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The Effects of Globalization in the First Suburbs of Paris: From Decline to Revival?

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Abstract

In the context of globalization, cities have come to the foreground and are now thought of as nodes in the global economic network. This evolution has had various consequences for urban regions, depending on whether one focuses on the centers or the peripheries. It has been beneficial to some areas, but detrimental to others. Urban territories are now experiencing various forms of growth and/or decline, whether demographic, economic, or social. This study aims to analyze the specific processes of decline and revitalization that have affected the cities, and to identify which part public policies have played in this respect.

In order to grasp the varieties of decline in these “first suburbs,” a typology based on socio-economic indicators has been elaborated, which differentiates between four types of evolution patterns for suburbs lying within urban areas faced with globalization. Some of those first suburbs have indeed managed to resist decline: one group uses globalization as a way to become part of the economic center and to attract wealthy households; the second group is confronted with simultaneous social decline and economic success; a third group consists of cities fulfilling a mainly residential function; and the last is made up of localities in transition between the above orientations.

This change of economic and social pattern can thus be seen as a revival, but its consequences are of particular note amidst a global crisis. The sustainability of such a revival must be questioned.

Keywords: Globalization; suburbs; Paris; decline; revitalization; public Policies

1. Introduction

Urban areas have been subject to significant geographic, economic and social changes related to globalization. This context has not been beneficial to all areas in the urban region of Paris—some have experienced various forms of crisis and decline, losing population or economic activities, or becoming pauperized. The aim of this paper is to analyze the specific
The Effects of Globalization in the First Suburbs of Paris

The evolution of the “first suburbs” of Paris, namely the area encompassing the 29 cities bordering the capital city. It will examine how and why they are receptive to globalization processes, implying very specific forms of decline. The study will also assess how these cities have managed to overcome decline, at what pace, and how the deindustrialization of the post-Fordist era led them to question their local political choices. Then, it will consider to what extent their revival is sustainable in the context of the current global crisis.

Generally, one of the first effects of globalization upon urban spaces is to reinforce the economic role of big cities. The concentration of command and control functions, i.e. business services, has benefited major global metropolitan areas (Scott et al. 2001, Sassen 2001). The shift in economic patterns that has characterized European cities since the 1980s has not only diminished industrial activities to the advantage of services, it has also caused spatial reorganizations, including the alteration of the economic spatial structures within the urban area, as well as important social changes.

As a first effect of globalization, the spatial re-composition within metropolitan areas has been extensively debated, with various observers emphasizing the decline of the central business district (CBD) as the economic core of metropolitan areas, along with the corresponding rise of suburban employment centers (see for example Cervero 1989, Garreau 1991, Scott et al 2001). The debate focused on the form taken by this “de-concentration” process, be it a polycentric (Champion 2001, Audirac 2005) or multi-polar pattern (Hall and Pain 2006). In the Parisian metropolitan area, the creation of “new towns” reinforced this trend. Paris experienced a severe loss of population and employment between 1962 and 1999. Similarly, London and New York seemed to decline by 1970 to the benefit of suburban centers, due to population loss and de-industrialization (Fainstein and Harloe 2002). The decline of Paris as the center of the global city region could then seem to have been ineluctable (Beckouche 1997 1999).

The border cities around Paris have followed a path of economic crisis and population decline from the 1960s onwards. The reason is twofold—first, their development had always been closely related to that of Paris; second, most of them were characterized by a strong industrial specialization that

1. First suburbs, or inner-ring suburbs, can be defined as “those legally separate communities immediately adjacent to and contiguous with the central city of a metropolitan area” (Downs 1997, p. 359)
2. Spreading out
3. “New towns” are secondary centers created by the State some 30 kilometers away from Paris in order to achieve a more balanced demographic and economic development.
made them vulnerable to the post-Fordist transformations that started in the 60s. Moreover, despite their geographical proximity to the capital city, those cities could not provide the same level of infrastructure as Paris for the new, dynamic economic activities, namely growing business services and particularly, advanced producer services\(^4\) (Sassen 2001). In two different ways, Paris and its first suburbs seemed to be doomed to unrelenting decline.

Yet, the “de-concentration” of population and jobs is not in contradiction with the revival of the central area (Halbert 2007). Actually, in spite of its loss of population and employment to the benefit of its larger metropolitan region, Paris refocused on strategic activities (i.e. advanced producer services) and gathered all the usual attributes of the Global City, such as investment, concentration of headquarters and advanced services producers (Beckouche 1999, Halbert 2007). These dynamics were also observed in other Global Cities, such as London and New York (Fainstein and Harloe 2002).

According to Saskia Sassen (2001), the Global Cities and their regions are the wealthiest places in the world, where the globalized economy has built hubs and concentrated strategic jobs\(^5\) since the 1980s. The concentration of advanced producer services in the CBD or the economic core of such cities is consequently particularly high. Paris, considered by the GaWC as one of the seven “alpha +” Global cities,\(^6\) is greatly concerned by changes occurring simultaneously in its economic system: a decline in manufacturing, a rise of producer services, growth of the international financial system (though less developed than in London, New York or Tokyo), and the use of public policy to stimulate private investment, especially through public-private partnerships (Fainstein and Harloe 2002). Territories touched by such evolutions are thus more sensitive to economic fluctuation at the global scale.

Generally speaking, globalization also causes both spatial and social inequalities to increase in the metropolitan regions containing Global Cities. Global Cities are widely known to have kept their highly skilled (and well-off) inhabitants, but they have also attracted masses of poor immigrants. While the latter have flocked to the city centers, the middle classes have tended to move away from them. Therefore, it is thought that such cities are subject to a social “dualization,” juxtaposing the

\(^4\) These comprise activities such as financial services (banking and insurance), management, consultancy, advertising, accountancy, legal services, architecture, design, engineering, IT, R&D, etc.

\(^5\) HQ of international groups, financial services, global law firms, etc.

wealthiest and the poorest (Sassen 2001). This evolution has occurred as a higher-level process overlaid upon the unique history, culture and structure of every city (Fainstein 2001). In Paris, some studies suggest that the upper and middle classes have strongly increased in numbers, while the population of blue-collar workers has decreased, with the decline being partly compensated by the influx of new, tertiary, low-skilled workers. However, this does not mean that the agglomeration is socially fragmented. Prêtreceille (2003, 2006) shows that social segregation did not really increase between 1990 and 1999, and that it mostly affected both the upper class (who have chosen segregation) and the poorest part of the working class, who were confined in deprived neighborhoods.

Nevertheless, globalization has had varying effects depending on the various locations within the Parisian agglomeration. Many studies have analyzed the reinforcement of the core as Paris “intra-muros” and simultaneously the polycentrism of the region (Guillain et alii 2006; Shearmur and Alvergne 2002) while others have focused on the changes affecting the first suburbs of Paris, such as Plaine Saint-Denis in the north (Malézieux 2003; and Nappi-Choulet 2006; Lebeau 2007) and Issy-les-Moulineaux in the southwest (Fol and Sabot 2003). These studies have shown that the metropolitan re-concentration into the urban core had strong effects on these territories, but the first suburbs in the urban region of Paris have seldom been specifically identified and studied. Usually, much attention is devoted to the three border “départements” around Paris (Seine-Saint-Denis, Seine-et-Marne, Hauts-de-Seine), created in 1964 and also known as the “dense zone” or Petite Couronne (literally “small crown”, i.e. inner suburb). However, first suburbs are specifically involved in the reorganization of the economic core, placing them at the forefront of the changes linked to globalization after the long crisis brought about by deindustrialization.

The main argument of this paper is that the specific location of the cities bordering Paris has made them particularly sensitive to the forms of crisis and decline caused by deindustrialization and globalization, but has also given the inhabitants assets to react against them. The border cities actually benefit from their position between the core (Paris) and some new emerging poles, such as La Défense or Roissy, chiefly because the cities enjoy a good public transportation network and/or can use their industrial wastelands for the construction of business offices (Malézieux 2003).

Indeed, first suburbs know various forms of “revival” as part of the urban core of a global city, and within a “radical restructuring and reordering of this economy” (Fainstein and Harloe 2002). This means that they have started to compete fiercely for investment, in a pattern typical of contemporary

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7. See map below.
global forms of competition (McLeod et alii 2003). Consequently, their economic development is based on activities linked to the international economy, which in turn makes them subject to the effects of global downturns.

Moreover, globalization has made the first ring of suburbs sensitive to forms of social crisis: according to Préteceille (2006), the growing social segregation has mainly affected the first ring of suburbs, whose population is becoming less mixed. The former working-class cities are caught between two diverging trends, where the best located sites are “recycled,” transforming the local economy and social composition, and the least attractive spaces are devalued, leading to the concentration and isolation of the poorest populations (Haumont and Lévy 1996). Investment and economic activities are booming in the best locations (Nappi-Choulet 2006; Halbert 2007), with some areas even becoming upper-class districts, while other territories and their inhabitants are increasingly pauperized (Bacqué and Fol 1997; Bacqué and Fol 2000).

The principal aim of this article is to study how these territories have chosen to resist decline stemming from a major crisis related to changes in their economic and social functions (de-industrialization, loss of population and employment), and how they are now integrated into the new schemes of a Global City economy. In order to grasp the varieties of decline in the first suburbs, a typology based on socio-economic indicators has been elaborated. It allows the differentiation of four types of evolution patterns. Taking the current economic crisis as an example, this article will then explore the question of the permanence of their revival.

2. The First Suburbs of Paris: A Specific Decline

In order to show the various types of declines and responses to globalization, I shall analyze the general evolution of all the border cities, focusing first on demographic changes. Then, taking into account their socio-economic transformations, I shall present a typology resting on a list of criteria selected from the various kinds of dynamics generated by globalization in the first suburbs. My list is thus derived from two sets of indicators, one framing the social context of the cities and one characterizing their economic profile regarding globalization trends. By combining both profiles, four categories or evolution patterns are revealed.

2.1. The Geographical Context of the First Suburbs of Paris

The border cities of Paris have formed part of the Parisian agglomeration for over a century and they are characterized by a striking continuity in
The Effects of Globalization in the First Suburbs of Paris

their urban fabric. Consequently, they can be considered as “first suburbs” (see Map below) both in the historical and in the geographical sense.

The social and economic specializations of these border cities partially stem from their historical relationship to Paris. In brief, Paris used to “dump” its polluting industries and transplant its cemeteries to the border cities, mostly in the North East. These cities often became worker communities and consequently functioned as the industrial and social periphery of Paris, while the West became a wealthy residential zone. The spatial discrepancy between the poor North-East and the wealthy West and South-West seems to have remained constant (François et al. 2003 Apur 2007).

The border cities were touched by globalization, at first due to the deindustrialization process that began in the late 1960s and gathered pace in the 1980s. However, they now take part in the reinforcement of the economic agglomeration “center” (Halbert 2005), also known as the “hypercenter” or “core area” of the agglomeration. Indeed, at the scale of the Paris agglomeration, the spatial re-compositions due to globalization are analyzed as a “multipolar-monocentric” pattern, rather than a polycentric one (Shearmur et Alvergne 2002, Guillain et alii 2006, Halbert 2007). Business centers “de-concentrated” some of their activities to secondary suburban poles, with the high level functions of the productive system remaining in the historically dominant economic center (Halbert 2007). The new suburban poles therefore remained dependent on the capital.

The border cities evolved in different ways, with some actually included into the enlarged economic center, and with others less affected. The “de-concentration” of producer services first benefits the western and the southwestern suburbs, which are closest to the Parisian CBD. These
suburbs widen the economic core to constitute a “large central metropolitan triangle” (Halbert 2007). This triangle actually corresponds to a spatial differentiation in producer services within the metropolitan area of Paris. The first suburban cities in this central-western triangle specialize in advanced producer service activities while the other poles that have emerged in the first suburbs are linked to basic business services (material production and downstream activities in the north, unspecialized in the east) (Halbert 2007). Such complex dynamics are due to local economic traditions and heritages, to the support of public bodies likely to invest in strong planning strategies, and to the manner in which real estate developers and investors have taken advantage of these evolutions.

Furthermore, over the last few years, the growth in business services seems to have concentrated in a “denser zone,” an area scarcely larger than that enclosed by the first suburbs. The first suburbs have thus been re-positioned in the geometric center of the agglomeration, precisely between the center and its periphery, so that their status has become more ambivalent.

### 2.2. From Demographical Decline to New Dynamics

Most of the border cities, like most “arrondissements” in Paris, lost inhabitants between 1962 and 1999. However, they underwent this demographic decline in different ways, at differing moments. Thus, decline still seems to be a strong, ongoing trend in some cities, while others have now managed to put a stop to it.

![Figure 2: The demographic evolution of Paris and its first suburbs since 1962](image-url)
In the first half of the 20th century, the northern, eastern and southeastern first suburbs (Seine-Saint-Denis and Val-de-Marne) were characterized by industrial specialization. The functional and social aspects of this specialization account for these cities’ particular way of life and political behavior, since most of them were ruled by Communist mayors. That is why they were said to make up a “Red belt” around Paris. This generated territorial links based on a relationship between housing and labor, which combined a marked social and political identity with a sense of local belonging (Fourcault, 1986; Bacqué and Fol, 1997). Their urban development was deeply influenced by the “grands ensembles” (council estates, or social housing projects with high-rise apartment buildings). After 1950, the arrival of foreign workers from Southern Europe and North Africa also had an impact on their social structure (Marchand 1993, Bacqué and Fol 1997). After the economic crisis that began in the 1970s, and the de-industrialization of the 1980s and 1990s, these suburbs underwent a significant economic, demographic and social decline. This mainly benefited the outer suburbs, which experienced concomitant demographic and economic growth.

Yet, the demographic evolution of the first suburbs has taken varying forms. Some of them, such as Aubervilliers, Saint-Ouen or Saint-Denis, have lost inhabitants since the 1960s, while others have lost residents since the 1970s and 1980s (Bagnolet, Montreuil or Ivry-sur-Seine). Others lost population between the 1960s and 1980s, but then saw a population rise thereafter (Le Pré-Saint-Gervais and Pantin, or Le Kremlin-Bicêtre and Joinville-le Pont).

The former industrial cities of the southwestern suburbs experienced similar demographic changes, losing population between the 1960s and 1980s or 1990s (Boulogne-Billancourt, Clichy, Issy-les-Moulineaux, Levallois-Perret), and then regaining inhabitants until 1999. This type of evolution is largely due to the establishment of the new CBD of La Défense in the cities of Courbevoie, Nanterre and Puteaux, as part of a strong national policy aimed at creating a second economic pole in the region of Paris.

To complete this analysis, the study of the demographic changes originating from both natural and migratory factors shows that the overall loss of population is due to a negative migratory balance, while the natural growth component is generally positive from the 1960s to 1999 due to the youth of the population. This youthfulness is indeed a characteristic of the region of Paris; the metropolitan area welcomes young households, who then tend to leave the region when their children become older. The demographic evolution of the first suburbs that have been regaining population from the 1980s or 1990s is thus mainly related to a change in the migratory balance, which has become less negative for most cities and even positive for some, such as Issy-les-Moulineaux or Levallois-Perret.
Furthermore, the most recent population estimates released by the INSEE office (INSEE 2009) suggest that the first suburbs have become demographically dynamic between 1999 and 2006, with an average annual growth of 1.3%. The cities gaining the most population are Montrouge, Issy-les-Moulineaux, Aubervilliers, Levallois-Perret, Saint-Maurice, Saint-Denis, Clichy, Saint-Mandé, Montreuil and Suresnes, which are mostly southwestern and northern cities. This growth is explained by internal population growth, which remains positive for every town and is particularly strong in the north (Saint-Denis, Aubervilliers, Pantin, Clichy). Meanwhile, the migratory balance has also become positive in a majority of the first suburbs, for the first time in 40 years.

However, even if the demographic decline seems to have stopped, this does not mean that every town has become attractive in terms of migratory balance. In some eastern (Joinville-le-Pont, Fontenay-sous-Bois) and western cities (Puteaux, Boulogne-Billancourt), for example, it is still negative.

Moreover, stopping the demographic shrinkage does not necessarily mean that corresponding economic and social improvements are going to take place. Do such demographics correspond to strong restructuring and integration into the socio-economic system of the Global City? Or, rather, do they hide a relative “peripherization” of some of the cities? In order to distinguish between various patterns of evolution and response to globalization, I had to analyze the socio-economic indicators more closely to set up a typology.

3. The First Suburbs of Paris: “Peripherization” or Integration Into the Urban Region?—An Attempt at a Typology

To establish a typology of Paris’ first suburbs, I chose some specific indicators revealing the effects of the globalization process upon them as well as their social profile. These socio-economic indicators are mostly given by the 1999 national population census, and by the statistics offices of several French Ministries, especially regarding building construction, job qualifications and income changes. This has allowed me to distinguish between four main groups of cities and analyze their local policies.

3.1. Method of Typology

A first set of indicators allows categorization of the cities according to their social features (see Table 1). Then, a second set of indicators completes the typology in order to classify the cities according to their permeability to globalization (see Table 2).
The Effects of Globalization in the First Suburbs of Paris

Table 1: Social Features

<table>
<thead>
<tr>
<th>Type of indicator</th>
<th>Indicator</th>
<th>Source</th>
<th>Geographical Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income profile of the population</td>
<td>Median income per consumption unit in 2005</td>
<td>INSEE, DGI</td>
<td>Median income and income inequalities are scattered within the Parisian first suburban ring. Yet, some characteristics can be pinpointed: Northeastern cities combine rather poor populations with significant inequalities, their income is growing slowly; Western and southwestern cities are rather rich and homogenous, with incomes growing quite fast; Eastern and southern cities do not have a consistent profile.</td>
</tr>
<tr>
<td>Interdecile ratio in 2005</td>
<td></td>
<td>INSEE, DGI</td>
<td></td>
</tr>
<tr>
<td>Change in median income from 2001 to 2005</td>
<td></td>
<td>INSEE, DGI</td>
<td></td>
</tr>
<tr>
<td>Social homogeneity and social changes</td>
<td>Ratio of highly skilled workers to employees and workers in 1999</td>
<td>INSEE, National Census 1999</td>
<td>This indicator gives a good idea of whether the population is socially mixed or not (the higher the ratio, the more homogenous the population of highly skilled workers). The very homogenous, upper class nature of the population in the western and southwestern cities comes as no surprise.</td>
</tr>
<tr>
<td>Evolution of this ratio between 1968 and 1999.</td>
<td></td>
<td>INSEE, National Census 1968 and 1999.</td>
<td>This enables us to see where the growth of upper categories was most important. In fact, dramatic social changes have taken place in some of the traditional industrial worker cities in the west, such as Levallois-Perret, Puteaux and Issy-les-Moulineaux.</td>
</tr>
</tbody>
</table>

1. Except for Neuilly-sur-Seine, very rich and unequal, due to the particularly high income of the wealthiest decile.
2. The interdecile ratio is an indicator of income inequalities. It is the ratio of the income level above which the 10% of households with the highest incomes are found, to the level of income below which the 10% of households with the lowest incomes are found.
3. The Socio-Professional Categories defined by INSEE are aimed at describing the social position of every profession. Its simplest classification scheme has six categories: independent workers (that is to say, artisans, shopkeepers, business heads); managers and highly skilled professionals (the fastest developing category in a globalization context, that is, the upper class); technicians and associate professionals (middle class); employees and workers (both working class, but the former in the service sector, the latter in the industrial sector); and farmers. These are the standard occupation categories in French statistics. They focus on social status rather than income.
Table 2: Permeability to globalization

<table>
<thead>
<tr>
<th>Type of indicator</th>
<th>Indicator</th>
<th>Source</th>
<th>Geographical characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orientation toward production or residential functions.</td>
<td>Ratio of jobs offered in the cities compared to their working population in 1999.</td>
<td>INSEE, National Census 1990 and 1999.</td>
<td>Western cities in the first suburbs between Issy-les-Moulineaux and Saint-Denis have a higher number of jobs than the cities in other denser areas, though less than in Paris or La Défense. Hence, they appear to be employment hubs with a high number of jobs to working population ratio. In most cases, this ratio remained stable between 1990 and 1999, but rose in Issy-les-Moulineaux and decreased in the North-eastern and Eastern border cities of Paris. Eastern cities around the Bois de Vincennes (Saint-Mandé, Nogent-sur-Marne and Joinville-le-Pont, for example) are specific cases with low job numbers and a low number of jobs-to-working-population ratio.</td>
</tr>
<tr>
<td>Evolution of this ratio (1990-1999).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of activities favored by construction, and dynamics of construction.</td>
<td>Surface area of manufacturing premises and of office buildings initiated between 1995 and 2005.</td>
<td>Sitadel, Ministry of Infrastructure</td>
<td>The total floor area of commercial building construction started between 1995 and 2005 evolved in a particularly dynamic way in three cities (Saint-Denis, Issy-les-Moulineaux, Montreuil). In fact, there is continuity in the west of Paris between Montrouge—Issy-les-Moulineaux in the south and the sector of Saint-Denis—Aubervilliers in the north. Eastern cities are characterized by a small amount of commercial building constructions. This goes hand-in-hand with the local availability of jobs.</td>
</tr>
<tr>
<td>Type of indicator</td>
<td>Indicator</td>
<td>Source</td>
<td>Geographical characteristics</td>
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</tr>
<tr>
<td>Penetration rate of globalization into the productive structure of the cities</td>
<td>Proportion of locally employed highly skilled workers1 in 1999, and its change from 1990 to 99.</td>
<td>INSEE, National Census 1990 and 1999.</td>
<td>The proportion of highly skilled workers is high and fast-growing in the southwestern cities (Issy-les-Moulineaux, Levallois-Perret, Puteaux...). Nevertheless, in some cities identified as “residential” (Gentilly, Malakoff or Vanves in the south, Charenton-le-Pont and Saint-Maurice in the east), these proportions are quite high and have also tended to grow very quickly.</td>
</tr>
<tr>
<td>Evolution of specific, globalization-related activities</td>
<td>Proportion of jobs in financial activities in 2006</td>
<td>UNEDIC</td>
<td>This concerns mostly southwestern cities (Puteaux, Levallois-Perret, Issy-les-Moulineaux), but the phenomenon can be perceived in eastern cities as well (Charenton-le-Pont, Fontenay-sous-Bois or Vincennes). Paradoxically, such activities also concern some Seine-Saint-Denis cities that were deeply affected by deindustrialization (such as Saint-Denis, Montreuil or Bagnolet) and they are also growing fast in Aubervilliers, Saint-Ouen or Ivry-sur-Seine in the south.</td>
</tr>
<tr>
<td></td>
<td>Change in this proportion since 1993</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. This category comprises the most highly skilled occupations—mainly intellectual (R&D, teaching...), artistic (media, information, artists...), managerial and executive (senior managers and executives, business managers).
By comparing these two sets of indicators, and taking into account each indicator’s average and its standard deviation, three “social types” could be defined, with the following characteristics:

1. Slowly growing, low income, high income inequality, and lingering working-class predominance throughout the last forty years.
2. Average income, inequality ranging from low to average, and quite mixed population.
3. Fast-growing income ranging from high to very high, low social inequality, and upper class predominance that has either been established since 1968 or has since resulted from rapid growth.

Three “globalization types” can be defined as follows:

1. High proportion of highly skilled jobs in the local job market, and high level of commercial office construction.
2. Remaining traces of a former industrial profile, but in rapid evolution (growth of financial activities, substantial commercial office construction).
3. Average profile, more residential oriented, but with some features of an ongoing globalization process (financial activities, growth of highly skilled jobs…).

Combining the six types by pairs, four groups of cities were revealed, according to their social and/or economic integration into global oriented evolutions (see Figure 4).

Figure 4: Typology of the first suburbs of Paris
3.2. Reactions to Decline in the First Suburbs of Paris: A Typology

3.2.1. The “Pro-Globalization” Choice: Economic Integration and Gentrification

Taking advantage of a good transport network to Paris and of their proximity to La Défense CBD, former industrial cities in the southwestern suburbs, such as Issy-les-Moulineaux and Levallois-Perret, have adopted a voluntarist approach, welcoming some high-tech enterprises and advanced services after a period of decline. They have become leaders in terms of commercial office construction and their population has also been growing since the 1980s and the 1990s.

In these cities, the average per capita income has been increasing faster than in the other first suburbs, and at a faster rate than the average regional income (IAURIF 2005). Segregation has been increasing in their neighborhoods, leading to the domination of the upper class.

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8. Partially on the territory of Puteaux, with a western extension.
9. In Aragon’s novel Les Beaux quartiers, written in the 1930s, this city figures the pro-working class choice of the hero, as opposed to the beaux quartiers—the smart districts—of the 16th arrondissement and Neuilly.
10. These calculations were made by the Institute for Urban Planning and Development in the Paris—Île-de-France Region (IAURIF) in the preparatory studies for the new Regional Master Plan (Schéma directeur de la Région Île-de-France).
However this is not “gentrification” proper, insofar as it does not take place in the central city. Since 1990, this has been more of an expansion of upper-class areas into formerly adjacent working class neighborhoods than an arrival of upper class population (Préteceille 2003, 2006). Some of these cities, such as Saint-Cloud and Neuilly-sur-Seine, have had a strong proportion of highly skilled workers since 1968, when the formerly working class cities started catching up in terms of the proportion of the upper-class, experiencing an impressive growth in their highly skilled worker populations between 1968 and 1999 (the increase was by a factor of 9.0 in Levallois-Perret, 7.8 in Puteaux, and 4.6 in Issy-les-Moulineaux).

While their median per capita income is among the highest in the first suburbs of Paris, the interdecile ratio is reasonably low. Indeed, most of these cities still retain a high proportion of employees and technicians. The graph below shows that in Boulogne and Issy, the professional structure of the population is different from the structure of local employment. For example, few managers live in Issy-les-Moulineaux, compared to the proportion of managerial jobs offered there.

Issy-les-Moulineaux is a case in point (Fol and Sabot 2003). The demographic and economic decline of the town has been halted and its production structure is now dominated by high tech services and industries, such as TV production and business headquarters. “A policy of technological expansion” is the slogan of the mayor, who has been in charge since the long domination of the municipality’s left-wing political faction ended in 1980. The mayor embodies the positive

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11. See footnote 8 for French occupation categories.
image of the city, and he has been developing a few large urban projects around new information technologies, including the erection of towers that symbolize architectural globalization. Between 1995 and 2007, Issy-les-Moulineaux attracted 12.7% of the total floor area of office buildings constructed in the first suburbs, while its population rose by only 4.7%. The dynamic of development was so strong that the real-estate downturn of the 1990s barely touched Issy-les-Moulineaux. While the construction of office buildings shrank in the region from 1993 onwards, the construction programs of offices in Issy were at their maximum in 1994 (Burkart 1999).

However, not every town of this type is as advanced as Issy-les-Moulineaux, which stands out as the epitome of success in its category.

3.2.2. The “Scissor Integration” Cities: Simultaneous Economic Integration and Social Marginalization

This category comprises mainly the Seine-Saint-Denis cities, from Saint-Ouen to Aubervilliers, and Montreuil. Socially, the population of these cities has remained working class and low-income since 1968.

12. This is particularly interesting considering that the construction of towers, which is now forbidden in Paris, is still a hotly debated issue. Within the agglomeration, towers architecturally symbolize the city’s belonging to the CBD, as in La Défense.

13. Source: Sitadel (French Ministry of Infrastructure).
Their economic profile reflects their industrial heritage and their rapid integration into the global system (growth of financial activities, office building construction).

One of the most striking examples is the territory of Plaine Saint-Denis (Saint-Ouen, Saint-Denis and Aubervilliers), which is functionally increasingly integrated into the center and takes part in its strategic activities (Lebeau 2007). Plaine Saint-Denis underwent an acute industrial crisis until 1995, but has now become attractive again thanks to its proximity to the capital city, investments made by the state and the local authorities, and good transportation links. With the construction of more than 720,000 m² of office buildings between 1998 and 2007, the addition of high added value services, research laboratories and branch offices of companies such as Panasonic or Siemens, Plaine Saint-Denis has become part and parcel of the economic “hypercenter” of the agglomeration.

However, the new jobs created by this activity do not benefit the inhabitants who are mainly low-skilled workers (among whom a large share of immigrants). The good transportation system allows qualified workers residing in other cities to easily commute and work there (Beckouche 2001). The profile of the jobs offered and occupied (see graphs below) in 1999 shows a regular pattern in these cities: a relatively high level of managerial jobs offered, but a high number of low-skilled workers and employees amongst the local population.

![Figure 8: Jobs offered and jobs occupied by the local inhabitants in Aubervilliers and Saint-Denis (Source: Insee)](image)

14. Creation of the Stade de France where the Soccer World Championship took place in 1998, covering of the freeway, new stations...
15. Source: Sitadel (French Ministry of Infrastructure).
The social marginalization of the inhabitants is first and foremost due to the construction of social housing (2/3 of the housing in Saint-Denis), which has been deserted by the middle class since the 1970s and subsequently occupied by poor immigrant workers. The average income per capita is far below the regional one and the difference has been increasing since 1984 (IAURIF 2005). Inequalities (interdecile ratio) are high, mostly due to the very low income of the poorest decile. Yet, on a finer scale, gentrification has permeated some neighborhoods as a “scattered process of social upgrading” (Préteceille, 2006), especially in Montreuil. In this process, the various types of housing may explain local differences, with a strong presence of social housing presenting an obstacle to gentrification, and with the presence of suburban houses encouraging it.

Strategies have been evolving in Plaine Saint-Denis, from the refusal of service sector economic development to a “controlled” opening to globalization (Albecker and Fol 2010). Originally, the aim was to preserve the industrial sector with highly restrictive zoning regulations, which prohibited office uses over almost all of the municipal territory, particularly on the Plaine-Saint-Denis, covered by industrial wasteland. From the late 1980s onwards, however, the Communist-run council gradually opened the territory to services and to private investment, while trying to maintain industrial activities in the broad sense. Housing policies have recently been opened to private investors, with the goal of developing mostly homes for low-income households, while retaining control over the real estate. However, these attempts have not been totally successful, for private investors have tended to gain in influence, in the real-estate sector for example (Pollard 2009).

Intermunicipal cooperation has helped a lot in these strategies: the intermunicipal body named “Plaine Commune” gathers the municipalities of Plaine Saint-Denis among others. It has managed to promote the territory to private investment and create new jobs. Its goals are to revitalize the territory and create revenues for the municipalities. Local tax revenue can thus be reinvested into welfare policies to the benefit of the disadvantaged population of these cities.

Nevertheless, this process leads to a juxtaposition of territories of economical success and social crisis that can be characterized as “fragmentation” (Bacqué and Fol, 1997).

3.2.3. The “Pro-Residential” Choice: Dormant Economy and Social “Entre-Soi”\(^\text{17}\)

The third category of cities comprises the first suburbs that have deliberately chosen to be residential areas.

\(^{17}\) « Among peers »
They are all located near the Bois de Vincennes and the Marne River (Saint-Mandé, Nogent-sur-Marne, Joinville-le-Pont, Saint-Maurice, Charenton). These cities became vacation resorts in the 19th century (Farcy 1991), and were depicted in paintings by many Impressionists (Camille Corot painted Joinville-le-Pont, while Jean-Baptiste Guillaumin immortalized Charenton-le-Pont and Nogent-sur-Marne).

Local and regional development policies, such as the creation of the tourist pole “Boucles de Marne” (Marne Loops), enhance this resort lifestyle and promote the development of a high “quality of life”. They also favor specific economic activities and the development of housing. Vincennes, for example, is characterized by its very high density, which complicates the development of new urban neighborhoods. However, the city has favored the rapid redevelopment of industrial wasteland into service activities (from the 1970s and 1980s onward), particularly banking. The residential orientation is maintained with a quite dynamic increase in housing, as exemplified by the construction of some single family houses, a very rare phenomenon in the inner-ring suburbs. The social housing rate is notably low (7% in 2008). The municipality stresses the notions of “urban balance” or “quality of life” and favors the tourist development around the royal Castle of Vincennes. The fact that such cities do not directly border Paris could explain their persistent exceptionalism. Moreover, the public transportation network to Paris is not very dense except for Vincennes and Saint-Mandé, the richest cities in the group.

Figure 9: “Pro-residential” cities.
These cities have had similar demographic changes: they lost population between 1962 and 1982 or 1990 before reversing the trend (with an improvement in their migratory balance). Their housing specialization can be seen in their low number of office buildings and jobs, both in absolute terms and relative to their working populations. Their inhabitants’ median income is relatively high and levels of inequality remain quite low, which is the sign of their social entre-soi. This phrase means that the social backgrounds of their inhabitants are so similar that they all live within their own peer group, literally “among themselves” or “among their peers.” However, their population is quite mixed between workers, employees and highly skilled workers. Even if such cities are not specialized in production, the few commercial activities that they do have are quite marked by globalization (financial activities, high number of highly skilled jobs offered).

3.2.4. The “Transition” Cities: Between Rapid Economic Integration and Residential Specialization

The last typological group of first suburbs is made up of southern (Vanves, Malakoff, Montrouge, Gentilly) and eastern cities (Pantin, le Pré-Saint-Gervais, Les Lilas, and Bagnolet) that used to be quite industrial, albeit without the large, heavy industries that can be found elsewhere in the inner ring of the metropolitan region.

Figure 10: “Transition” cities.
Compared to the cities of the previous types, these jurisdictions have been undergoing a change in specialization. Some of them, such as Pantin and Bagnolet, keep hesitating between a productive orientation (that is, a partial integration into globalization) and a residential specialization. Others, especially the smaller ones such as Le Pré-Saint-Gervais or Les Lilas, are clearly oriented towards housing. Their population is mixed but the income level remains quite low, even if this is likely to change.

Pantin stands out as a good example, all the more so because the main roads and public transportation routes that cross its territory have led to its fragmentation. Historically, it has been divided because of the town’s status as an industrial dependency of Paris: the railroad that links the capital city to eastern France runs right across it. The popular neighborhood of Quatre-Chemins, and the high-rise estate of Les Courtillières in the North-east were split off from the rest of the town by the Parisian Fort and Cemetery, which causes the feeling of social exclusion to be reinforced in these neighborhoods. Les Courtillières is a 1,600-household snake-shaped high-rise block built in the 1960s for social housing: the proportion of foreigners is quite high there (23% in 1999) and unemployment is endemic (24% of the population in 1999). An urban renewal program (renouvellement urbain) was launched in 2007, which aims to diversify the inhabitants’ social backgrounds and offer some activities. Les Quatre-Chemins has now become a blighted area with a 32% foreigner-born population in 1999 and an unemployment rate of 22%. It is the object of a renewal project, as well.

In the southwest part of the town, the housing is more individual, or neo-Haussmann style, which allows for the beginning of a gentrification process with new, middle-class inhabitants replacing workers. This goes along with the restructuring of the industrial wasteland of the Grands Moulins (“Great Mills”) by architect firm Reichen and Roberts. The area was planned to house some 3,000 employees of BNP Security Services (banking) as of 2009. Thus, Pantin has remained a working class town, but it is likely to develop into a residential or pro-globalization type suburb. In spite of this transition, however, it may continue to suffer from the social divide running through its territory and its remaining pauperized areas raise the question of the appropriate scale of intervention for local policymakers. These strategies are quite complicated to characterize, with the Socialist municipality favoring tertiarization but willing to maintain industrial activities, and slowing down the construction

18. This architectural style is called so because it uses the principles Haussmann used for parissian buildings: 6 floors, similar façades, etc. This style is very frequent in Paris urban region nowadays.
of social housing. This goes hand in hand with a strong emphasis on environmental sustainability.

To conclude, these divergent evolutions seem to result from local effects linked to the permanence of the original economic, urban and socio-spatial features and to the pre-existing geographical conditions (western cities have a better context from which to react to decline, for example). However, the role of local policies should not be underestimated. They led the first suburbs to fit into the Global City in differing ways. However, this integration into the Parisian “hypercenter” could appear as fragile: what will be their resistance to the new forms of crisis embedded in the post-industrial economy?

### 4. Confrontation with the New Crisis: The “Thorn” of the Globalization “Rose?”

In 2009, the consequences of the financial crisis affected the global economy and did not spare France, where the GDP declined 2.3%. Paris’ urban region, particularly dependent on large companies and on their international exposure, suffered from this turn of events. Industry was particularly hit by the worldwide economic downturn, with -12.3% turnover and a 4.5% decrease in jobs in 2009; similarly, the producer services also saw a slow-down of their activity in 2009: -5.2% turnover and a 2.9% loss of jobs (Banque de France 2010). The unemployment rate in the Paris-Ile-France region is still better than the French average but has been increasing from 1.3% in 2009, reaching 7.9% of the active population at the end of 2009 (versus 9.1% in France as a whole). The effects of this crisis on the urban region are geographically uneven, and the ongoing integration into globalization of the first suburbs should make them particularly sensitive to them.

However, Paris’ first suburbs seem to occupy quite a secure economical location in the Parisian agglomeration, due to several factors. First of all, most of the suburbs are now fully part of the Parisian CBD, which “remains—or even becomes—increasingly central for high level functions of the productive system” (Halbert 2007), and are therefore more likely to resist an economic crisis.

First suburbs may even embody a better location than the “older” locations of the CBD, due to the nature of the link between firms and real estate. Searching for flexibility, firms tend to outsource more and

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21. However, these are mainly suppositions, given that there are not many recent data to confirm these facts.
more functions, especially real-estate development and property management (Malézieux 1999). They also tend to minimize real estate costs, which has consequences for their locational strategies and in the architecture of office buildings.

First suburbs have managed to benefit from the vacant areas left by industrial wasteland by building office buildings. These recent commercial structures are equipped with the most modern technologies, offering optimal functionality (Apur 2005). Firms are therefore favoring these territories, due to the modernity of the office spaces and the lower costs they provide. Local policies often reinforce these dynamics by promoting environmental sustainability in their projects, from the construction of high environmental quality buildings to the creation of bicycle lanes. Broadly speaking, every town values the notion of sustainability in their economical projects, all the more because an ethos of sustainability values density. (The first suburbs are located in the densest zone of the agglomeration and are well-served by public transportation.)

The rapid recycling of the urban fabric may thus benefit the first suburbs for now, given that private investments tended to boom there in the last decades (Nappi-Choulet 2006), but their future appears more fragile in that context. The typology gives us a good framework with which to analyze how these economic elements may intervene in the evolution of Paris’ first suburbs amidst the current crisis.

“Pro-globalization cities” are confronted with the necessity of a certain recycling of their office buildings. Indeed, the devaluation of “ancient” office buildings (older than 30 years) is now of concern to cities, in particular among the other groups. Considering that the redevelopment of office buildings started in the 1980s, with the vacancy growing, more buildings will have to be destroyed or restructured, as a consequence of the increased flexibility of urban spaces (Chesneau 2000). This is linked to the demand of firms and to the structure of urban investment, which is more and more linked to the finance sector (hedge funds, banks, etc) in different ways (Halbert 2010).

This is leading to a cyclic urban evolution, more sensitive to financial ups-and-downs, with investments currently shrinking at the regional scale. Investments in the Paris region’s real-estate market shrank between 2007 and 2008 from 20.4 billion euros to 8.4 billion; first suburbs were less

22. These functions used to be managed by the firms themselves and integrated in their global strategies.

23. As exemplified by the project of a « green tower » in Issy-les-Moulineaux, “Tertiary Quality Charter” to construct passive energy building in Saint-Denis and Aubervilliers... Broadly speaking, every city values the notion of sustainability in their economic development projects.
affected but investment decreased by 32.3% in the Western Crescent\textsuperscript{24} of inner-ring suburbs between 2007 and 2008.\textsuperscript{25} Furthermore, these cities have specialized in order to build a spatial economic identity—such as Boulogne-Billancourt and Issy-les-Moulineaux in radio, television and multimedia (APUR 2005)—but the tendency to concentrate on specific activities could weaken them in case of a crisis affecting these sectors.

The “pro-globalization” cities seem, however, to have been quite spared for the moment concerning employment and office occupancy, given that many firms moved there in 2009 (Microsoft Europe in Issy-les-Moulineaux for example). In the Western Crescent, office building leases have only shown a slight decrease between the end of 2008 and late 2009 (-2.6%), which is less than the regional decrease (-4.9% between 2008 and mid-2009, though the lease rates have now almost regained their 2008 levels). This resilience will certainly be sustained by their upper-class orientation. They will probably remain as wealthy communities;\textsuperscript{26} their unemployment rate continues to be lower than the regional average.

“Scissor integration cities” may witness a rise of the gap between their economic development, which continues in the north (CROCIS 2009), and their social difficulties. Unemployment is increasing rapidly in these territories: +10.9% in Saint-Denis, +8.2% in Saint-Ouen and +3.2% in Aubervilliers between February 2008 and February 2009.

Besides, the youth of their economic development may be a vector of fragility in a crisis context: investment decreased by 47.2% in the northern, eastern and southern first suburbs between 2007 and 2008, and office leases decreased from 15% in the northern and eastern first suburbs between their highest value at the end of 2007, and late 2009.\textsuperscript{27} Even if the real-estate market is projected to regain its footing in 2011, the consequences of the downturn are far from neutral, and more dangerous for the locations that developed most recently (north, east, south).

Therefore, this set of predictions concerns “transition cities” too.\textsuperscript{28} They may be the most sensitive to the current crisis, which could accelerate their membership in one of the three other groups. The concentration on housing construction could be an answer to the economic downturn and the cities could enter the “pro-residential” group, for example. Or, in

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\textsuperscript{24} This zone is defined by a group, GIE Immostat, that provides statistics about real estate in the Paris’ region. It comprises the “pro-globalization” cities plus a dozen of cities to the south and northwest of the first suburbs. See http://www.webimm.com/indicateur/statistique.asp.

\textsuperscript{25} Source: GIE Immostat.

\textsuperscript{26} NB: Due to a housing gap in the Parisian agglomeration, the real estate prices have not shrank dramatically; they are currently increasing again.

\textsuperscript{27} Source: GIE Immostat.

\textsuperscript{28} The data do not differentiate between the areas.
cities such as Pantin where local pauperization is occurring, the increase of unemployment could lead to fragmented social dynamics.

“Pro-residential cities” should manage to struggle on due to their residential component, even if their economic integration could be slowed down—mainly due to their distance from Paris. However, the lack of precise data concerning these territories does not allow a deepening of that analysis.

Finally, the current crisis does not touch first suburbs as deeply as the de-industrialization crisis did. The real-estate bubble in Paris was not as pronounced as in American cities, for example: the successive phases of the construction cycles in the Paris region show that the real-estate markets tend to more rationality and transparency, due to the bad memories of the real-estate crisis of the 1990s, when many new buildings were left empty. Today, few developers build office operations if they are not spoken for by tenants (Apur 2005). That is why the project of “Signal Tower” by Jean Nouvel in La Défense has been abandoned.

Even so, it can be predicted that the floor area of empty office space will increase with the completion of many construction projects from 2010 to 2011, at a time when the demand is decreasing regionally. The vacancy rate could be as high as 10% of the office buildings in 2011, though this will mainly affect the older buildings. Newer buildings are mostly located in the first suburbs, with large companies sometimes moving from Paris to its neighboring first suburbs. Most of the big office buildings operations to come after the crisis are located in the border territories around Paris, be it west, north or southeast (IAU 2009, CROCIS 2009).

5. Conclusion

While decline has affected every town in the first suburbs of Paris, many of them have managed to resist this process and to revitalize their local economies. Facing the challenges and urban consequences of globalization, local authorities in the Parisian “first suburbs” have developed some specific strategies and voluntarist urban planning policies in order to avoid or fight decline, and to find their place within the new, multipolar structure.

In the west and southwest, some cities have favored their economic integration into the center by attracting strategic functions and a wealthy

29. For example the bank LCL moved 4,500 jobs from Paris to Le Kremlin-Bicêtre, and BNP Security Services moved from Paris to Pantin (see above).
30. Namely the Ile Seguin in Boulogne-Billancourt (W), the rehabilitation of docklands in Saint-Ouen (N) and Ivry-Confluences (SE), the renewal plan of La Défense (W), or the Millenary Park in Aubervilliers (N).
population; others have opened their economies to globalization but are facing social problems. A third group of cities seems to prefer a residential specialization to a productive orientation, which often corresponds to the construction of a social “entre-soi” life-style, based on the inhabitants’ quality of life. A fourth category comprises the cities that are in transition between these various patterns of reaction to globalization.

However, the old social gap between the northeast and the south and west still remains. Many cities, while experiencing economic growth, must face the continuation of their social crises, whereas others are confronted with a choice concerning their approach to globalization. This shows that their revitalization is a complex process, subject to a variety of factors including their geographical position in relation to Paris, their transportation networks, connections and infrastructural connections, but also the local history that has shaped each town’s socio-spatial configuration, such as the legacy of social housing.

Even if cities have managed to craft strategies to face the effects of globalization, they are now confronted with the necessity to endure within this new scheme. The consequences of the current downturn seem quite bearable due to the novelty of their inclusion into the core of the urban region, but fragilities appear, in their economic as well in their social development. The sustainability of this revival is therefore uncertain. Social inequalities may dramatically increase with the economic downturn, making solidarity between metropolitan territories take on heightened importance.

It would then be fruitful to extend future research to the effects of economic downturn on other such revitalized urban areas: will the typology remain the same throughout a global crisis? Generally speaking, the question of local policies should be investigated in order to explain more precisely what factors determine the evolution of first suburbs according to local strategies, what tools are favored by municipalities, and what scale is the most pertinent to resist an ongoing urban crisis.

Another area of research should investigate the types of reaction to globalization over the whole Global City region, considering the center as well as first suburbs and outer-ring suburbs. Such a program could permit the investigation of how these territories interact, and could critically assess the issue of governance when there is no common structure to promote a common regional policy.
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