals that you have set for them?

A: If there is a system of planning and control, the challenge for a leader — for me — is to be very straightforward, objective and not too sweet with people who fail to meet their responsibilities. I strive not to mix personal and business relationships. It's a problem if you invite a friend to work for you.

Q: Who or what inspires you?

A: I try to meet and to talk with different people. This gives me ideas. Tasks also inspire me, and the level of tasks within the Moscow city government is very ambitious, so this inspires me.

Q: How do you find balance in life?

A: I can't say that I'm happy about my balance. There is a famous proverb that says we don't live to work. But the vice versa is that we work to live. This is probably a misunderstanding by many managers, business leaders and public employees. They spend too much time working. It's a pity for me that at the beginning of my career I spent too little time with my family, and this is a serious loss that cannot be recovered. I'm trying to find balance now by keeping in mind that there are important things outside the job — first and foremost, your family. Also important are your spirit, your mood, your capabilities and your education, which is key to your professional background and allows you to further develop yourself.

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