

Martin Müller

Sochi and the 2014 Winter Olympics

Sochi will host the 2014 Winter Olympics. With its subtropical climate, the city was renowned during the Soviet era as the summer capital. For its conversion to a centre for winter sports, the Russian government has set in motion a gigantic program of investment. With dire consequences: the gigantomaniac project will result in enormous environment damage and infrastructure quite out of proportion to the everyday needs of the local population. – S. K.

A pained smile spreads across Julia Erofeeva's face. It is a smile that tells you that in the course of 63 years she has learnt to take things as they come. We are standing on the hill directly behind Imeretinskaya Bay by the village of Adler, 30 kilometres south of Sochi and looking out over the Black Sea. Behind us lies a small Orthodox graveyard and before us the largest building site in the world: the Olympic Park, the heart of the 2014 Winter Olympics. Six stadia, arranged around a large square.

So far, there stands only a skeleton that has little in common with the glossy rendered 3-D visualisations. Dust billows where the trucks take out excavated soil and bring in building materials by the minute. The site where athletes will be adorned with medals in February 2014 was, until recently, the site of Julia Erofeeva's cottage. Together with 800 other inhabitants, she had to make way for the Olympic Park. She now lives in a house in the newly constructed village of Nekrasovskoe. Without a vegetable garden, but with all the comforts of modern housing.

Russia's summer capital

Sochi is the beating heart of the Russian Riviera on the Black Sea coast. The agglomeration extends for more than 140 km along the coast until the Abkhazian border, with a population of just under 420,000. The city proper has a population of only 130,000, however. The area's topography means that its settlements and infrastructure are concentrated on a thin coastal strip, the land rising sharply behind it; Mount Fisht, after which the Olympic Stadium is named, rises 2,867 metres a mere 30 km from the sea to form the north-western edge of the Central Caucasian range. Situated at 44° north, Sochi is at a similar latitude to Nice or Genoa. Located in a humid subtropical climate zone, it experiences colder temperatures in winter and significantly more precipitation than either of these cities however. The orographic lifts caused by the Caucasian wall bring 1,700 mm of precipitation annually – falling as snow on the high mountains in autumn and winter. The advertising slogan "Where white snow meets the Black Sea" is misleading however: the snow seldom lies for more than a few days at sea level.

Sochi's annual average temperature of 13.1°C is 3°C higher than Vancouver, which in 2010 became the warmest Winter Olympic venue. Palm trees, eucalyptus and oleander bear witness to the subtropical climate and make Sochi unique among the regions of Russia. The city is traditionally renowned as Russia's summer capital (Letnyaya Stolica) and has specialised as a sea-side resort. In the Soviet Union, Sochi was probably considered

the chicest holiday destination and was a model city for Soviet tourism. Many trade unions owned prestigious sanatoria there, and a visit (*putëvka*) to Sochi was a privilege granted only to the nomenklatura or to workers of outstanding merit. During the tenth five-year plan (1976–1980) a total of 47 million stayed at the sanatoria.

The dissolution of the Soviet Union in 1991 also brought a collapse in the number of tourists. In the 1990s there was simply not the money to go on holiday. With the economic upturn since Putin came to power, Russian citizens increasingly prefer to spend their holidays beyond the former Iron Curtain rather than return to the old centres of Soviet tourism. More than twenty years after the collapse of the Soviet Union, Sochi receives far fewer guests than it did during its boom years. Nobody knows quite how fewer. Sochi's mayor, Anatoly Pakhomov, said there were four million summer visitors one year, but then said there were only three million. Other sources suggest one million is realistic. Moreover, the length of stays has decreased significantly: whereas earlier visitors stayed for an average of nine days, now it is only five. In sum: tourism in Sochi is a mere shadow of its former glory. The fresh-cell therapy offered by the Winter Olympics is only too welcome.

A makeover for winter sport

Until recently only a few scattered ski lifts near Sochi suggested that the topography of the Caucasus also held potential for winter tourism. Notwithstanding a few small areas such as Dombaj in Karachay-Cherkessia or on Mount Elbrus, the entire Caucasus is hardly accessible for mass tourism. The 2014 Winter Games are supposed to tap into this potential, Putin hoping to draw on Sochi's long tradition as a Soviet resort while giving the region a new image. Sochi is meant to become Russia's third city after Moscow and St. Petersburg. While Moscow represents the nerve centre of political and economic power and St. Petersburg is Russia's cultural capital, the new Sochi looks to the west; nonchalant and easy-going, it invites the global leisure society to get to know a Russia beyond oil, gas and corruption. The slogan for the Winter Games in Sochi, "Hot. Cool. Yours." (*Zharkie. Zimnie. Tvoi.*) targets the individualised hedonist, but also hints through innuendo at the libido. To support his vision, Vladimir Putin attended the IOC meeting in Guatemala in 2007, gave his personal guarantee that the organisation would run smoothly and extolled Sochi's virtues for the 2014 Games. The immodest yardsticks for the new



Photo: Mikhail Mordasov

Aerial view of the construction work on the Olympic Park in Adler on May 18, 2012. Work on the Fisht Olympic Stadium (in the foreground) is still in progress. The Olympic village is being built to the left of the picture, the renovated airport can be seen top left.

Sochi are the established resorts of the global winter sport jet-set from Aspen to Zermatt. For Putin there is no doubt: “Sochi is going to become a new world class resort for the new Russia. And the whole world!”

Putin’s promise had far-reaching consequences for the region. When Sochi was awarded the 2014 Winter Olympics on July 5, 2007, there wasn’t a single venue capable of hosting an Olympic event. The area lacked tens of thousands of hotel rooms of international standard. The region was beset by frequent traffic jams, the 30-kilometre drive from the airport to central Sochi sometimes taking more than two hours during rush hour. 12 billion US dollars were set aside for the Games, but it soon transpired that this was not nearly sufficient. In early 2013 the government published a new estimate of some 50 billion dollars. The 16-day event in Sochi now surpassed the hitherto most expensive (and much larger) Summer Games held in Peking in 2008 by more than 10 billion US dollars. The event thus represents an extreme example of regional politics: investment in the region amounts to 115,000 US dollars per inhabitant of Sochi. This means that every Russian citizen foregoes an average of 350 US dollars in public funds.

Contrary to the original plan, the larger part of the money invested has come from the state purse. Preparations for the Winter Games were supposed to be a model for the role of private investors in the realisation of large-scale projects in Russia. But interest on the part of investors remained low; lucrative contracts were awarded to the camarilla, while numerous other projects promised little profit. The government thus overtly called for private investors such as the oligarchs Oleg Deripaska and Vladimir Potanin do their duty to society and finance unprofitable projects. Along with the development of resorts, it was also demanded that they foot the bill for sports venues, as a kind of indirect tax. After the Winter Olympics, these stadia would pass over into state ownership at no cost. The benefactors hoped this implied that in return they would enjoy good connections to the authorities and preferential treatment when it came to awarding contracts.

This preferential treatment is evident everywhere. Putin’s bosom friend Arkady Rotenberg, for example, has built up a portfolio of 3.4 million US dollars in public contracts through his activities. The mechanisms for personal gain are similar. Either unwelcome players are put under pressure through

state-sanctioned intimidation in order to force acquisition of property at favourable prices, or the prices of contracts are artificially inflated so that every stakeholder is guaranteed a corresponding slice of the cake. Those who fall out of favour have to leave the scene. The Bilalov brothers had to sell their shares in the ski area in *Gornaya Karusel’* in Krasnaya Polyana and emigrate to Germany after Achmed Bilalov had publically criticised Putin several times. Specially appointed state inspectors had established inefficiency and financial mismanagement in Bilalov’s construction projects. The official line, however, is that the preparations for the Winter Games are free of corruption. In 2011, Vice Premier Dmitri Kozak declared that a large-scale state investigation had not brought to light a single case of illegal payments.

A resort from a retort

In 2013 Sochi has become the world’s largest building site: almost 100,000 construction workers are working round the clock to complete the resort in time for the arrival of more than 120,000 visitors in February 2014. As was the case with the Vancouver Games, there are two clusters: a coastal cluster for the ice sports in Adler and a mountain cluster for the alpine sports and sledging in Krasnaya Polyana. Whereas the buildings on the coast are arranged around a central square and thus realise a concept of short paths, the facilities in the mountains are spread across several resorts along the Mzymta valley (see table 1). The ski areas in Krasnaya Polyana are all equipped with the latest technology, but with the exception of Roza Khutor they are all rather small. The oldest area is Alpika Service, which, like Laura, is owned by Gazprom. The first chair lifts were built here in the early 1990s, and plans were hatched to bring the Winter Games to Sochi. Two attempts in 1991 and 1995 failed due to insufficient infrastructure and the instability that characterised Russia, and particularly the Caucasus, in the 1990s.

The names of the architects and planners for Sochi read like a global who’s who of the (winter) sports scene: Ecosign from Whistler in Canada helped design the bid for the Games, Drees und Sommer from Stuttgart are project managers for the Olympic Park, the Populous architects’ studio designed the Fisht Olympic Stadium, the German engineering firms Gurgel + Partner and Kohlbecker designed the bobsleigh run and the ski jumps. International chains such as Radisson, Hyatt, Swissôtel or Mercure have opened hotels in Sochi and its environs. Despite the ambitions to be a player in the international market, the best chances for Krasnaya Polyana seem to lie in the Russian domestic market: with prices similar to those in the Alps, only connoisseurs will be willing to overcome difficulties in obtaining visas and language barriers in order to get to know the relatively small ski areas of Krasnaya Polyana.

The larger part of the projected budget is not for sports facilities, however, but for infrastructure, especially for transport and energy supply. The largest project is a new rail and road link between the airport in Adler on the coast and the resort of Alpika Service in Krasnaya Polyana, costing between eight and nine billion US dollars – almost double the entire investments in the 2010 Vancouver Games. The new connection will reduce the time spent travelling the 50 km from Adler to Krasnaya Polyana from

Table 1: Overview of the four ski areas in Krasnaya Polyana

	Roza Khutor	Gornaya Karusel'	Laura	Alpika Service
Owner	Interros (Vladimir Potanin)	Michail Guceriev	Gazprom	Gazprom
Length of pistes (in km)	72	12	15	25
Highest elevation	Roza Pik (2320 m)	Black Pyramid (2300 m)	1800 m	Aibga (2238 m)
Lifts (under construction)	13 (5)	8 (1)	6 (6)	6 (1)
Capacity (persons/hour)	30 600	11 340	9 800	(5 670)
Day's ski pass	CHF 46 (RUB 1500)	CHF 40 (RUB 1300)	CHF 40 (RUB 1300)	Currently under reconstruction
Olympic facilities	Alpine skiing, snowboarding, freestyle	Ski jump	Biathlon, cross-country skiing	Bobsleigh

one hour to around 30 minutes at best. The hotel capacity too is undergoing massive expansion. 42,000 hotel rooms in various categories are part of the contractual agreement with the IOC – twice as many rooms as in the entire canton of Graubünden. It is already foreseeable however that not all the hotels will be ready on time. For this reason, alternative arrangements have been put in place for some stakeholders: for example, the approximately 25,000 volunteers are to be housed on chartered cruise ships anchored on the coast.

Excesses and investment ruins

The will to reconstruct Sochi demonstrates a gigantomania that is unusual even by Russian standards. The extent of the investments puts every other large-scale post-Soviet project in the shade. The consequences are as dire as they are predictable. The enormous pressure of time felt in building the necessary infrastructure, often accentuated by arbitrary bureaucratic decisions, means that the impact on the environment and people has become a secondary concern. Even the organising committee concedes that irreversible damage has been done. This is all the more serious because the construction sites are located in Caucasian nature reserves. For example, extensive sections of the river *Mzymta* have been spoilt and straightened, pillars for the rail and road link have been cemented into the river bed, from which large amounts of gravel have been directly excavated. Meanwhile, environmental organisations have completely withdrawn from discussions with contractors after even the most fundamental aspects of environmental protection were ignored and the organising committee continues to advertise the event as the greenest Olympic Games of all time.

The project also shows little sensitivity for the region's multiethnic history, which has been full of conflict and closely tied

to the Black Sea. The Sochi region was the last bastion of the Adyghe, also known as the Cherkessians or Circassians, after Tsarist Russia began the step-by-step subjugation of the Caucasian peoples from 1817 onwards in a series of campaigns in the Caucasian War. Following their final defeat in May 1864, the Adyghe were displaced and deported from imperial territory, with the result that today the majority of this ethnic group live in the diaspora beyond the Russian borders. 2014 marks the 150th year of the Adyghe's violent displacement. Whereas Vancouver put the problematic history of the white settlement of western Canada in the focus of the 2010 Winter Games, in Russia the cloak of silence is folded over a similar situation. The fact that place names such as "Sochi" or "Fisht" are derived from Circassian languages is of little concern.

The principal legacy of this gigantomania however will be infrastructure that is utterly unproportional and far too expensive for everyday needs. The combined rail-road link from Adler to Krasnaya Polyana will not be used to capacity even in high season. The total capacity amounts to 20,000 passengers per hour (11,500 by road, 8,500 by rail) – more than the number of rooms planned for Krasnaya Polyana. The subsequent use of the six stadia and the winter sport facilities will be the biggest cause for concern, however. After the Games, ownership of these facilities will pass over to the sports ministry, which foresees estimated maintenance costs of 75 to 125 million Swiss francs annually. The idea of dismantling existing stadia in other areas and reconstructing them in Sochi was claimed to be unviable and will only be realised for one stadium.

For this reason, many local citizens are dissatisfied despite the inordinate investments: they cannot see how the extravagance will be of any use in their everyday lives. On the contrary, the remaining slivers of prime real estate on the Black Sea coast and in the mountains have been sold to foreign investors and will thus be reserved for paying guests. And the cost of living has risen along with the property prices. For the foreign observer, the 2014 Winter Olympics in Sochi may be a fleeting lesson on the excesses of state dirigisme and neo-patrimonial politics; for the Russian leadership an opportunity to show the country at its modernised best; for the athletes and associations the height of sporting competition. But for Julia Erofeeva and her neighbours they have changed their lives immeasurably. If that change is for the better, the Russian government is yet to show how.

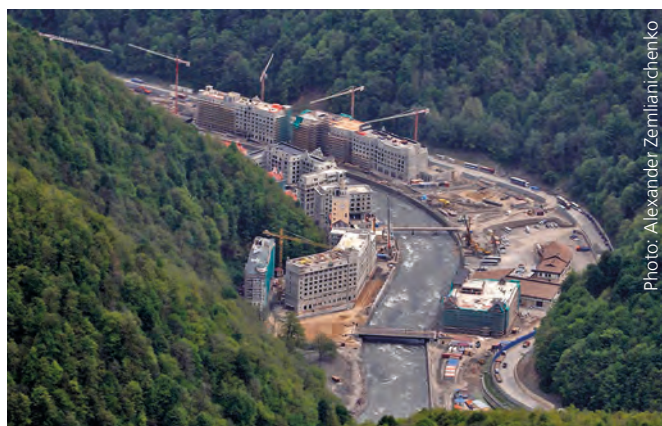


Photo: Alexander Zemlianichenko

A resort from a retort: construction work in Esto-Sadok near Krasnaya Polyana on the River Mzymta.

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