

# The Hybrid Spatialities of Transition: Capitalism, Legacy and Uneven Urban Economic Restructuring

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## Abstract

This paper conceptualises post-socialist urban economic geographies through the notion of hybrid spatialities that emerge from the mutual embeddedness of neoliberalism and socialist legacies. While the dismantling of state socialism was a massive moment towards the exacerbation of uneven development, ironically it is the socialist-era spatial legacy that has become the single major differentiating factor for the economic status of cities. This superficial overdetermination, however, masks the root causes of uneven development that must be seen in the logic of capitalism and its attendant practices which subsume legacy, recode its meaning, and recast the formerly equalitarian spaces as an uneven spatial order. The authors argue that the socialist legacy, rather than being an independent carrier of history, has been alienated from its history to become an infrastructure of neoliberalisation, conducive to capitalist process. The paper draws specifically on the experiences of Russia, although its reflections should reverberate much more broadly.

## Introduction

When, between 1989 and 1991, state socialism collapsed in eastern Europe and ‘democratic capitalism’ was promulgated as henceforth the only ruling ideology, the protagonists celebrated the world’s return to the natural course of history and even ‘the end of history’ altogether (Fukuyama, 1992). Of course, history did not end back then; rather, a ‘post-socialist transition’ has burst into its own history—complex,

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problematic and, for that matter, painfully long for the population that has been subjected to it. While a few post-socialist countries (mostly in central Europe) performed relatively successfully in the 1990s, the vast majority went through a period of economic disaster. For their population, the reforms have been associated with economic hardship, impoverishment and the rise of the problems that barely existed under state socialism—from unemployment to homelessness. Whilst the following decade witnessed a more inclusive ‘restorative’ growth, by the end of it, the now-capitalist eastern Europe has been readily incorporated into the global financial crisis, with yet another period of uncertainties and bumpy GDPs. Yet, a crucial matter is how these GDPs are produced and controlled: access to the fruits of economic development is now much more unequal than in the socialist past. To start, post-socialist societies have been deeply divided—with stagnation, decline and marginalisation paralleling unparalleled wealth concentration, economic success and material consumption. Yet this sense of rising inequalities (Heyns, 2005; Dunford, 2005) has also been projected over geography, which has witnessed uneven development growing simultaneously at varied scales—from regions to neighbourhoods.

The understanding of the critical transformations linked to post-socialist experiences can offer much to refining the theories of capitalism and uneven development more broadly. In this paper, we provide a critique of interurban disparities which we use as a window onto the broader relationships, including those between (evolving) legacy, geography and power geometries. It is important to take a more generalised stock here, as existing literature rarely provides a coherent critical reading of the complex politico-economic dynamic underpinning uneven development under post-socialism.

We particularly problematise the interplay of the (geo-economic) legacies of state socialism and the dynamics of neoliberal capitalism in the production of uneven development. The socialist legacy remains an ambivalent concept in post-socialist urban and regional studies, prone to reductionist readings around ‘alien’ remnants of the past and/or deterministic ‘path dependent’ causalities, where, for example, the evidence of the multiple dependencies of post-socialist spatial disparities on inherited economic landscape can ‘explain’ the very origin of the uneven development. It is easy to overlook the more fundamental nature of capitalism, including its systemic propensity to produce inequalities—no matter what original spatialities and legacies it colonises.

We contend that, as much as being a determinant of change, legacy has been determined itself—or rendered its particular meaning, value and rhythm—by the logic of the new regulatory and circulatory system of (neoliberal) accumulation. We discuss this mutual embeddedness of the legacies of socialism and the workings of neoliberal capitalism that jointly produce what we define as the hybrid spatialities of transition—‘strange’ geographies that function according to the tune of capital but often conceal their capitalist nature with socialist-era ‘legacies’, even though the latter have quintessentially been alienated from their ideological, institutional and economic history. We articulate the need to expose the root causes of uneven development which lie not simply with legacies, lock-ins or path dependences, but most fundamentally with the workings and contradictions of capitalism *per se*, including its historically and contextually specific systems of power, institutions and division of labour, as well as its Schumpeterian impulses for creative destruction—that colonise, disintegrate and remould the formerly egalitarian socialist spaces into an

inequitable spatial order. This also resonates with Lefebvre's (1974/1991) claim that different modes of economic relations produce their own space—they appropriate space to their own needs and reconstruct existing patterns to their own image.

In the next section, we start problematising the relationships between uneven geographical development and legacy in the post-socialist context. This is followed by a section that builds a different reading of legacy, as subsumed by capital to become an inherent part of the capitalist spatiality, conducive to capitalist expansion; we then use this reading for articulating the notion of the hybrid spatialities of transition. These discussions are then specified with urban restructuring in Russia. Russia has the world's longest history of state socialism, as well as the world's largest geography, making the interplay between history and geography particularly interesting. We review the pre-conditions and patterns of interurban economic disparities and links between economic legacy, urban restructuring and the new institutions of spatial governance.

### **Problematising the Relationships between Uneven Development and Legacy**

Uneven geographical development remains a central concern for political-economic geographical studies that provides an important avenue for ontological and epistemological reflections on spatial and social relationships under capitalism more generally (*inter alia* Lefebvre, 1974/1991; Harvey, 1982, 2006; Smith, 1990; Massey, 1995). This scholarship has demonstrated that uneven development, like space itself, is socially and politically produced; it is to a large extent a historically specific product of political choice, of particular economic

and geo-institutional regimes and, more specifically, is the inherent part of the capitalist spatiality. As Soja stresses

The production and reproduction of [geographically uneven development] is *necessary* to the origins, development, and survival of capitalism and demands an interpretation which moves beyond its incidental expression ... [It] becomes part of the material framework of capitalism, linked directly to the labor process, to economic exploitation and political domination, to the accumulation process and attendant class struggles, to the making of concrete capitalist geography and history (Soja, 1985, pp. 178–179; original emphasis).

Certainly, capitalism itself evolves, responding to technological and institutional contexts, so that the patterns and intensities of uneven development have varied across time and space (Pike *et al.*, 2007; Brenner *et al.*, 2010). Yet, there seems to be a consensus that under the present politico-economic regimes of neoliberalism uneven spatial development has intensified. As Brenner (2004) argues with a reference to western Europe, instead of conceiving uneven development as a barrier to economic or industrial growth as under the previous welfarist/Keynesian regime, neoliberalism takes geographical inequalities as the *basis* for growth, privileging certain areas as the motors of economic development and reconcentrating resources in 'strategic areas'. Redistributive regional policies and national spatial planning have been replaced by area-specific policies and targeted investments. Brenner suggests that this politics is part of a reterritorialisation of state institutions from the all-national redistributive modalities towards the urban-centric neoliberal competitiveness.

Neoliberalism is also commonly acknowledged as the dominant ideology driving post-socialism (Pickles and Smith,

1998; Stenning *et al.*, 2010; Birch and Mykhnenko, 2010). However, the critical insights into uneven geographical development as established in the context of Western geography since the 1970s are rare in the eastern European urban and regional scholarship (see Timar, 2007). The latter, as Grubbauer (2012) observes, favours descriptive and eclectic accounts, which, one can further argue, accedes to the elitist-neoliberal imaginaries of transition. Through describing rather than deconstructing and questioning the hegemonic project of post-socialism, this literature *normalises* the latter (for recent literature reviews, also see Gentile *et al.*, 2012; Sykora and Bouzarovski, 2012). This is particularly true of the economic analyses of uneven spatial development that have rested upon positivist quantifications or mapping of these rather than probing into their root causes. Thus, disparities in the economic performance of regions and cities are typically *explained* by the inherited conditions (such as agglomeration effect, location, economic specialisation or even climatic conditions) as well as by differing local policies (for example, Shorrocks and Wan, 2005; Kanbur and Venables, 2007; Mykhnenko and Turok, 2008; see Gluschenko, 2011, for a specific literature review on Russia's regional inequalities). While, as we discuss later, these are important mediating factors of spatial differentiation, it is insufficient to correlate spatial disparities with other factors of geographical differentiation—as if the latter stood at the root cause of the very occurrence of the former. There needs to be a more explicit critical grounding of uneven economic development in the politico-economic conditions, especially in the endogenous processes of contextually specific yet systemically uneven and crisis-prone capitalist accumulation and the exploitative effects of neoliberal institutional systems that underpin the post-socialist

capitalisms. At best, however, there are references to 'exogenous' triggers, including globalisation, which is wrapped in various stylised facts, such as trade openness, FDI or EU and NATO accession (for example, Hamilton *et al.*, 2005) and which, like 'transition' itself, has become more a legitimising 'necessity' of inequalities than an anchor of critical assessment.

The ineffective critique of capitalist spatial processes also prevents the post-socialist scholarship from an effective critique of the inherited conditions and their own stake in uneven regional development, although legacy remains the key to the debates over continuity vs change (Lane, 2002; Grubbauer, 2012). Particularly controversial is a static understanding of legacy, seen as permanently embedded in the socialist past but emanating lasting effects conceived as 'path dependence'. The latter, however, is a problematic concept, as discussed by Martin and Sunley (2006). Although 'path dependence' has allowed heterodox theories to bring important insights into the post-socialist spatial evolutionary processes (for example, Grabher and Stark, 1998), it is frequently misconstrued, along with the notion of legacy itself, by various reductionist accounts stretching to historical and environmental determinism (Hedlund, 2005; Hill and Gaddy, 2003). Yet, irrespective of the differences in ontological positions, the discourses of legacies and path dependency are circumscribed by the isomorphic imaginaries of pasts and paths which are inadequate to capture the deeper and radical metamorphoses with regard to the very essence of 'legacy'. Thus, the socialist legacy is imagined as a fixed point of departure, which gradually fades from view as the journey into transition continues, so that the varied speed with which its presences are fading constitutes the very essence of transitional dynamics—which are, consequently, faster for 'institutional transformations',

slower for ‘social transformations’ and yet slower for ‘urban transformations’ (Sykora and Bouzarovski, 2012). In these accounts, the inherited institutional and material landscape is seen as ‘the past in present’, alien to the new regime and, although tolerated of necessity, being progressively eradicated (rather than seen as fluid and conducive to the very capitalist process), while uneven development emerges as the inability of some places to get rid of their socialist legacies (rather than as the appropriation of these places from inside by the very capitalist process and the alienation of their ‘socialist legacy’ from its socialist self).

In our view, these ontologies of legacies as independent ‘carriers of history’ (MacKinnon *et al.*, 2009) alien to capitalism and yet enduring in their distorting effects, including their impacts on spatial inequality, fail to account for the ontological inseparability and co-evolution of the social, the spatial and the temporal in capitalist processes—what Soja (1996) calls the trialectics of spatiality, historicity and sociality. Instead, in relation to, for example, urban change, the temporality is reduced to the binary co-existence of legacy vs novelty, while spatiality is reduced to the material appearances of physical space (including the built environment) and is divorced from its multifaceted sociality—ideologies, politics, meaning, everyday life and all else that Lefebvre (1974/1991) famously compressed in this triad of perceived, conceived and lived spaces. A critical geographical approach demands a more integrative reading of the evolution of spatial relations, which would take more boldly capitalism as a point of reference alongside the processes of the subsumption by capitalism of the post-socialist spaces that recently were beyond its key pasture. According to Massey (1995), local economies need to be seen as a historical product of the combination and interaction of

successive rounds of accumulation, unevenly unfolding across the economic landscape, in the process of a continuous interplay, co- and re-constitutions of the accumulated results of the inherited spatial structures and the new cycles of economic development. This local process is, further, always imbued with the requirements of the current capitalist system and embedded in the pre-eminence of national politics (see MacKinnon *et al.*, 2009; Pike *et al.*, 2010). It is then a crucial epistemological question how to reflect on the political economy of the co-evolutionary ‘combination and interactions’ of socialist and post-socialist rounds of accumulation in the production of the uneven spatiality of transition and at the same time to avoid the reductionist binary of legacy vs novelty or its derivatives (for example, homopolis vs heteropolis of Gentile *et al.*, 2012). We attend to this in the next section.

### **The Subsumption of Legacy and the Hybrid Spatialities of Transition**

It may be pertinent to start building a new narrative of the (socio-temporal-spatial) process of post-socialist uneven development by referring to Clark and Tracey’s (2004) institutional critique that distinguishes two aspects of path dependence: inheritance and endowment. They define an endowment as an inheritance that is invested—i.e. capitalised as a flow of income. A given inheritance may (or may not) be translated into varied endowments, subject to how the inheritance is perceived, conceived and mobilised by given economic agents as a response to the exigencies of the present. Thus, the otherwise similar inherited conditions may represent dissimilar opportunities for actors happening to be in different politico-economic environments or pursuing different

strategies or objectives. It is in the dialogue with its environments that economic agency takes particular routes in converting an inheritance into an endowment. In other words, the latter is a translation of the processes or materialities originated in the past into the contextually specific unfoldings of the present. This understanding may be extended to the reading of the evolution of post-socialist spatialities. Their socialist-era legacies can be seen in a constant process of acquiring new meanings, both influencing and being influenced by on-going economic and social practices and decision-making. In other words, spatial legacy (or, more precisely, the historicity of social spatiality) is not absolute or fixed; it is always relative and interpretive, in a continuous process of change—dialectically a hybrid product of the old and new processes, but never simply reducible to either of them or even their sum.

Actually, this sense of *hybridity* is fruitful for a critique of the spatiality of post-socialism more directly. Hybridity is a much debated concept in fields such as cultural studies and post-colonialism, developing from various traditions, from Bakhtin to Bhaba (Papastergiadis, 2005). In geography, it has allowed transgressing binary constructs and highlighting a co-constitutive nature of various processes of geographical significance (for example, Whatmore, 2002; Yeung, 2004). As the testimony of its pertinence for the understanding of this unordinary context of radical change, the reference to hybridity is also recurrent in post-socialist geography. As Golubchikov and Phelps note, for example

Post-socialist urban societies need to be viewed as hybrid juxtapositions of social forms, relationships and trajectories, emerging from the struggles between their ‘outside’, their ‘inside’ and their histories (Golubchikov and Phelps, 2011, p. 429).

Stenning also notes:

Post-socialism ... is ... partial and hybrid. In some spaces, the socialist seems to be a stronger influence, in others practices of Western capitalism seem to be more influential. In all, post-socialism is marked by a combination of multiple social forms, constructed at varied scales of time and space ... In short, post-socialism cannot be reduced to neoliberal economic restructuring, nor just to the legacies of socialism (or pre-socialism), nor indeed to the passage of ‘transition’. It is all of these (Stenning, 2005, p. 124).

However, this reading of hybridity may still bring in the imaginaries of a parallel co-existence of socialist and capitalist ‘ingredients’, which are bundled together to give a different ‘taste’ to each space—somewhere more ‘socialist’, somewhere more ‘Western’. In our view, post-socialism should be imagined as a more radical societal transformation, where socialist ‘ingredients’ are no longer ‘socialist’ and where hybridity arises from the dialectical and ambivalent yet essentially patterned and hierarchical relationships between the neoliberalised legacies of socialism and the workings of capitalism. Post-socialist capitalism is certainly not *creatio ex nihilo*—it develops *from within* the existing structures and relationships, but it introduces the fundamental and all-encompassing distortions in the very ideology of these structures and related social and spatial practices. The latter, while even perhaps maintaining their ‘socialist-era’ appearances and functionality, are now fundamentally subordinated to, and cater for, capitalist immediacies and are, accordingly, rendered a rather different ideology, meaning and significance than in the past.

The nature of this process is not dissimilar to what Marx in *Capital* characterised as the subsumption of the labour process by capital in the process of primitive

accumulation in previously non-capitalist environments—capital not simply appropriates labour processes, but transforms the social relations of labour which become imbued with the nature and requirement of capital itself and alienated from the means of production. Similarly, those legacies of socialism that collide with capitalism are alienated by capitalism from their past institutional and ideological attachments and roots and diffused into the new capitalist reality. Here, we can see parallels with Bhabha's reading, who, with reference to post-colonial cultural practices, argues that

Hybridity ... is the 'third space' which displaces the histories that constitute it, and set up new structures of authority, new political initiatives, which are inadequately understood through received wisdom (Bhabha, 1990, p. 211).

It is, therefore, necessary to acknowledge not only the endogenous roots in post-socialist economic processes, like 'path dependence' readings do, but also that these roots themselves are undergoing a process of continuous 'translation' into something new and different, being part of the 'intertextuality', where the new and totalising capitalist processes work from within them to render them totally new meanings. Path dependence here is much of an illusionary familiarity—old 'paths' may still be visible, but the overall landscape has changed and renders these paths entirely new co-ordinates, shapes and meanings. This interpretation is also close to the sociologist reading of Burawoy and Verdery

We challenge those analyses that account for the confusions and shortcomings of the transition process as 'socialist legacies' or 'culture'. Repeatedly, we find that what may appear as 'restorations' of patterns familiar from socialism are something quite different: direct *responses* to the new market initiatives, produced *by* them, rather than remnants of

an older mentality. In other words, we find that what looks familiar has causes that are fairly novel (Burawoy and Verdery, 1999, pp. 1–2; original emphasis).

In our view, post-socialist economic geographies need to be understood through hybrid spatialities that essentially function according to the requirement of capital even though they may conceal their capitalist ideology and rhythm with their socialist-era roots and resemblances. We believe that the narrative of hybrid spatialities is better fit to capture the fundamental politico-economic changes than 'path dependence'. Although we too stress the conditioning role of 'legacy', we understand it not as alien but rather *generative* to the capitalist process itself. Furthermore, it is the logic of neoliberal capitalism that dictates the pathways of the reconfiguration of the legacy of state socialism, rather than the other way round as imagined by the discourses on 'path dependent' post-socialism. Rather than a barrier to capital or neoliberalisation, the spatial legacy of state socialism should be re-imagined as the very infrastructure of neo-liberalisation, within which neoliberal capitalism becomes embedded and which it uses for accumulation.

We now want to specify this on-going interplay of the history, geography and institutional landscape and how neoliberalisation forms uneven spatialities based on neoliberalised socialist legacies by looking at urban restructuring in Russia.

## The Political Economy of Uneven Urban Restructuring in Russia

### The Patterns of Urban Economic Restructuring

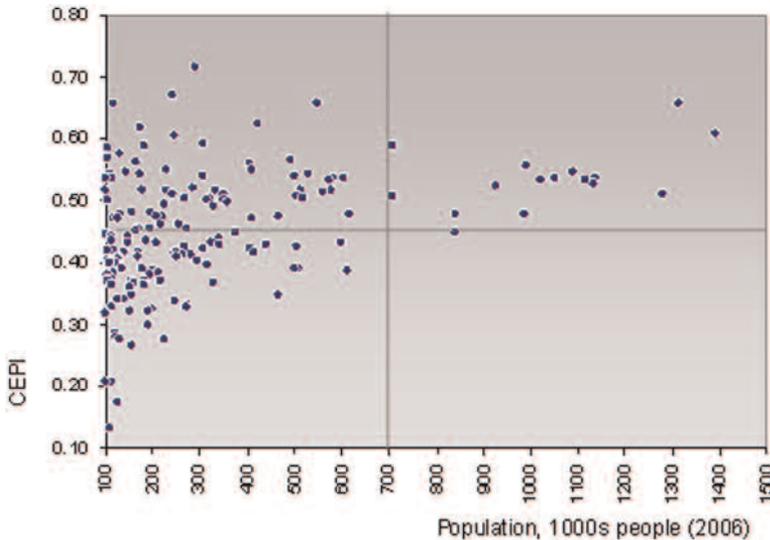
Certainly, the longest history of state socialism has left important legacies for Russia's

urban geography. During the seven decades under the Soviet rule, Russia experienced an urban explosion—the urban population grew from 17 per cent to 74 per cent between 1917 and 1990. Cities were considered an essential part of the production of socialist spatialities, at the forefront of building a classless society (Davidow, 1976; Bater, 1980; French, 1995). The state was characterised by a hierarchically ordered space based on national economic planning and rigidly controlled and redistributive accumulation. The national urban systems were structured into central place systems in which the centre of each administrative level provided consumer goods and services to its lower-order administrative levels, while remaining itself dependant on the allocation of resources ‘from above’ (Axenov *et al.*, 2006). The goal was the elimination of remaining socioeconomic disparities between administrative territorial units. This approach suited well the existing accumulation and regulatory regime aiming at achieving high and egalitarian social standards. A corollary was, however, the contradiction of the very principle of equalisation due to often lower standards of living in smaller towns despite a trend towards mitigating the differences—the condition that after the establishment of capitalism has run out of proportion (see Mellor, 1999).

Since the collapse of socialism, the level of urbanisation in Russia has changed only marginally (73.7 per cent according to the 2010 census)—although hiding critical internal reconcentrations of the population. While Soviet policy favoured the development of the resource frontier associated with new towns in northern and eastern peripheries, in the post-Soviet period this process has seen a reversal—an out-migration to the south-west and a reconcentration of population in larger cities. While during the Soviet period almost all urban places continued to grow, between 1991

and 2011 more than 70 per cent of Russia’s cities and towns have been shrinking, with shrinkage being more common for smaller cities. While 63 per cent of the total number of urban places have shrunk faster than Russia’s total rate of depopulation (3.65 per cent), the proportion is symmetrical—66 per cent, 50 per cent and 32 per cent—for cities respectively, smaller than 100,000, between 100,000 and 500,000, and above 500,000. Most remarkably, Moscow has grown by 30 per cent—from 8.9 to 11.5 million (Golubchikov and Makhrova, 2013).

The demographic situation reflects the reformatting of economic geography, where both the interregional and intraregional scales have manifested the high levels of uneven development between cities (Ioffe *et al.*, 2001). Research has addressed the factors behind this new geography, contending that the performance of cities and regions have been largely determined by their initial economic, infrastructural and geographical conditions existing at the beginning of transition (Hanson and Bradshaw, 2000; Popov, 2001; Ahrend, 2005; Golubchikov, 2006; Gluschenko, 2011). For example, Zubarevich (2003) argues that the main determinants of the adaptation of cities have been their size, administrative status, location and functional specialisation, stressing that it is particularly the inherited functions—economic and administrative—that contribute most to emerged economic disparities. This outlook is generally maintained to this date, despite rapid economic growth in the 2000s (Golubchikov and Makhrova, 2013). Thus, cities that have relatively successfully transformed their economies have rearticulated their inherited structures as various adaptation models: post-industrial (larger cities and regional capitals), industrial (cities with export-oriented or certain import-substituting economies), gateway (such as ports, border cities or transport junctions),



**Figure 1.** Comparative economic performance indexes of cities of different size. Notes: The index is based on a modified methodology of Golubchikov (2006); it combines a set of reliable statistical indicators weighted to the population, including average monthly wage adjusted to the regional subsistence level; fixed capital investment; the number of registered enterprises and organisations; and the number of the registered unemployed. Each city was given a grade on the scale from 0 (worst performance) to 1. Moscow and St Petersburg, with the highest values of the index, are excluded from the illustration as outliers. Based on 2007 data.

tourist (smaller cities with an attractive tourist ‘image’—for example, Suzdal, Myshkin, Velikiy Ustyug), recreational (for example, Sochi), or a combination of these models (Vendina, 2006).

Larger cities and administrative capitals are often contrasted with smaller, especially, single-industry towns. As in the Soviet era the majority of economic institutions, communication infrastructure and human capital were concentrated in regional centres, these have been most successful in the attraction of capital. The introduction of the direct channels of global/urban interplay has benefited these cities’ integration into international capital flows, while they have become ‘liberated’ from the obligations to assist their ‘backyard’, resulting in a growing gap between regional capitals and their territories (Leksin, 2008). Large cities have become major markets themselves, proximity to which is decisive for smaller

places (Mykhnenko and Turok, 2008). Moscow and St Petersburg are considered to be most privileged here, with Moscow especially enjoying an unprecedented concentration of wealth (Gritsai, 2004; Golubchikov and Badyina, 2006).

Smaller cities are usually imagined as sites of a more troubled adaptation, although the reality is more complex. Our analysis of the relative performance of Russian cities, at least for the period preceding the financial crisis, reveals that, while all the cities above 700,000 perform at an average level or better, the expectation that smaller cities would perform in correspondence with their size does not hold (Figure 1). Rather, they perform in correspondence with their (inherited) specialisation. At some level, this again may be ‘explained’ by the Soviet economy that privileged networked complementarities of cities’ functions and, consequently, created a great divergence in urban economies.

Single-industry towns, more specifically, were an important part of the strategy for decentralising and equalising spatial development, while also extending the nation's urban frontier and urban network—now above a quarter of all Russian cities and towns belong to this category. The introduction of competition and the 'deglobalisation' of the common economic space and industrial chains have particularly negatively affected cities specialising in textile manufacturing, heavy industry, military production, research and development, as well as in the mining and timber industry (Lubovnyy, 2009). Yet, towns with export-oriented industries have performed well. For example, areas along the Ob River with rich oil and gas reserves have even seen the establishment of new towns, with the existing ones expanding and doing well. Thus, although modest in size, Khanty-Mansiysk (76,000 in 2010) has become a fully developed administrative, industrial and cultural centre.

### Relationships between Legacy and Uneven Development

This divergent adaptation of urban economies to capitalism and their multiple dependencies on the previous structures accord with a body of evolutionary economic geography that stresses path dependence, lock-ins and the place-contingent nature of self-reinforcing economic development (Boschma and Frenken, 2006; Martin and Sunley, 2006). However, as MacKinnon *et al.* (2009) argue, path dependence and related concepts need a firmer grounding within a geographical political economy to attend to the wider dynamics of capital accumulation and uneven development, including the issues of power, politics and the territorial divisions of labour, rather than be seen as structural causes *per se*. As stated earlier, this call should be taken seriously in relation to post-socialist

geography. Of course, literature here does not deny the political economy in producing territorial inequality (Smith and Timar, 2010), but in relation to the regional and interurban scale at least, it rarely unpacks it beyond the register of stylised facts about neoliberalism, globalisation and, again, path-dependent transition. Spatial inequalities are expressed as the derivatives of path dependence, where more dynamic and successful places are imagined as less path dependent and more 'globalised', whereas the others as stagnant 'socialist spaces'.

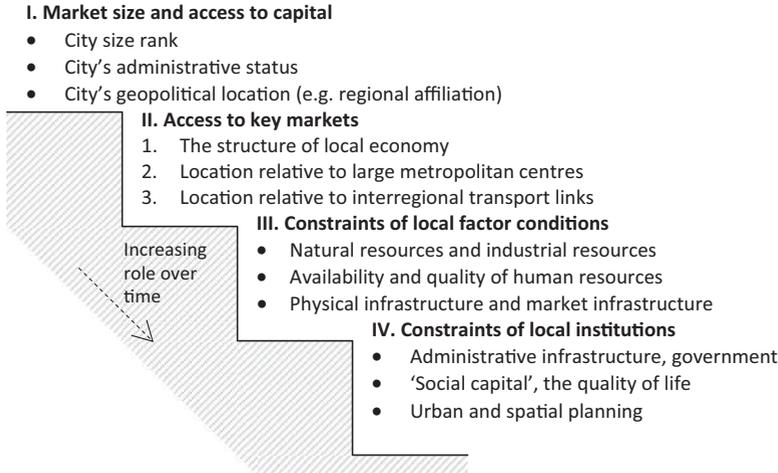
Rather than articulating the dichotomies of 'more successful', rapidly changing places as 'more capitalist' and those less successful as 'more socialist', *both* need to be understood as embedded in the matrix of capitalist relationships, the hybrid product of the subsumption of socialist spatialities by capital and alienation of these spatialities from their socialist ideological and institutional history. Where the Soviet urban geography served as a vehicle of the transformation towards more egalitarian spatiality, the very same 'legacy' now serves the reverse trend of accelerated uneven development. In other words, there is nothing about the legacies of socialism as such that had predetermined the particular patterns and magnitude of uneven development before capitalism enters the field. The core capitalist economies, such as the US and the UK, have hugely 'unsuccessful' and rigidly stagnant places—which are no less capitalist than their more 'successful' counterparts (which are themselves internally fragmented). Indeed, the conditions of territorial inequalities and cyclical systematic stagnation of some areas and growth of others determine the capitalist spatialities, not socialist ones (Davidow, 1976). The omnipresence of unsuccessful places and, consequently, the accelerated conditions of uneven development are exactly what speaks of the triumph of capitalism over the post-socialist space!

Re-imagining *all* post-socialist spatialities as essentially capitalist does not preclude the necessity to understand the grounding of capital accumulation in concrete social and spatial conditions and the role of the latter in uneven development (see Harvey, 2006), although it is still important to maintain the pre-eminence of capitalism and non-deterministic readings. Uneven development should be seen as a result of the ascendancy of the logic of capital over inherited and subsumed spatialities, which becomes the inherent part of the hybrid spatialities of post-socialism. It accelerates immediately with the introduction of capitalism. Thus, in relation to urban economies, it emerges from the capitalist valorisation of inherited economic assets subsumed to the capitalist requirement, which certainly privileges those places which can offer the greater and faster realisation of capital. Under the conditions of systemic disruption of the production chains in the earlier stages of transition as well pandemic asset stripping and destruction of inherited values, this means accelerated accumulation (or slower devalorisation) in areas with certain basic levels of market opportunities such as agglomeration effect, accessibility and availability of tradable raw material, ensuring primitivisation of the national economy and rapid devalorisation of capital and decline of other places.

Although this initial capitalist patterning does create certain 'path dependent' effects (although we prefer the less deterministic metaphor of 'inertia' here), the dynamic of uneven capital accumulation does not stop at that stage but continue to respond to the wider economic restructuring, as well as the changing institutional landscape. The process of 'transition' is a highly dynamic one where the unfolding and juxtaposition of various struggles producing the hybrid spatialities are continuously peppered with new discourses, decision-making in relation to investment and disinvestment, production

and consumption, as well as alternations in institutional practices. These render the hybrid spatialities a highly open and fluid evolutionary character, in a never-ending process of change, the outcomes of which are never fully predictable and whose very past is being constantly remade by the present as well as the (imagined) future. It is noteworthy that, as growth has rapidly intensified in Russia since 1999 (a phenomenon that had been totally unexpected itself), capital has begun a search for new places for intensified accumulation. Apart from city size, specialisation and location, the factors of local policy and administration, the quality of life and other local amenities become more important in trapping capital (Golubchikov, 2006, 2007a). Even in the 'premium' centres, previous advantages need to be augmented to keep (flexible) capital in place and attract new flows, including consumption-based. New 'success stories' appear for local policies that are able to improve the position of cities in conjunction with more 'subtle' inherited advantages (Golubchikov, 2006, 2007a; Golubchikov and Makhrova, 2013). We suggest here a hierarchy of factors that characterise the priorities for capital accumulation and, consequently, economic capacities of cities at different stages of their post-Soviet transformation (see Figure 2). The further the restructuring process progresses, the more discriminating the aspects down the ladder become for relative urban economic performance.

What are not featured in this schemata are the state institutions of spatial governance. These are part of the neoliberal-capitalist regime that circumscribes this ladder of spatial accumulation priorities in the first place. Indeed, in comparison with the Soviet past, when the whole state machine explicitly sought to equalise spatial development, the canons of state spatial policy have been transformed, with the state being now engaged in new formats of territorial



**Figure 2.** Time-space ladder of capital accumulation priorities.  
 Source: Golubchikov, 2007b.

development, actively or passively privileging some places and penalising others. This demands some further attention.

### The Regulatory Landscape of Spatial Development

Interestingly, Russia has no clearly outlined urban strategy at the federal level; there are rather different bits of legislation regulating spheres related to urban and regional affairs. Yet, one can argue that this fragmentation is part-and-parcel of the neoliberal regime of flexible and uneven spatial accumulation (Golubchikov, 2010). For example, one of the prominent documents for national development is the *Concept for Long-term Development of Russia until the year 2020* adopted in 2008. It envisages that the regional development will be structured around a few growth poles, which therefore require particular national support. As the then Minister for Economic Development stated at the 2011 Moscow Urban Forum, the 20 largest cities produce half of the country's GDP, while support of the 'ineffective' small cities 'might' cost 2–3 per cent of GDP growth, with an implication

that large federal projects for the largest cities should be given priority, while the decline of small cities is an 'ineluctable global trend' (Nabiullina, 2011). Such self-fulfilling prophecies reflect the actual politics realised in Russia, echoing Brenner's (2004) analysis of the rescaling of the neoliberal state. In 2011, just six of Russia's 83 regions received 40 per cent of the federal investment (Golubchikov and Makhrova, 2013).

The federal investment is directed at specific cities or even their particular districts, where the federal government has promoted them as a strategic area for capital accumulation. Examples include turning Moscow into an international financial centre, promoting St Petersburg as a world city (Golubchikov, 2010), as well as hosting international events, such as sporting and cultural events and political summits. One can even argue that mega events have taken over much of the federal urban policy. These include the 2012 APEC Summit (Asia-Pacific Economic Co-operation) in Vladivostok and a number of sporting events, including the 2013 Universiade in

Kazan, the 2014 Winter Olympics in Sochi and the 2018 FIFA World Cup. While the levels of investment allocated for the preparation of these have been unprecedented, the choice of these cases has been arbitrary and depended on the lobbying power by regional elites. Such a highly selective and non-transparent regime only fosters the conditions for the uneven spatial development, as also frequently demonstrated by similar experiences elsewhere in the world (see Gold and Gold, 2010).

One instrument that the national government encourages regions and cities to develop is a territorial programme for their socioeconomic development, on the basis of which cities are supposed to create their 'image' and compete between each other. This predictably leads to another key mechanism of accelerated uneven accumulation, which Harvey (1989) has famously identified as a shift from urban managerialism to urban entrepreneurialism. Cities are now expected to promote cultural events and large development projects in order to attract flows of consumption, as well as to gain the benefits of central and regional government support. In recent years, St Petersburg, Kazan, Yaroslavl and Tomsk have attracted considerable federal grants for event celebrations, stimulating other cities too to follow this path in lobbying for central transfers. Many large cities (Moscow, St Petersburg, Samara, Krasnoyarsk, Irkutsk, Krasnodar and even Ulan-Ude) have established international economic forums as part of their 'city branding' (Vizgalov, 2011). Another form of city marketing has been the construction of a 'business city' with iconic architecture. The examples include not only Moscow with its Moskva-City and St Petersburg with Gazprom/Okhta/Lakhta City (the project changed its name and location in response to local protests), but also Yekaterinburg, Perm, Kemerovo, Volgograd, Nizhny Novgorod

and even Grozny, the capital of the war-torn Chechnya where Grozny-City was built along with one of the largest mosques in Europe. Regional governments (alongside city administrations) have become active players, seeking to promote their central cities in order to attract capital to the regions. This means that regions increasingly compete between themselves by articulating and prioritising their regional capitals—the process that further increases the gulf between these centres and other areas belonging to their jurisdictions.

It is becoming clear that the multiple dependencies of the new economic geography on the previous structures are actually predicated on particular regimes of regulation and accumulation. Three further points are pertinent with respect to how the new regime subsumes the inherited structures. First, the new regime has considerably 'flattened' economic relationships. The Soviet economy was based on the nation-wide vertical co-ordination of the flows of capital, knowledge, technology and resources. The disruption of that complex system, coupled with the breaking-up of extensive production relationships, necessitated the establishment of new linkages. Moreover, the imperative of competition was introduced, rendering the former nation-wide co-operative and supplementary economic mechanisms suddenly irrelevant. In the new regime, each city, no longer relying on the guiding and supportive hand of state control and distribution, has internalised, and capitalised on, its own inheritance. It is because of this replacement of the principle of egalitarian redistribution by the neoliberal principle of self-reliance that local conditions began playing such an important differentiating role with regard to spatial inequalities. Secondly, this retreat to the internal spaces of self-reliance has also been aggravated by trade liberalisation and other processes associated with

neoliberal imperatives. These processes have further partitioned economic space along the discriminating lines of international competition and accessibility to world markets. Clearly, industries based on shorter production chains, as well as merchandising services, have become privileged here.

Thirdly, and most importantly, it is not only that the principle of egalitarian redistribution has been replaced with the neoliberal principles of self-reliance and competition, but the new regime has also created preconditions for the extraction of wealth from the majority of people and places and its reconcentration in the hands of the very few. Under state socialism, the value extracted from more productive agents was reinvested in the less productive sectors, in addition to financing the vast public expenditure (often unprofitable, but important for social reproduction), so that the return on reinvested capital was often partial, but the potential was being continuously accumulated for the development of human and economic capital. By contrast, the new regime *is* founded on the ideology of maximising profits, a reduced public sector and shortened investment horizons. Even if the 'institutional thickness' has been restored sufficiently to prevent the economic agency from predatory asset stripping (destruction of values), the mass privatisation of public assets has concentrated the wealth very asymmetrically and this mode, supported by the institutional regimes, will continue to reproduce social and spatial inequalities.

## Conclusions

In this paper, we have developed a critique of post-socialist uneven interurban economic development by viewing it from the lens of the inseparability of the social, the temporal and the spatial (Soja, 1996). The legacies of socialism feature prominently in

this reading, but we reject simplistic flat ontologies for the historicity of the post-socialist spatiality. We argue that legacies, while being the important condition for post-socialist uneven spatial development, need to be understood as the integral part of the capitalist political economy, conducive to the capitalist processes, rather than 'alien' carriers of history. We propose to read the hybrid spatialities of transition, thus stressing the mutual embeddedness of legacy and capitalism in the co-production of post-socialist spatialities. This hybridity is not simply a description of differences between old and new, nor even syncretism—a cultural compromise between old and new. We understand it as the subsumption of the inherited systems into the very logic of capitalist and neoliberal relationships, so that, while capitalist practice feeds on the legacies of state socialism, it also alienates them from their history to make them the infrastructure, and often the agency, for its own expansion. Consequently, the spatialities of post-socialism cannot be simply dichotomised into the materialities and practices of independent-of-each-other socialism and capitalism, for this would reduce their complex historicity. Rather, they are functioning as *capitalist* spatialities, but bear signs of the processes that extend deeper into their history and which superficially may be taken for their very nature—although it is myopic not to see behind the familiar similarity the deeply changed ideology, meaning and practice.

We support the argument of Marxist theorists that space exists in a dialectical relationship with the social system, acquiring, accumulating and conveying a particular meaning in a particular social context (Lefebvre, 1974/1991). Thus, the social and physical conditions of cities and their fortunes may seem to depend on their geography and legacy, but the root causes of their crises or otherwise are in the existing

socio-political system which twists, distorts or recreates the meanings of the inherited landscape in its own image. This is why when under state socialism the geographical differences served the egalitarian project of equalising development and urban crisis was not possible (Davidow, 1976), under capitalism, as Harvey (2010, p. 290) contends, even minor inequalities “get magnified and compounded over time into huge inequalities of influence, wealth and power”. Even small differences in the relative space economy inherited from state socialism now get magnified into huge spatial inequalities, if anything, supported rather than prevented by the new geo-institutional regimes—an observation that requires further serious engagement with normative practices (see Pike *et al.*, 2007).

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