



ille

# City Report

**CASereport 71**

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## Contents

Table of Figures .....	3
Executive summary.....	6
1. City Context .....	13
Geographical context.....	14
Brief history .....	17
Industrial development .....	18
2. Post WW2.....	24
Economic trends.....	24
Housing issues .....	26
3. The Industrial Crisis .....	27
Major and accelerating industrial decline .....	27
4. Recovery: Action taken .....	30
National initiatives in the 1960s .....	30
Redressing the dominance of Paris .....	31
Administrative co-ordination .....	31
Political leadership.....	34
An ever developing policy framework for city renewal 1980-2010.....	34
5. Lille's Transformational Change and Flagship projects .....	36
Eurostar and Euralille – Lille becomes central, not peripheral.....	37
New Economic development .....	40
Competition Clusters and Centres of Excellence .....	42
Renewing the old centre – the 'Vieux Lille' .....	45
Tackling deprivation and urban regeneration: Housing.....	47
Lille as a City of Culture.....	49
The Carbon Reduction and Green Agenda.....	51
6. What has changed? Signs of Recovery?.....	54
Overview: Progress, but still problems.....	54
Strengths.....	54
Weaknesses.....	57
Risks .....	61
Opportunities.....	63
Concluding Thoughts.....	66

## Table of Figures

Figure 1: City of Lille .....	14
Figure 2: LMCU area.....	15
Figure 3: Lille, showing metropolitan area and neighbouring Belgian communes.....	16
Figure 4: Lille’s Citadelle Vauban, built to consolidate Lille’s re-incorporation into France...	18
Figure 5: Lille Industrialisation: Paul LeBlanc et Fils Textile Mill .....	20
Figure 6: Population Growth in Lille 1789 -2007 .....	21
Figure 7: Courée in Lille, rue du Vieux Faubourg .....	21
Figure 8 “Linen threads from Lille” .....	23
Figure 9 C19th Textile Mill in Lille.....	23
Figure 10: High rise housing in Lille Sud Estate .....	27
Figure 11: Lille City Employment Sectors 1968-2006.....	29
Figure 12: Lille's Declining Population 1954-90.....	30
Figure 13: Euralille Phase One Iconic Building.....	37
Figure 14: Eurostar Route .....	39
Figure 15: Euralille Project Phase One - past and present.....	40
Figure 16: Schema Directeur 2002.....	41
Figure 17: Lille's Restored Old Central Area .....	46
Figure 18: Family events at the restored Gare Saint-Sauveur area.....	47
Figure 19: Major Works to Lille Sud Estate .....	49
Figure 20: European City of Culture 2004 Event .....	50
Figure 21: Green Neighbourhood and housing development: Le Bois Habité .....	53
Figure 22: Population by age group - Lille 2007 .....	58
Figure 23: Lille's Biggest Businessses 2006.....	60
Figure 24: Business starts and stops in Lille's Nord Region .....	61

## Boxes

Box 1: The Legacy of Lille's Mayors .....	19
Box 2: National Renovation Agency (ANRU).....	33
Box 3: Agenda 21 .....	52

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## Preface

### The LSE / Brookings Institution Weak Market Cities Programme

The Weak Markets Cities programme is run jointly by the London School of Economics, UK the Institute for Regional and Urban Development (ILS), Germany, and the Brookings Institution, Washington DC, US. The main focus of our research is on:

- how weak market cities are faring in today's difficult **economic circumstances**, and uncovering innovative approaches to enterprise;
- the impact of neighbourhood programmes on **social integration, skills development and job access**;
- the impact of the **climate change agenda and environmental resource constraints** on the recovery trajectory of these cities.

The Weak Market Cities research is supported by the City Reformers Group and generally focuses on the following key questions:

- What is the shape of the new urban economy that is emerging in European cities and its main characteristics?
- How successful is urban upgrading and place making?
- How do special projects targeted on distressed neighbourhoods help integration, involving residents in decision making and building more sustainable communities?
- How far are 'green technologies' and innovations driving new economic growth? What are the prospects for a less damaging form of economic development?

## Executive Summary

### City context

Situated 15 kilometres west of the Belgian border in northern France, the city of Lille is one of the largest cities in France and the most important in the Nord-Pas-de-Calais region. During the Industrial Revolution, this area developed its textile, mechanical, chemical and mining industries, making it one of the leaders in France's industrial development from the 19<sup>th</sup> century until the mid-20<sup>th</sup>. The city spreads out over 34.8 km<sup>2</sup>, and had a population of 232,082 in 2008. There are two wider sub-regional structures of which the City of Lille is part: the Lille Metropolitan Urban Community (*Lille Métropole Communauté Urbaine*) or 'LMCU', France's 4th largest Metropolitan Community after Paris, Lyon and Marseille; and the Lille-Kortrijk-Tournai Eurométropole, established in 2008, regrouping 2.032 million people as Europe's largest uninterrupted cross-border conurbation.

At the start of World War I Lille was one of the most important European Centres of the textile industry, but its occupation by German forces in both World Wars, the impact of the 1929 depression, and a subsequent lack of investment sowed the seeds of a decline that accelerated after the second world war.

### Post World War 2

In France, the end of the second war ushered in a period of unprecedented economic growth between 1946-73 and steady growth continuing in France in the following thirty years, although Lille did not immediately feel the effects of this. Its factories suffered from a lack of investment for modernisation and the overall picture was one of steady decline of traditional industries between 1945 and 1960 accompanied by a steady physical decay of factories and housing. This was made worse by increasing urban sprawl leading to the historical central area becoming increasingly abandoned and run down, alongside the decaying inner city industrial and commercial areas. There was an accompanying growth of peripheral commercial centres with new supermarkets and out of town office centres, all driven by the increased availability of motor vehicles; a pattern which affected all LMCU cities.

Public housing was a crucial focus in France's policy-making in the post-war period as a result of the simultaneous increase in demand due to a baby boom, increased immigration, the deterioration and war damage affecting older housing stock and the historic problems of poor housing in the city centre. The improvement of housing conditions for industrial workers and other low income groups became a main priority. However, this post war race to

develop large system built estates, disconnected from the commercial, cultural, and employment areas of the city, created many new problems in Lille. This was partly due to the design and construction of the estates, which lacked an understanding of the need for social spaces and good commercial and service provision, as well as the collapse of the traditional industries in the 1970 and 1980s leading to social problems and poverty on these estates.

### **The industrial crisis: major and accelerating industrial decline**

In 1860, the Nord Pas de Calais region produced 5% of the national GDP, a figure which steadily rose over the following century and stood, 100 years later, at 8.3% (at which point it included 11% of France's industrial output). It took only 33 years between 1962 and 1995 for this GDP figure to fall back 5.6%, almost to 1860 levels. Overall, in the period 1967-1992, the number of industrial jobs dropped by 47% in the Nord-Pas de Calais region against 18% nationally due to:

- a lack of modernisation and innovation in the management of local industrial enterprises;
- 'peripherality' meaning that the Lille region was considered remote and unattractive for investment and unattractive as a place to live for more qualified and higher graded workers;
- lack of innovation and renewal;
- an increasing competitiveness within France and, from the mid 1970s, the European Economic Community;
- the 1973 oil crisis and further energy crisis of 1979 leading to a shift in attitudes towards energy use, and a move towards newer more resource efficient innovative industries.

Lille experienced a long process of trying to rebuild an economic base to replace the previous heavy industries and textiles sectors, and of trying to transform the image and reality of the housing, commercial, and cultural conditions to make the City and its metropolitan area an attractive and dynamic place to live. Key themes emerged in the 1960s which continued over the next 50 years:

- the importance of central legislative and policy frameworks from national government;
- an increasing development of larger scale democratically mandated sub-regional planning and delivery bodies;
- the crucial role of national funding programmes which operate with local, regional, and intermediary partners to deliver large scale projects;
- an emphasis on continuity, culture and local traditions in setting the direction and context for planning and growth,

- the impact of globalisation and internationalisation of markets in framing the challenges and options which influence economic well-being to the city
- the importance of new publicly sponsored agencies and innovative structures; and
- the crucial role of local civic leaders.

## Recovery: Action taken

### National initiatives in the 1960s

The change in the fortune of the city of Lille and its sub region is due in part to the development of national economic policies in the 1960s to reduce the predominance of Paris as the main motor of development. New legislation promoted or mandated joint planning and services sub-regionally alongside new policies seeking to address deprivation and economic decline. In 1964 the national government set out to rebalance Paris' disproportionate weight on France's economic landscape and to encourage autonomous regional development across the rest of the country by creating a framework to support 'counterbalancing' metropolitan areas (*Métropoles d'équilibre*) whose tertiary and technological fields were growing. These areas were given public amenities and additional public investment to encourage regional growth. Lille was amongst those selected not least because while 'peripheral' within France, it was also central to the major economic region of North-west Europe. Related to this was the importance of local Mayors who were not only local civic leaders but also concurrently national political figures who could swing major investment and policy decisions to the advantage of their local city. The first major structural change was the requirement to set up a metropolitan area (*Communauté Urbaine*) in 1966 with initial objectives to plan the co-ordination and management of key public services at the metropolitan level. Its main achievements include the provision of a metropolitan transport plan in 1971, a new driverless Métro system in 1976; the construction of the 18,000 capacity Stadium Lille Métropole completed in 1976.

### An ever developing policy framework for city renewal 1980-2010

French policies for urban and housing renewal have a long history in the post war period and continue to evolve throughout the current economic crisis. There are several elements to this policy framework: legislation; programme funding; and national and local guidance and delivery support.

In Lille, state funding was provided in the 1960s to renovate old *quartiers* and clear out slums, but the real shift in urban development happened in the early 1990s, when a new approach to urban renewal emerged locally from the new Lille Urban Planning and

Development Agency (*ANRU*) and several LMCU partners. This shift in urban thinking, from regeneration to renewal, was strengthened in 2000 by major national legislation creating a renewed focus on strategic local planning or urban development, and simultaneously a move towards taking more account of the green and sustainable agenda in these plans.

### Lille's transformational change and flagship projects

With administrative sub-regional structures in place, the backing of central state's regeneration policies, and the leadership of these dynamic national players operating at the local level, Lille also needed some high profile flagship projects which would lead the turn-around in the fortunes of the city region. The most important are:

- **Eurostar and Euralille:** The Lille Eurostar station and associated Euralille renewal area put Lille in a central position in the economically dominant North-West European area, at the hub of international exchanges. Euralille signalled a move towards a 'new form of urbanism' which set out to mix economic functions, green space and attempts to foster a sense of neighbourhood and community with people from all socio-economic backgrounds.
- **Competition poles and centres of excellence:** Lille has four 'Centres of Excellence' each intended to develop expertise as a 'cluster' for firms pursuing similar activities, and to be a focus for cutting edge development of products and ideas in that sphere. The City also has created six 'competition clusters' subsidised by Government funding to develop French competitiveness through innovation, to provide new technical and creative industries in the region, to improve the visibility and attractiveness of France to industry and investment and to stimulate local employment. The overall approach within these developments includes maintaining links between the past history of the regions and new businesses, building from local experience and traditions, as well as the characteristics of the region.
- **Renewing the Vieux Lille area:** The LMCU has a major focus on urban redevelopment, including the restoration of the old inner-city core as a key element to restoring the attractiveness of the city, to businesses and as a means of attracting residents back to the city centre.
- **Tackling deprivation and urban regeneration:** Improving housing, both social and private in the city centre, has been a priority need for Lille and its metropolitan area since the creation of the industrial workers housing in the 19th century. National policies prioritised the improvement of housing conditions, particularly in areas built up in the 1960s and 1970s which are characterised by long mid-rise and pockets of high-rise apartment blocks. Many efforts have been made to address the problems created by run

down social housing neighbourhoods and to stimulate the local economy. Recent policy focuses on creating an attractive, sustainable, socially mixed city, mixing generations and the different activities of living and working, in a compact space which provides a '*nouvel art de ville*' – a new approach to living in the city, aiming to combat urban sprawl, develop public transport, address issues of renewable energy, improve the environmental assets of water, air and agricultural land, and improve quality.

- **Lille as European Capital of Culture:** The award of the 'European Capital of Culture' status in 2004 gave Lille the opportunity to present the city and metropolitan area as a modern, vibrant, 21st century city in an attempt to attract industry and new residents.
- **The carbon reduction and green agenda:** Lille has made important strides to rethink sustainable development in all aspects of policy-making including urban planning, housing renovation and health and food measures. Citizen participation is considered a key element of this, and the agenda is intended to create a healthier more sustainable physical environment. The agenda also fosters innovation, creativity, cooperation, proximity and solidarity between citizens and as an important means to repair social inequalities.

### Signs of recovery?

Lille has made impressive progress in addressing its need to re-invent itself as a 21<sup>st</sup> century city building on its historical roots. It has a range of strengths including:

1. its position as capital of the Nord-Pas-de-Calais region, the focal point and most visible driving force for change within the region;
2. a long political tradition of far-sighted, national level political leaders in the position of Lille mayor and a tradition of paternalistic family based capitalism which is finding modern forms of development;
3. a willingness by local partners to work together to link individual strengths into a more powerful regional and international force;
4. active participation in the development of emerging national frameworks for planning, urban development, and the green agenda;
5. a continuity through change in the development of the region;
6. development of the tertiary sector stimulating new and innovative industries in emerging sectors such as health and agribusiness, and skill in attracting international investment;
7. successful adaptation to new market conditions and diversification with tradition and change making joint progress in economic development and management;
8. the second largest student population in France, and many prestigious universities in the city and its surrounding municipalities;

9. increasing property prices in the LMCU and an attractive commuter region;
10. leading on the development of the green economy and green jobs .

## Weaknesses

Beneath the surface, however, the picture is more complex, reflecting some long-term demographic, cultural, and economic aspects of the region and its location in the previously highly centralised France. These include:

1. a slow population growth, although steps taken to focus housing and population growth on the city (and not the suburbs) seems to be effective. However, Lille is one of the youngest cities in France with over 35% of residents being between 15-29, creating a persistent problem of youth unemployment. Lille also suffers from a strong outward flow of migrants with more working-age people leaving the city than settling in it.
2. a need for new businesses to fill new commercial spaces and help grow the economy with new approaches needed to attract people and businesses to the city;
3. a persistent decline in income, and rising unemployment, and concentrated deprivation with increasing polarisation in the poorer areas.

## Risks

The main risks are:

1. The much wider pan-European crisis in the Euro and related downturn in the world economy. This is particularly concerning for Lille for 3 reasons:
  - some major new industries in Lille are in the banking and financial sectors which could be major casualties of the current crisis;
  - the continuing decline in more traditional industries may continue and accelerate as emerging markets continue to pick up greater proportions of the global market in textiles, industrial and other primary goods;
  - LMCU is seeking to build new high tech industries through its competition clusters, but is in direct competition with other parts of France and other western and emerging economies and the rate at which these industries can grow is unlikely to exceed the rate at which the traditional industries are collapsing.
2. The focus on small and medium enterprises (SMEs) is appropriate but is unlikely by itself to provide sufficient jobs to replace previous large scale employment opportunities offered in major industrial sectors .
3. Lille's persistent concentrations of poor, often previously immigrant, families of unskilled workers on large social housing estates throughout the LMCU area. Trends suggest that

levels of poverty and worklessness are more likely to increase than to diminish in the next few years.

4. Historic reliance on high levels of publicly funded programme expenditure for measures to support new businesses and to address deprivation, poverty, and under-achievement in poor areas which may be cut in order to reduce France's very high public expenditure.
5. The continuing absence of one major local international level area of expertise and speciality, despite the many smaller scale successes.
6. The risk of over-reliance on seeking to attract external and foreign residents and capital to the city in order to revamp the economy. While Lille is avant-garde in the social policy work it does, some of the policies adopted by the LMCU risk having a detrimental effect to the long-existing working class population.

## Opportunities

There are many forward looking documents published by the LMCU and other local and regional bodies, the main planks of which are:

1. Lille's geography presents a continuing opportunity and the city has taken a range of steps to establish itself as a major international player in the north-west European triangle.
2. History remains an opportunity. Renewal policies have consistently aimed to reflect the historical patterns of neighbourhoods, populations, and commerce within Lille itself and in the wider LMCU. Plans have often reflected the rich industrial heritage of the regions, supporting the development of the unique 'Lille' brand and appeal which supports and enhances the strenuous efforts to present the region as a great place to live, with a living and vibrant culture.
3. A move to a much more innovative, flexible, smaller scale model based on the emerging pattern of SME businesses and clusters which could enable Lille to become a leader in the re-invention of growth through more sustainable and smaller scale activities.
4. An ambition to develop research and higher education functions to support new economic growth.
5. Lille's lead on the green agenda, together with the emerging options around the 'green economy' and 'green jobs' could bringing together related priorities of developing leading edge new technologies, up-skilling unemployed young people in the region, providing alternative skills for workers previously in now declining industries, and providing an internationally attractive offer.

## Conclusion

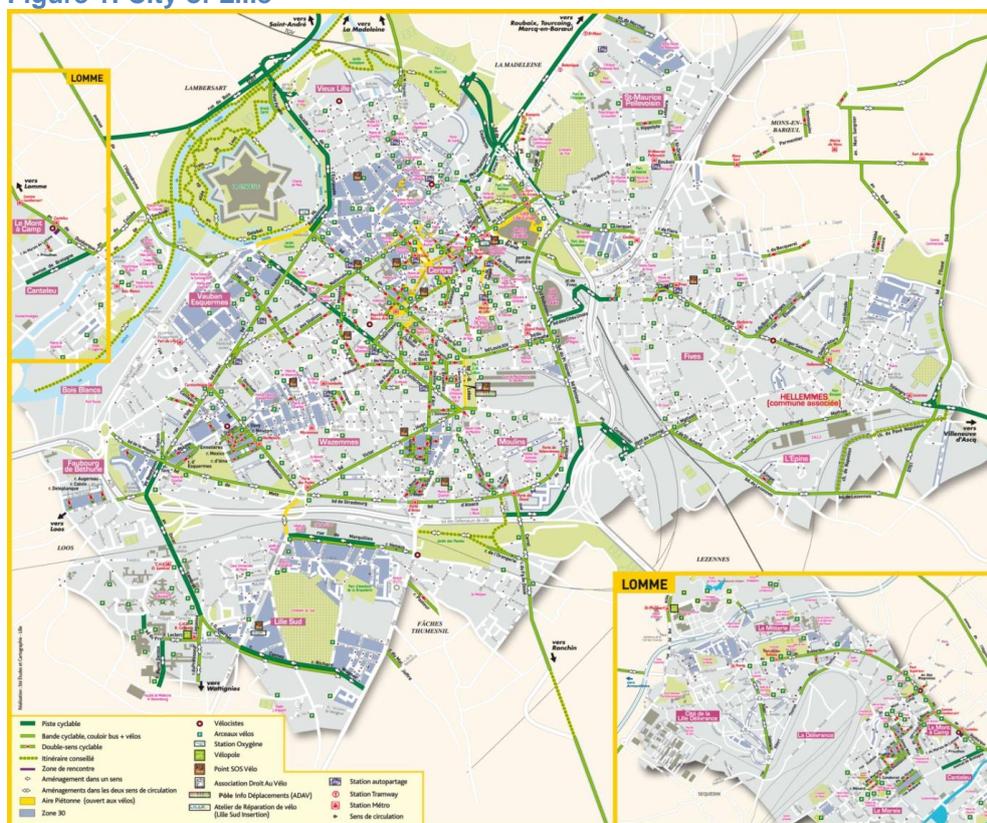
Lille brings together a set of major advantages with equally major problems. A long history of municipal socialism and good governance, led by dynamic and far-sighted national level leaders has provided a continuing set of practical responses to the threats and opportunities thrown at the city and sub-region. At the same time the wider forces of economic and technical development have meant that the city has been subject to major challenges to the underlying skills base and wealth creation mechanism which brought it to prominence. Throughout our visits and interviews it was evident that the politicians and officials who were dealing with these issues were committed both to their professional and political principles, and also to the unique history and culture of the area, and to engagement with and for local residents with whom they had regular contact. The numerous and voluminous planning and consultation documents reflected a genuine local dialogue and engagement, backed by an extensive set of more academic studies of the historic and contemporary issues of Lille. Its successes are testimony to this commitment and creativity; but where it will go next is much less certain, although the capacity of the City and the LMCU to respond flexibly and quickly provides a positive platform for the future.

# 1. City Context

## Geographical context

Situated some 15 kilometres west of the Belgian border in northern France, the city of Lille is one of the largest cities in France and the most important in the Nord-Pas-de-Calais region. During the Industrial Revolution, this area developed its textile, mechanical, chemical and mining industries, making it one of the leaders in France's industrial development from the 19<sup>th</sup> century until the mid-20<sup>th</sup>. The city spreads out over 34.8 km<sup>2</sup>, and had a population of 232,082 in 2008<sup>1</sup>

Figure 1: City of Lille



Source: INSEE

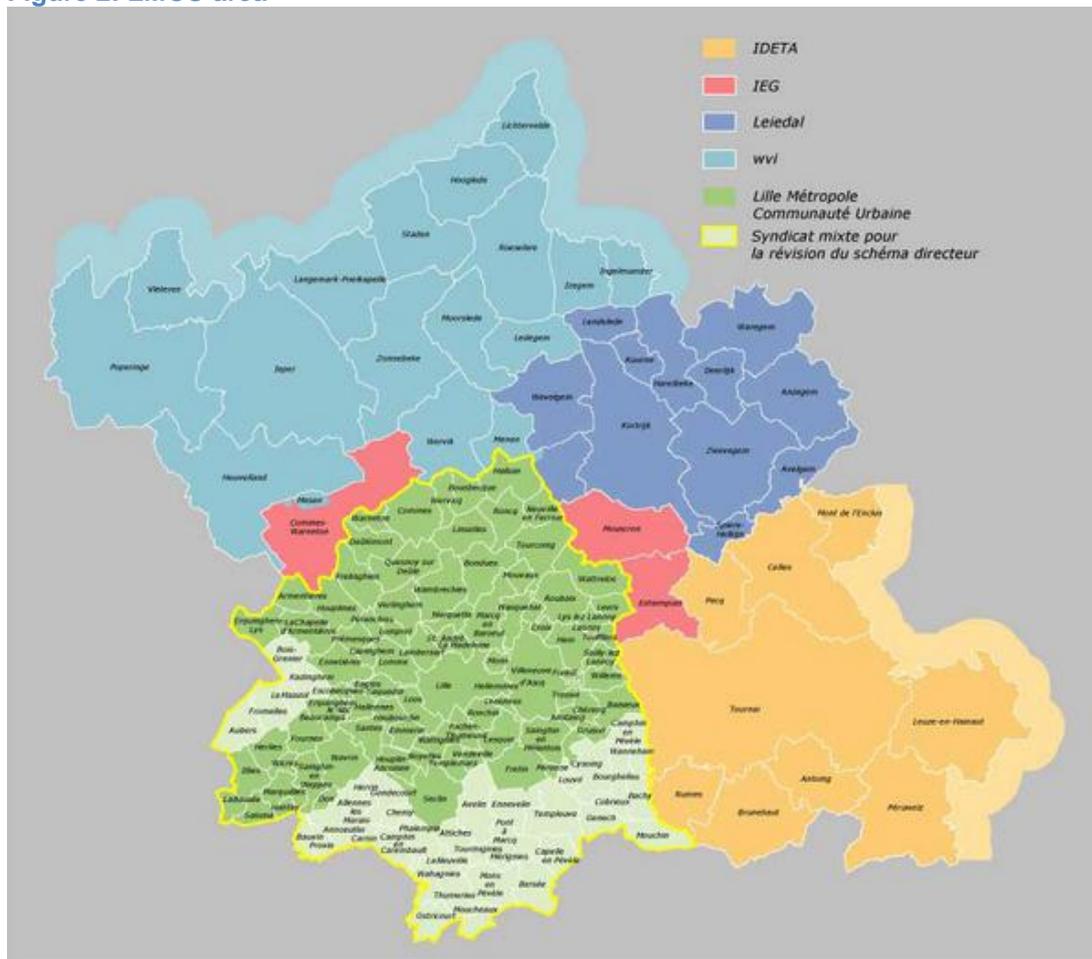
There are two wider sub-regional structures of which the City of Lille is part. The first is the Lille Metropolitan Urban Community (*Lille Métropole Communauté Urbaine*) or 'LMCU' which was created in 1966<sup>2</sup> and comprises 85 municipalities (*communes* – originally 89 but some

<sup>1</sup> INSEE <http://www.insee.fr/fr/ppp/bases-de-donnees/recensement/populations-legales/pages2010/pdf/dep59.pdf> [accessed 14/9/11]

<sup>2</sup> Under the loi 66-1069 du 31 décembre 1966

merged). The estimated LMCU population in 2010 was 1,115,000<sup>3</sup>. It is France's 4th largest Metropolitan Community after Paris, Lyon and Marseille, and is the *Communauté Urbaine* with the greatest number of municipalities attached to it in France. It has the 2<sup>nd</sup> highest population density in France<sup>4</sup> with 1,807 people/km<sup>2</sup> and stretches over 611.45 km<sup>2</sup>, 84km of which border Belgium. Lille is generally considered the core of the Lille Metropolitan Urban Community and it is the region's administrative centre and the main economic and employment zone, although each municipality within LMCU is officially an equal partner in the joint body. The LMCU is currently presided over by the Mayor of Lille, Martine Aubry. The budget for 2011 was €M1,656 and the main areas of priorities include economic, social, and cultural planning and development, management of public spaces, local urban planning, transport planning, social housing development and management, and a range of common services such as cemeteries, air quality, waste and sewerage.

Figure 2: LMCU area



Source: LMCU

<sup>3</sup> INSEE 2011  
[http://insee.fr/fr/themes/document.asp?reg\\_id=19&ref\\_id=14415&page=pub\\_electroniques/Adulm\\_projections\\_d\\_emographiques/adulm\\_projections\\_demographiques.htm](http://insee.fr/fr/themes/document.asp?reg_id=19&ref_id=14415&page=pub_electroniques/Adulm_projections_d_emographiques/adulm_projections_demographiques.htm) [accessed 14/9/11]

<sup>4</sup> INSEE 2011

Figure 3 Lille, showing metropolitan area and neighbouring Belgian communes



Source: LMCU

The second important, but more recent, sub-regional structure is the Lille-Kortrijk-Tournai Eurométropole, officially established on 28 January 2008 in the form of a ‘European Grouping of Territorial Cooperation (EGTC)’. It is the first entity of its kind, regrouping 2.032 million people between Lille and the Belgian towns of Kortrijk in Flanders and Tournai in Wallonia and is Europe’s largest uninterrupted cross-border conurbation covering an area of 3,544km<sup>2</sup>. Constituted under French law, its main purpose is to ensure consultation, dialogue and to encourage political debate, bringing together all institutions, thereby ensuring greater cross-border cooperation in economic, cultural, political and environmental fields. It is financed by its members (50% French; 50% Belgian) and for the years 2008 to

2010, the budget was around €M4. The previous Prime Minister and Mayor of Lille, Pierre Mauroy, was a leading advocate of this approach, describing his vision for the future of the polycentric, tri-cultural and bi-national European metropolitan area to “become an exemplary laboratory and territory for European integration”<sup>5</sup>. At this point it remains to be seen which projects become most important and effective in developing this new model of cooperation.

### Brief history

From a prosperous medieval merchant city, the industrial revolution transformed Lille into one of France’s most powerful industrial regions. While the date of the city’s foundation remains contested, the first document recording the city’s original name *Isla* (‘island’ in Latin, as the city is surrounded by waterways including the Deûle river that runs through it) dates back to 1054, when King Henry III led an expedition against the Count of Flanders, Baudouin V. *L’Isle en Flandres*, or the ‘Ile in Flanders’, as the city was long named, initially started out as a port city situated on a major transportation axis – between Flemish cities and the Champagne fairs.

The confusion of national identity caused by a succession of rulers in the sixteenth and seventeenth centuries – Flemish, Spanish, Austro-Hungarian and Bourguignon – was mainly resolved by Lille’s incorporation into the French crown by the Treaty of Aix-la-Chapelle in 1668, which included the construction of the Citadelle Vauban in 1670. Intermittent Dutch, English, Austrian and German occupations occurred for shorter periods thereafter. The final border with what is now Belgium was not fixed until the Treaty of Utrecht, which brought an end to the War of the Spanish Succession in 1713. From then on, the city began to turn, both politically and linguistically, towards the Paris of Louis XIV rather than towards Rotterdam. The influence of this history can be seen in the city’s culture and architecture, including the construction of new neighbourhoods in the franco-lillois style in the early 18<sup>th</sup> century (and the Porte de Paris in honour of the Sun King). It developed into a unique hybrid of French and Flemish traditions: typical Flemish red and brown brick buildings line the streets alongside majestic Napoleon-era edifices and spacious boulevards. Beer and hearty meat dishes are the typical regional delicacies, very specific to this northern region of France and close to the gastronomy of neighbouring Belgium.

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<sup>5</sup> [http://www.espaces-transfrontaliers.org/en/conurbations/Cross\\_border\\_news\\_February\\_2008.pdf](http://www.espaces-transfrontaliers.org/en/conurbations/Cross_border_news_February_2008.pdf)

**Figure 4: Lille's Citadelle Vauban, built 1670 to consolidate Lille's re-incorporation into France**



Source: Lille City archives

### **Industrial development**

Since the early 11th century, at which point Lille was Flemish, there has been a tradition of textile production. Lille and its neighbouring cities of Tourcoing and Roubaix had the rights to produce textile from the Middle Ages on, and from the 16<sup>th</sup> century, Lille became the main supplier of textiles to its neighbouring rural areas<sup>6</sup>. The French Revolution ushered into power a dynamic and entrepreneurial middle class that had accumulated an enormous amount of wealth thanks to this textile industry<sup>7</sup>. These bourgeois families provided the finance for the major investment needed to stimulate the industrial revolution in northern France, which borrowed production techniques and working practices from England. This availability of capital was matched with an abundance of labour coming primarily from Flanders. Large reserves of coal in the southern basin and metalworking and steel works in the nearby Belgian centres like Charleroi, led to rapid industrialisation: the Lille region became the second most important industrialising region in Europe. This was also supported by the improved canal system linking Lille to Flanders, Ghent, Antwerp and other northern hubs, making Lille a thriving commercial centre, and also supporting the other major industry of agriculture.

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<sup>6</sup> Paris 2002

<sup>7</sup> Baert 2003

### Box 1: Historical Overview of the City of Lille

~ 1000 first documented mention of the city of L'Isle, later l'Isle en Flandres, from which the name of the city derives

1213 Philippe Auguste's siege of the city of Lille.

1384 Lille under Bourguignon rule.

1667 Louis XIV siege of Lille, makes it a military city, and builds Vauban citadelle

1668 Treaty of Aix-la-Chapelle makes Lille part of France

1708-1713 Dutch occupation

1776 King's consul imposes freedom of manufacturing in the Flemish countryside

1824 Frédéric Kuhlmann – chemistry in Loos

1846 Inauguration of Lille-Paris rail line

1858 Wazemmes, Moulins-Lille, Esquermes and Fives annexed to Lille.

1896 First socialist mayor elected, Gustave Delory

1914-1918 German occupation WWI. Lille suffered greatly, with most of its industry destroyed`

1921 Albert Calmette and Camille Guérin discover the first anti-tuberculosis vaccine at the Pasteur Institute in Lille

1929 American crash hits Lille, recession + unemployment

1936 Lille's workers strikes

1940-1944 German occupation WWII

1951 International Textile Exhibition + Inauguration of the Lille port

1964 Métropoles d'Equilibres strategy DATAR

1966 Fusion of Lille, Roubaix and Tourcoing chambers of commerce

1967 Creation of the LMCU (Lille Métropole Communauté Urbaine) presided by Augustin Laurent.

1970 Villeneuve d'Ascq created

1973 Pierre Mauroy elected mayor

1983 Inauguration of the first VAL (Véhicule Automatique Léger) metro line – the first automated subway line in the world

1993 The TGV-Nord high speed French internal train arrives in Lille.

1994 Inauguration of the 'Chunnel' and Lille-Europe train station through which TGV passes

1995 Lille chosen as France's bid to host the 2004 Olympics. It doesn't win, but it sets in motion investment to improve the city's image

2001 Martine Aubry elected Mayor of Lille

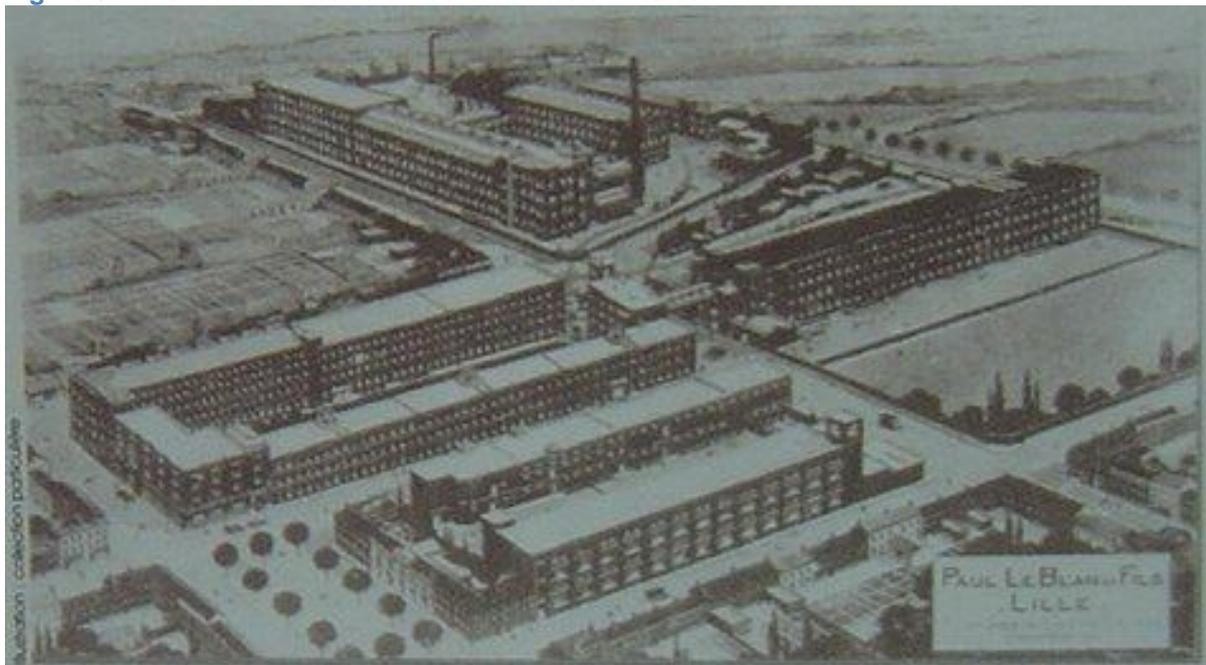
2001 Lille and Roubaix awarded title of City of art and history

2004 Lille European capital of culture

The filtering of cotton and production of textiles became primary activities, organised by local families such as Thiriez, Wallaert, Crespel, Barrois, and Scrive – who constituted a local cadre of predominantly socially conscious, paternalistic, Catholic entrepreneurs. This tradition of family firms engaged simultaneously in local competition and community solidarity continuing until World War I, and a variant still exists in Lille today, with several

families still owning the largest companies in the region (for example in the Auchan and Hildar groups). By the mid-19<sup>th</sup> century, 85% of workers worked in textile mills and filters<sup>8</sup> and 5,000 weavers worked in small workshops in homes or cellars. Lille's cotton, Roubaix-Tourcoing's wool and Armentières's linen were at the forefront of industrial production, becoming so popular that by the mid-19<sup>th</sup> century the Lille-Roubaix-Tourcoing triangle had become 'the second largest textile region in the world after Manchester and south Lancashire'<sup>9</sup>

**Figure 5: Lille industrialisation: Paul LeBlanc et Fils Textile Mill**



Source: Collection Particulieres, Caroline Jouneau-Sion (cjouneau1.free.fr)

The industrial revolution re-structured the entire city and its surrounding region, including the development of the wider conurbation incorporating Roubaix and Tourcoing. Between 1801 and 1896 the Lille population increased fourfold from 52,000 to 216,000<sup>10</sup> (Figure 6). A considerable stimulus was given to the traditional industries of agriculture, textiles and commerce, and the creation of heavy industry was made possible by the easy availability of local coal. This rapidly increasing population led to the annexation of the nearby *communes* of Wazemmes, Esquermes, Moulins-Lille and Fives in 1858. Throughout the city a predictable mix of developments took shape - expensive residential areas (9% of the population owned 90% of the city's wealth<sup>11</sup>), growing middle-class suburbs like La

<sup>8</sup> Marchand 2003

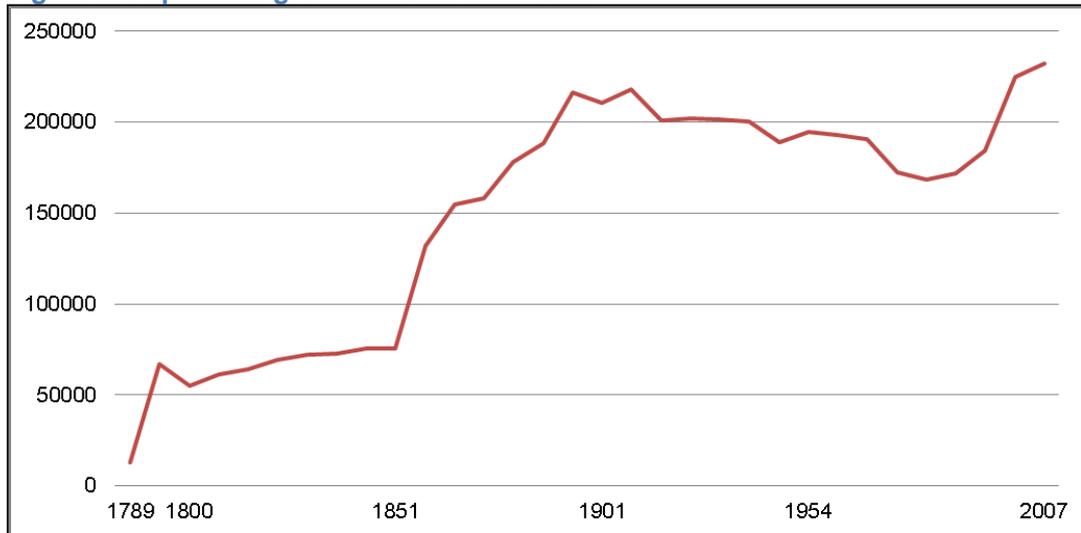
<sup>9</sup> Colomb 2007

<sup>10</sup> City Reformer Group notes of Lille visit.

<sup>11</sup> History of Lille, produced by the City of Lille and available online at [http://www.mairie-lille.fr/fr/Tourisme-Decouvrir\\_Lille/Patrimoine\\_et\\_Histoire/Histoire\\_de\\_la\\_ville/Histoire](http://www.mairie-lille.fr/fr/Tourisme-Decouvrir_Lille/Patrimoine_et_Histoire/Histoire_de_la_ville/Histoire) [accessed 14/9/11]

Madeline, Bareouil, Mons<sup>12</sup>) and, at the other extreme, squalid working class housing primarily in the Saint-Sauveur and Saint-Maurice areas. The working population traditionally lived in small houses in narrow streets known as *courées*, built round internal courtyards and notorious for their poor isolation and sanitation (Figure 7). Working conditions regularly involved 80-95 hour weeks, child labour, very low wages and job insecurity due to the recurrent economic crises throughout the 19<sup>th</sup> century.

**Figure 6: Population growth in Lille 1789 -2007**



Source: INSEE

**Figure 7: Courée in Lille, rue du Vieux Faubourg**



Source : Lille, Portrait d'une ville, Ed Jacques Marseille

<sup>12</sup> Baert in Couch, 2003

In response to these inequalities, a strong working class socialist movement began to emerge, which remains a feature of Lille politics to this day. The first socialist mayors of France were elected in Roubaix in 1892 and in Lille in 1896, followed by Jean-Baptiste Lebas in Roubaix (1912-1928), Roger Salengro in Lille (1925-36) and Gustave Dron in Tourcoing (1899-1991, then 1925-1930). These cities also have a historical connection to France's main party of the left, known today as the Socialist Party (*Parti Socialiste*) which dates back to the end of the 19<sup>th</sup> century. This political affiliation carries on to this day in both cities, with some of the most avant-garde French social policies being developed in Lille and Roubaix, which served in a sense as 'laboratories for the French Welfare State'<sup>13</sup>. Both Pierre Mauroy, Prime Minister in Mitterrand's government, and Martine Aubry, currently leader of the French Socialist Party, served as mayor in Lille for long periods (continuing in the case of Aubry).

At the start of World War I Lille was one of the most important European centres of the textile industry. As a result of the war however, where Lille was on the front line between Ypres and la Somme, the city was occupied by German forces and some 80% of its industrial capacity was destroyed, factories and industrial machines were pillaged and people died of hunger. The majority of the businesses were restarted after the war, and on the eve of the 1929 depression the textile industry had reached its zenith with 90% of the national production of combed wool, and 85% of cotton threads and linen. However the lack of adequate investment in new plant and in the modernisation of the industry, together with the impact of the depression, led to the start of a decline leading up to the Second World War. The period between the two wars was marked by important urban renovation works led by Lille mayor Roger Salengro who set up an ambitious plan to modernize and sanitize the city, destroying slums and starting programmes for low cost social housing (*Habitats Bon Marché*), building a major hospital centre, constructing a modern railway station and Lille's still active river port.

Meanwhile, in nearby Roubaix, the first mail-order business La Redoute put out its first catalogue in 1928 in order to stimulate new demand for its products (at that time exclusively women's knitwear) and revolutionised product distribution and methods of consumption while cutting costs substantially for both business and clients. Thanks to its tremendous popularity, neighbouring towns including Lille developed important auxiliary services around the mail-order industry such as advertising, graphic arts and logistical services during the

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<sup>13</sup> Author's interview with Thierry Baert, 2010 Director of Urbanism, LMCU, 8 December 2010

period leading up to World War II<sup>14</sup>. Today, the mail-order business and its secondary services are still one of the driving forces behind the Lille Metropolitan area (LMCU) economy. Six of the top 10 French business to customer mail order firms have their headquarters in the Lille area (more than 200 mail order companies) representing 55% of total French sales and directly employing an estimated 20,000 people in the area<sup>15</sup>.

By 1939 the Nord/Pas-de-Calais region was highly urbanised:

- in 1946, 71% of its residents lived in cities with a population of over 2,000, compared to 53% in France as a whole;
- it was the second biggest industrial centre in France with over half the population engaged in the industrial second sector of the economy (32% in the tertiary and 12% engaged in agriculture);
- in 1954, it was third largest in terms of population (3.3m).

The Germans occupied Lille once again during World War II, although local *resistants* managed to retake part of the city before British troops arrived in 1944. Important leftist leaders of Lille emerged from the Resistance, including a future mayor (1955-1973), Augustin Laurent.

Figure 8: C19th Textile Mill in Lille



Source: metiers.free.fr

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<sup>14</sup> Paris 2002

<sup>15</sup> APIM, Lille Metropolitan Development Agency <http://www.apim.com/en/fields-of-activity/its.html> Accessed 30/11/11

## 2. Post WW2

### Economic trends

In France, the end of the second war ushered in a period of unprecedented growth in the period 1946-73, which has attained a semi mythical status in France as 'the thirty glorious years' (*Les Trente Glorieuses*). Average growth from 1950 to 1973 ran at 5.4%, which was 1.6% higher than in the United States for the same period<sup>16</sup>. Steady growth continued in France in the following thirty years as well, although at about half the annual level. As well as economic growth there was a significant rise in the population due both to 'baby-boom' births and the establishment of a large immigrant labour force (primarily North African). In the Lille area immigration was not a new phenomenon. During the previous periods of growth immigration, particularly from Belgium, but also from elsewhere in Europe including Spain, Portugal, and Italy, had occurred to support the mining and steel industries.

Figure 9: 'Linen Threads from Lille'- Jombart Frères



Source: Bibliotheque Municipale de Lille

<sup>16</sup> Miotti, L., and Schwald, F., 2004, p 23

Additional efforts to stimulate immigration to support the post war boom (put in place by the law of 2 November 1945) was not entirely successful, even though the external recruiting station for the Office of National Immigration was in Italy. The slack was taken up by the arrival of North African workers (particularly Algerian but also Tunisian and Moroccan), at that time without their families. The effort to stimulate immigration was officially ended in 1974, initially on a temporary basis but made permanent in 1977, as the local economy stalled.

Economic recovery was slow to start after the war, but the international textile fair in 1951 marked the emerging revival of commercial and industrial activity. In 1954, Lille was still one of the most industrial cities of France, characterized by the wide distribution of workers and factories throughout the city. Nationally it was home to<sup>17</sup>

- 11% of French industry;
- 53% of its coalmines;
- 27% of its textiles;
- 18% of its steel industry;
- 77% of its plate-glass;
- 20% of its refined sugar;
- 20% of its paperboard.

Lille had the highest industrial density after Lyon at the time, with 74 industrial buildings per km<sup>2</sup>, many large – 11 factories with over 500 employees, 5 factories of over 1,000 employees and a few predominantly textile buildings built over several stories known as the ‘city castles’. In 1952 three factories of over 200 employees remained within the city centre area, alongside banks, commercial and administrative buildings<sup>18</sup> and there was a large area of densely mixed slum housing and industry in the central Saint-Sauveur area, which housed over 40% of the city’s workers. Conditions for industrial workers continued to be very poor with infant mortality rates of 47.3 deaths per 1,000 infants of under 1 year old in 1950<sup>19</sup>, higher than all other industrial cities and even rural areas. Textile and clothes-making continued to be a major element (40%) of the Lille secondary sector.

Nevertheless Lille did not immediately feel the effects of France’s economic boom. Although its factories had not been destroyed they suffered from a lack of investment for modernisation and as a consequence its aspiration to continue being an industrial leader began to fade in the face of newer industries and industrial practices. The overall picture was one of steady decline of traditional industries between 1945 and 1960 (though not yet major

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<sup>17</sup> Figures from City of Lille presentation, WMC study visit May 2011

<sup>18</sup> Bleitrach et al 1981

<sup>19</sup> *ibid*

collapse) accompanied by a steady physical decay of factories and housing in the city. This was made worse by increasing urban sprawl into the countryside between the main urban centres, and across the frontier to Belgium. Alongside this, the historical central area of 'Vieux Lille' became increasingly abandoned and run down, alongside the decaying inner city industrial and commercial areas. There was an accompanying growth of peripheral commercial centres with new supermarkets and out of town office centres, all driven by the increased availability of motor vehicles; a pattern which affected all LMCU cities.<sup>20</sup>

## Housing issues

Public housing was a crucial focus in France's policy-making in the post-war period as a result of the simultaneous increase in demand due to the baby boom, increased immigration, the deterioration of older housing stock and the stagnation of construction of new housing. In the 1950s there were 600 slum courtyards ('*courées*' - see Figure 7) which housed 10% of the population, while over 4,000 people lived in old army camps or in abandoned factories. The influx of migrant workers from North Africa to the textile industries, employed in low-paid jobs in declining industries, saw these workers settle in the poorer areas, but they also experienced difficulties in being integrated into France's services and society<sup>21</sup>.

Agustin Laurent, who was a resistance leader during the war, held the position of mayor between 1958 and 1970, and made the improvement of housing conditions one of his main priorities, including improvements to Saint-Sauveur. He was particularly concerned about improving conditions for the industrial workers and other low income groups. His policies ensured that 58% of new housing was social housing – and within this a higher proportion of housing (16%) than in other cities was targeted at the most vulnerable populations (through the mechanism of *Programme Social de Relogement* (PSR)). Large housing developments formed part of the developments around the new Lille-Paris motorway and reconstructed administrative centre in central Lille, as well as the dense blocks and towers of the Quartier Sud, an area cut off from the central city by the motorways. However, this post war race to develop large system built estates, unconnected to the commercial, cultural, and employment areas of the city, has created many new problems in Lille. This was partly due to the design and construction of the estates, which lacked an understanding of the need for social spaces and good commercial and service provision, and also to the collapse of the traditional industries in the 1970 and 1980s.

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<sup>20</sup> Baert 2003

<sup>21</sup> Baert –in interview

Figure 10: High rise housing in Lille Sud Estate



Source: PSS Architects (<http://www.pss-archi.eu/>)

### 3. The industrial crisis

#### Major and accelerating industrial decline

In 1860, the Nord Pas de Calais region produced 5% of the national GDP, a figure which steadily rose over the following century and stood, 100 years later, at 8.3% (at which point it included 11% of France's industrial output). It took only 33 years between 1962 and 1995 for this GDP figure to fall back 5.6%, almost to 1860 levels<sup>22</sup>.

Overall, in the period 1967-1992, the number of industrial jobs dropped by 47% in the Nord-Pas de Calais region against 18% nationally<sup>23</sup>. Some of this decline was rapid, particularly in the textile industry, where an estimated<sup>24</sup> 130,000 jobs were lost between 1945 and 1996. Similar losses occurred in the agricultural sector (164,000), the mining sector (90,000), the chemical industry (8,000) and the metalworking industry (7,000)<sup>25</sup>.

This is illustrated vividly in the evolution of the two Lille groups DMC (*Dollfus-Mieg et Compagnie*) and Agache-Willot that dominated France's textile market alongside the

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<sup>22</sup> Paris, D., 2002

<sup>23</sup> Idem

<sup>24</sup> Baert 2003

<sup>25</sup> Idem

Prouvost group in nearby Roubaix. In 1972, DMC provided 80% of the French markets sewing threads, 85% of threads for women's wear, and 55% of France's market for linings. Agache-Willot spun half of France's linen, treated three quarters of its hessian, made 40% of its tuft rugs, and 35% of its velvet. But with the crisis, imported cotton ladders (*filés*) went from 25% to 42% between 1972 and 1974, reaching 80% in 1979<sup>26</sup>.

Several factors contributed to this decline<sup>27</sup>. As described above, there was a lack of modernisation and innovation in the management of local industrial enterprises, for example machinery from the 1930s was still being used in the 1960s. During the Second World War, machines and factories in Nord Pas de Calais were not destroyed, and were not considered priority for post war national investment programmes either. The phenomenon of 'peripherality'<sup>28</sup> meant that the Lille region was considered remote and unattractive for investment and more importantly unattractive as a place to live for more qualified and higher graded workers. In 1962, 90% (540,000 out of 600,000) of the industrial jobs in the region were blue collar, with management and technical staff located in Paris<sup>29</sup>, meaning the ability of local enterprises to switch skilled staff to develop new businesses was limited. Additionally, innovation and renewal faltered for partly ideological reasons: some employers refused to lay-off their workers out of a solidarity based on a strong catholic conscience<sup>30</sup>. These weaknesses were compounded by the increasing competitiveness of the French and particularly, from the mid 1970s, the new market and competition rules of the European Economic Community (as it was then). The 1973 oil crisis and further energy crisis of 1979 accelerated the decline, leading to a shift in attitudes towards energy use, and a move towards newer more innovative industries which were less wasteful of resources. In the Lille region this led to developments in glass, plastics, cars, and printing, as well as the continuing growth of the mail order and related businesses based in Roubaix, and the creation of 400,000 jobs in the tertiary sector between 1946 and 1996<sup>31</sup> but these developments in themselves were not sufficient to replace the previous high level of blue collar industrial jobs.

However, the City of Lille was had a more diversified economy than surrounding LMCU cities. When the crisis began in the 1960s, the tertiary sector workforce in Lille was already larger than the secondary sector workforce, and growing, as Figure 11 illustrates.

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<sup>26</sup> Bleitrach 1981.

<sup>27</sup> Paris, 2009

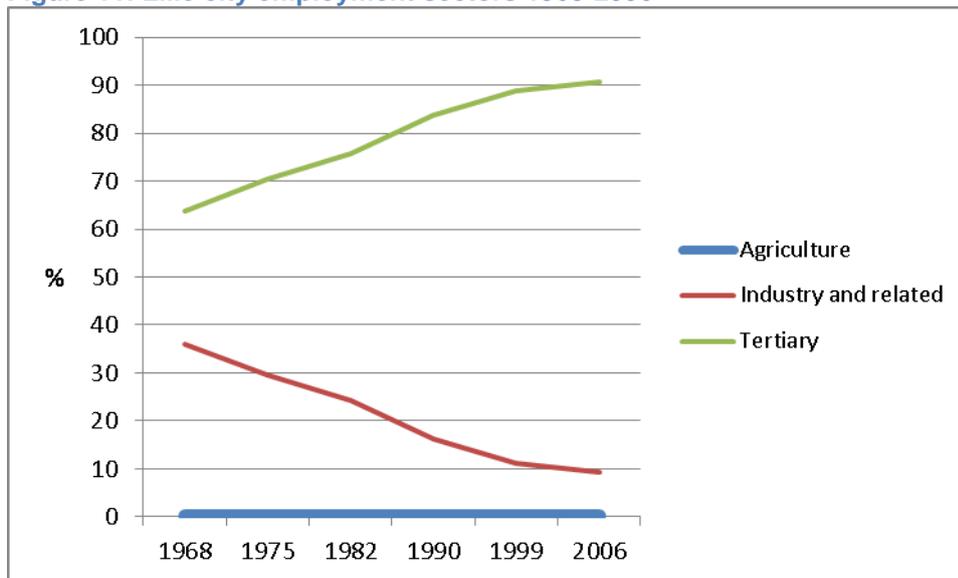
<sup>28</sup> Baert 2003

<sup>29</sup> Idem

<sup>30</sup> Baert, in interview and at Lille workshop

<sup>31</sup> Couch p 91

Figure 11: Lille city employment sectors 1968-2006



Source INSEE

The most important increase in jobs in the tertiary sector at this time was in the public sector, partly due to local political change. The 1965 and 1973 mayoral elections of Augustin Laurent and Pierre Mauroy marked a definitive shift of the municipal focus to the development of a high-end tertiary sector and towards developing a new urban community. It may also have been encouraged by the development of a very strong strike and occupation movement in Lille in 1974.

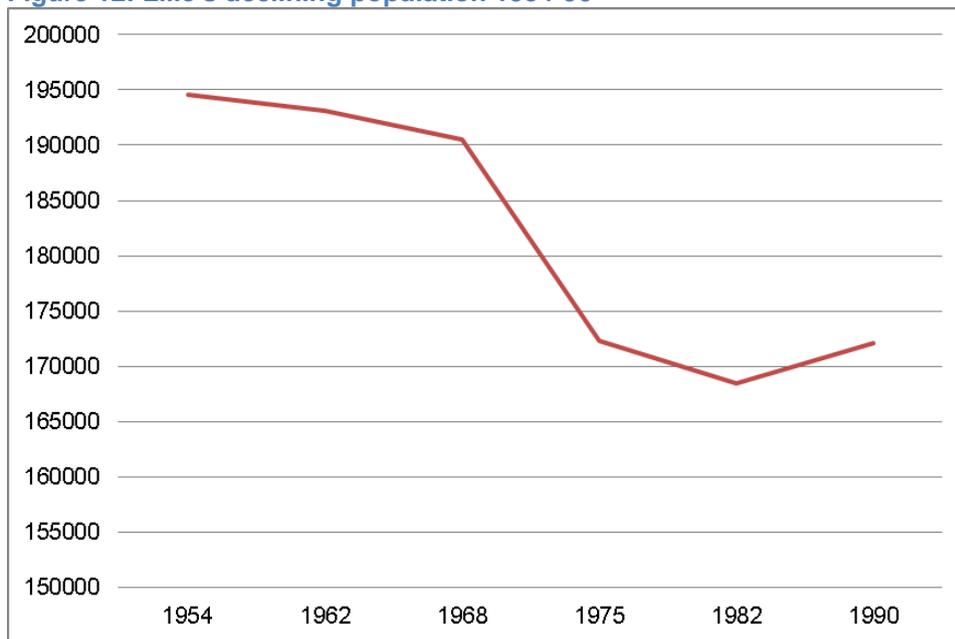
Meanwhile, the post-war economic boom was in full-swing in the rest of the country who were enjoying the fruits of the growing national prosperity. Lille's non-qualified workers appear to be the most excluded from the luxuries of the country's new 'consumption society'. Modern housing, household appliances and cars had become normalized goods for most employees in the early 1970s, but even in the early 1980s, only 40% of Lille's unqualified workers had adequate housing compared to 64.3% of the national<sup>32</sup>. This had an effect on population figures as shown in Figure 12.

The remainder of this report charts the long process of trying to rebuild an economic base to replace the previous heavy industries and textiles sectors, and of trying to transform the image and reality of the housing, commercial, and cultural conditions to make Lille and its metropolitan area an attractive and dynamic place to live. Already in the 1960s themes were emerging which continued over the next 50 years: the importance of central legislative and policy frameworks from the national government; an increasing development of larger scale

<sup>32</sup> Bleitrach p.164

democratically mandated sub-regional planning and delivery bodies; the crucial role of national funding programmes which operate with local, regional, and intermediary partners to deliver large scale projects; an emphasis on continuity, culture, and local traditions in setting the direction and context for planning; and the growing, and in some ways crushing, impact of globalisation and internationalisation of markets in framing the options which might restore economic well-being to the city. Evidence from other parts of the Weak Market Cities programme has shown the importance of new publicly sponsored agencies and innovative structures, as well as the crucial role of local civic leaders<sup>33</sup>.

**Figure 12: Lille's declining population 1954-90**



Source: INSEE

## 4. Recovery: Action taken

### National initiatives in the 1960s

The change in the fortune of the city of Lille and its sub region is due in part to the development of economic policies in the 1960s to reduce the predominance of Paris as the main motor of development. This was partly the result of new legislation promoting or mandating joint planning and services sub-regionally (the new Metropolitan areas); and partly due to new policies seeking to address deprivation and economic decline. Related to this was the presence of local Mayors who were not only local civic leaders but also

<sup>33</sup> Power at al 2010 p353-359

concurrently national political figures who could swing major investment and policy decisions to the advantage of their local city.

### Redressing the dominance of Paris

In 1964 the national government set out to rebalance Paris' disproportionate weight on France's economic landscape and to encourage autonomous regional development across the rest of the country. To do this, the French government created a framework to support a dozen 'counterbalancing' metropolitan areas (*Métropoles d'équilibre*) whose tertiary and technological fields were growing<sup>34 35</sup>. These areas were given public amenities and additional public investment to encourage regional growth. Lille was amongst those selected not least because while 'peripheral' within France, it was also, unlike (for example) Bordeaux or Nantes, central to the major economic region of North-west Europe.

As part of this metropolitan development, the national government created the new town of Villeneuve d'Ascq (originally known as Lille Est) in 1965 to serve as the regional capital of growth of the Lille-Roubaix-Tourcoing area. Its function was to attract new scientific industries to the region, as one of the approaches intended to stimulate the growth of new economic opportunities. This involved displacing entire faculties from the University of Lille in Lille city, in order to create a new hub for investment in scientific fields. Unfortunately the movement of university staff and students proved so successful that it undermined other parts of the local Lille economy that had been dependent on them. As a result there was a reduction in the level of investment in the older city cores making it an imperfect solution to the region's problems.

### Administrative co-ordination

An early initiative to provide local economic co-ordination was the creation of a single Chamber of Commerce for Lille, Roubaix and Tourcoing in 1966, which signalled a local willingness by business to contribute to wider economic thinking.

The first major structural change was the requirement to set up an metropolitan area ('*Communauté Urbaine*') in 1966<sup>36</sup> to address the problem of the historic (19<sup>th</sup> century) administrative boundaries at the lower parish (*commune*)<sup>37</sup> level. In the mid-20<sup>th</sup> century they were unhelpful and inappropriate. They did not reflect the new reality of wider functional

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<sup>34</sup> Following the creation of the Commissions de Développement Économique Régional (CODER) in 1963

<sup>35</sup> Couch 2003

<sup>36</sup> Imposed by the law of 31 December 1966

<sup>37</sup> There are 36,569 communes in France with a median area of 5.75 square miles and median population of 380 residents

economic and social areas which required sub-regional planning and management. This *Communauté Urbaine de Lille (CUDL)* covered 89 communes, and a population of over a million people at its inception (including a quarter of a million in the city of Lille and fewer than 200 in the smallest commune). Its first president was Augustin Laurent, the Lille Mayor (and previously a member of the national parliament, Minister under several administrations, and leading figure in the Socialist Party). Its initial objectives were the planning the co-ordination and management of key public services at the metropolitan level, and had a budget which for 2011 was €1,656m.

One of its main achievements was the provision of a metropolitan transport plan in 1971, which led to the completion and opening by President Mitterrand of the new driverless Métro system in 1976; and the construction of the 18,000 capacity Stadium Lille Métropole completed in 1976. In December 1996 the name was changed to Lille Métropole Communauté Urbaine (LMCU), and the number of communes had reduced to 85 due to amalgamations (including as part of the creation of the Lille Est new town).

In 1991 a transnational group was created, the COPIT (Conférence permanente intercommunale transfrontalière), linking five existing intercommunal organisations (like LMCU) and involving representatives of the regional and national governments. It brought together 145 communes on both sides of the border including the LMCU and including similar Flemish with inter-communal groups around Courtrai, Mouscron, Tournai, Roeselare and Leiedal. One of its main activities was the creation of the project 'Grande Ville' ('Grootstad') which set out a plan for cross frontier collaboration, leading to the creation of the "Eurométropole" in January 2008<sup>38</sup> which links Lille, Kortrijk and Tournai as the first 'GECT' (*Groupement Européen de Coopération Territoriale* or Cross-border coordination group). This GECT framework was established by the European Parliament in 2006, as part of the work of the Committee of the Regions.

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<sup>38</sup> For more on the history of the development of this body see <http://www.eurometropolis.eu/who-are-we/key-dates.html> [accessed 16/9/11]

## **Box 2: The legacy of Lille Mayors**

### **Gustave Delory (Mayor 1896-1904 & from 1919-1925)**

- Elected **first socialist Mayor in France** in 1896
- Launches socialist policies inspired by Scandinavian states
- Huge rebuilding projects after destruction & occupation of the city during WWI
- French currency is greatly devalued while prices sky-rocket. This leads to huge social conflicts during the 1920s & a very strong socialist party in Lille.

### **Roger Salengro (Mayor 1925-1936)**

- Reorganizes & modernizes Delory's social policies
- Launches a complete **restructuring plan in 1927**: slum demolition, new buildings for international fair, big teaching hospital facilities, modern train station, Lille port, aeroport at Marcq-en-Baroeul
- Major cultural & scientific creations: Baggio vocational school, all-girls vocational school *Valentine Labbé*, new Faidherbe High School, a photography institute & the Diderot institute, inaugurated in 1938
- Big economic problems hit Lille in the 1930s after the **Great Depression**. Major nationwide strikes in 1936 that led to national reforms in workers' rights & wages.

### **Augustin Laurent (Mayor 1955-1973)**

- Major construction projects: schools, housing & sanitation projects. urban renovation works of old housing stocks (in 1970 60% of housing was from pre-1914) & construction of new housing.
- Very important regeneration work in the Saint-Sauveur workers' area
- **Deindustrialisation** crisis begins: many businesses moved to peripheral areas; peripheral housing works resulting in Lille city-centre's housing aging & declining. The city slowly starts moving towards tertiary enterprise & employment
- 1960s-70s the housing crisis abates & the municipality focuses on a lot of cultural activities & efforts to improve the quality of life of Lille citizens

### **Pierre Mauroy (Mayor 1979-2001)**

- Prime Minister (1981-1984)
- President LMCU (1989-2008)
- Diversion of the **Eurostar** to Lille thanks to his negotiations. It will be a new starting point for the economy after a long crisis.
- Creation of **Euralille**, the 'temple to the tertiary', which combines commercial, office, green spaces as well as housing units, hotels & public facilities. The project began in 1990 & continues to this day extending over 74ha of land & 20ha of green space.
- Creation of the **Eurometropole Lille-Kortrijk-Tournai** in 2006. This enormous conurbation regroups municipalities in Belgium & France in order to foster greater economic, cultural, political & environmental cooperation.
- **Banking & financial sector** develops in the 1990s, making Lille one of France's financial & insurance centres

### **Martine Aubry (Mayor 2001-present)**

- President of LMCU (2008-present)
- President of Eurométropole in 2008 & 2010
- First Secretary of the Parti Socialiste (2008-present)
- **Ville renouvelée**: Series of documents & strategies setting out the vision for sustainable development based on three key themes – density & mix; quality & urban culture; sustainable development.
- **Lille European Capital of Culture 2004**. Large celebrations & festivities attract thousands of people to Lille. Seen as a cornerstone event to the improvement of Lille's image – a city with good quality of life & interesting cultural scene. Followed by other cultural events, particularly through Lille 3000 starting 2006 & has held exhibitions around the world.
- **Sustainable Development initiatives**: the national 'Agenda 21' series of measures, streamlining sustainable development laws, encouraging the reduction of waste, energy consumption, retrofitting, involving youth in democratic processes on what sustainable development means, & building insulation.
- **Lille Metropolitan Urban Community economic strategy**: plan to attract business by promoting 100ha of attractive business sites over 10 years – cleaning up old warehouses, renovating buildings, demolishing others, creating business parks
- **Active engagement with the national Grand Project Urbain process**: a new approach to social policy & dealing with deprived areas. Combines housing rehabilitation with improvement of infrastructure, services, amenities & implementation of green space, youth & community centres as well as commercial spaces. Development is thought of more holistically & money is pooled in one organisation.

## Political leadership

These formal committees are, however, dependent on local political vision and leadership to give them life and make them work effectively (particularly where some local partners are used to doing things their own way). In this regard Lille has benefited greatly from its Mayors. Over the period 1971-2008 Pierre Mauroy was one of the major political forces behind Lille's economic recovery, its most important urban renewal projects and its gradual transformation into becoming France's 3<sup>rd</sup> tertiary centre today. He brought important representation of the city of Lille onto the national stage and pushed to transform Lille into an important European city during his simultaneous mandates as mayor (1973-2001), President of the LMCU (1989-2008) and one of the principal people behind the creation of the Eurométropole. On a national scale, he served as Prime Minister from 1981 to 1984 and as first secretary of the Socialist Party, from 1988 to 1992, and was elected as Senator for the Nord in 1992. The current mayor of Lille is Martine Aubry (since 2001) who was previously Minister for Work, Employment and Professional Training between 1991-3, and Minister for Employment and Solidarity between 1997 and 2000. She has been president of LMCU since 2008, was president of the Eurométropole between 2010-11, and has served as first secretary of the French Socialist Party since 2008.

## An ever developing policy framework for city renewal 1980-2010

French policies around urban and housing renewal, called '*la Politique de la Ville*', have a long history in the post war period and continue to evolve throughout the current economic crisis. A timeline of the initiatives can be found in Phoenix Cities<sup>39</sup> as well as in several overview assessments of the policy from a local perspective<sup>40</sup> and a national overview by the Caisse des Comptes<sup>41</sup> (the main public audit body in France). There are several elements to this policy framework:

- Legislation to enable or oblige political and administrative joint working at a local level. This includes the 1966 law creating the metropolitan areas (*communautés urbaines*)
- Programme funding for major projects, often allocated on the basis of bidding by cities who have areas meeting basic criteria
- National and local guidance and delivery support, often involving local development agencies set up for the purpose

In Lille, state funding was provided in the 1960s to renovate old *quartiers* and clear out slums (e.g. the Saint-Sauveur area), but the real shift in urban development happened in the

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<sup>39</sup> Power, A., 2010, P248

<sup>40</sup> For example ORIV 2009, Milénaire 2008

<sup>41</sup> Cour des Comptes 2002,

early 1990s, when a new approach to urban renewal emerged locally from the new Lille Urban Planning and Development Agency (*Agence de Développement et d'Urbanisme de Lille*) and several LMCU partners. This shift in urban thinking, which was in line with the national framework, from regeneration to renewal, was strengthened in 2000 by two pieces of major national legislation. These created a renewed focus on strategic local planning or urban development, and simultaneously a move towards taking more account of the green and sustainable agenda in these plans. They were:

- The law on Solidarity and Urban Renewal<sup>42</sup> which introduced new provisions to encourage sustainable urban and housing development within a context of improved and decentralised local democratic control and cooperation. The new '*Schéma de Cohérence Territoriale*' or SCoT, replaced the previous *schémas directeurs*, and land-use plans (*plans d'occupation de sols*) with new local urban development plans (*plans locaux d'urbanisme*). In Lille the first *schéma directeur* was agreed in 1973, and the updated version of 2002, is in the process of becoming a SCoT.
- The 'Loi Borloo'<sup>43</sup> law on city development and urban renewal set up the new national renovation agency *Agence nationale pour la rénovation urbaine (ANRU)* and implemented a new national renovation programme (*Programme National de Rénovation Urbaine (PNRU)*) with the aim of delivering 200k new social housing units, 200,000 rehabilitated units, and 200,000 demolitions in the period 2004-2008. It also aimed to reduce social inequalities in priority deprived areas.

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<sup>42</sup> Introduced on 13 December 2000

<sup>43</sup> Introduced on 1st August 2003

### **Box 3: ANRU (Agence Nationale pour la Rénovation Urbaine)**

Set up by the law of August 1, 2003 to implement the Programme National de Rénovation Urbaine (PNRU), ANRU is the largest national effort to transform 'distressed' areas classified in ZUS (Zones Urbaines Sensibles) or in other areas facing the same socio-economic difficulties. It does this by:

- rebuilding demolished social housing;
- rehabilitating and residentialising social housing;
- demolishing dilapidated housing in order to create better urban organisation;
- improving urban spaces;
- developing public services, including delivering new schools;
- creating or renovating social, cultural and commercial services;
- facilitating access to employment, education, culture in line with the policies that are part of the CUCS (Contrats Urbains de Cohésion Sociale).

ANRU approves the projects that it finances via public and private funds.

By 2013, 500 areas spread throughout France will have been renovated, affecting the lives of 4 million people.

The PNRU has a budget of €42 billion in investment; €12 billion comes from ANRU and its partners. Average cost of a local PNRU is around €104 million, but this amount varies greatly. Average subsidy from the ANRU is €36 million per project in 2006. The average percentage of the agency's subsidies is 34%.

ANRU was created with the goal to simplify and accelerate the process of urban renovation for local authorities and social landlords. Before they had to address different financial and administrative bodies; ANRU is a centralised body which guarantees financing and establishes a precise calendar and building projects.

It is also popular because mayors and local authorities are invited to put in place their vision of urban renewal in order to 'promote a mode of social organisation that takes into consideration the city in its entirety.' Works in collaboration with concerned residents (via consultation), tight collaboration of local authorities at different levels (municipalities, département, région) and of the Préfet in coordination with State services.

Groups involved in the 'engagement committee' which examines projects and advises on the agency's financial engagement on them: SG CIV (Le Secrétariat général du Comité interministériel des villes), DGUHC (Direction générale de l'urbanisme, de l'habitat et de la construction), Action Logement, USH (Union Sociale pour l'Habitat, CDC (Caisse des Dépôts et Consignation) plus when needed the Minister of Overseas France, the CGLLS (Caisse de garantie du logement locatif social), ANAH (Agence Nationale de l'Habitat) and l'EPARECA.

Source: ANRU

## 5. Lille's transformational change and flagship projects

With administrative sub-regional structures in place, the backing of central state's regeneration policies, and the leadership of these dynamic national players operating at the local level, Lille also needed some high profile flagship projects which would lead the turnaround in the fortunes of the city region. Some are mentioned briefly in box 2 on mayoral initiatives. The most important are considered in more detail below, under the main themes of:

- Eurostar and Euralille – placing Lille at the heart of European business, not its periphery;
- new economic development;
- competition poles and centres of excellence;
- renewing the Vieux Lille area;
- tackling deprivation and urban regeneration ;
- Lille as European Capital of Culture;
- the carbon reduction and green agenda.

### **Eurostar and Euralille – Lille becomes central, not peripheral**

The Lille Eurostar station and associated Euralille renewal area puts Lille in a central position in the economically dominant North-West European area, at the hub of international exchanges between London, Rotterdam, Brussels, and Paris. This was the first real flagship project driving Lille's economic recovery. Euralille also signalled a move towards a 'new form of urbanism'<sup>44</sup> which sets out to mix economic functions, green space and attempts to foster a sense of neighbourhood and community with people from all socio-economic backgrounds.

History helps us understand the importance of local political leadership in its development. In 1986, then British Prime Minister Margaret Thatcher and French President Francois Mitterrand signed a treaty on the construction of a Channel Tunnel linking Great Britain and France by rail. In a political tour de force, Lille's mayor, Pierre Mauroy, successfully negotiated to ensure that the train stopped in the heart of the city of Lille instead of the more popular choice at the time, the city of Amiens. Locally, the project was deemed essential, not only to rebuild the city's economy but as Mauroy argued, to open a door to the rest of Europe via Brussels<sup>45</sup>. The 800 million franc project was financed by four different parties, with the French State and the TGV fronting half of the bill while the region of the Nord-Pas-

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<sup>44</sup> Carré, 2008

<sup>45</sup> idem

de-Calais took on 2/3rds of the project and the city 1/3. Services began in 1993, linking Paris to London and Brussels through Lille. This put Lille back in its historic position as an interchange town between France, Flanders and north-west Europe and marked the beginning of Lille's steady climb out of the industrial crisis towards a new economy and image.

**Figure 13: Euralille Phase One Iconic Building**



Source: C Kuklowsky

For Mauroy, the arrival of the Eurostar to Lille was seen as the first building block upon which Lille would rise as a major European tertiary city. In practical terms, the aim was to use the rail link and station as the hub and driver for the economic revival of the LMCU area, starting with the flagship Euralille project. This is a mixed-use area designed by Rem Koolhaas, comprised of a shopping centre, residential and office spaces built around the Eurostar station itself. In time Euralille spread to over 114 ha of mixed-use and green space in the heart of the city of Lille. The project was conceived by Mauroy as the 'tertiary turbine'<sup>46</sup> driving the renewal process, and heavily backed by political and economic partners<sup>47</sup>, as well as trade unions and residents who were excited about the prospect renewing the heart of the city. The project started in 1990 continuing through the 'Euralille 2' development in 2000 and then the further 'Porte de Valenciennes' project in 2006, and is still in development.

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<sup>46</sup> Couch 2003

<sup>47</sup> Bernard Roman in Carré, 2008 p19

Figure 14: Eurostar Route



Source: ProjectMapping.co.uk

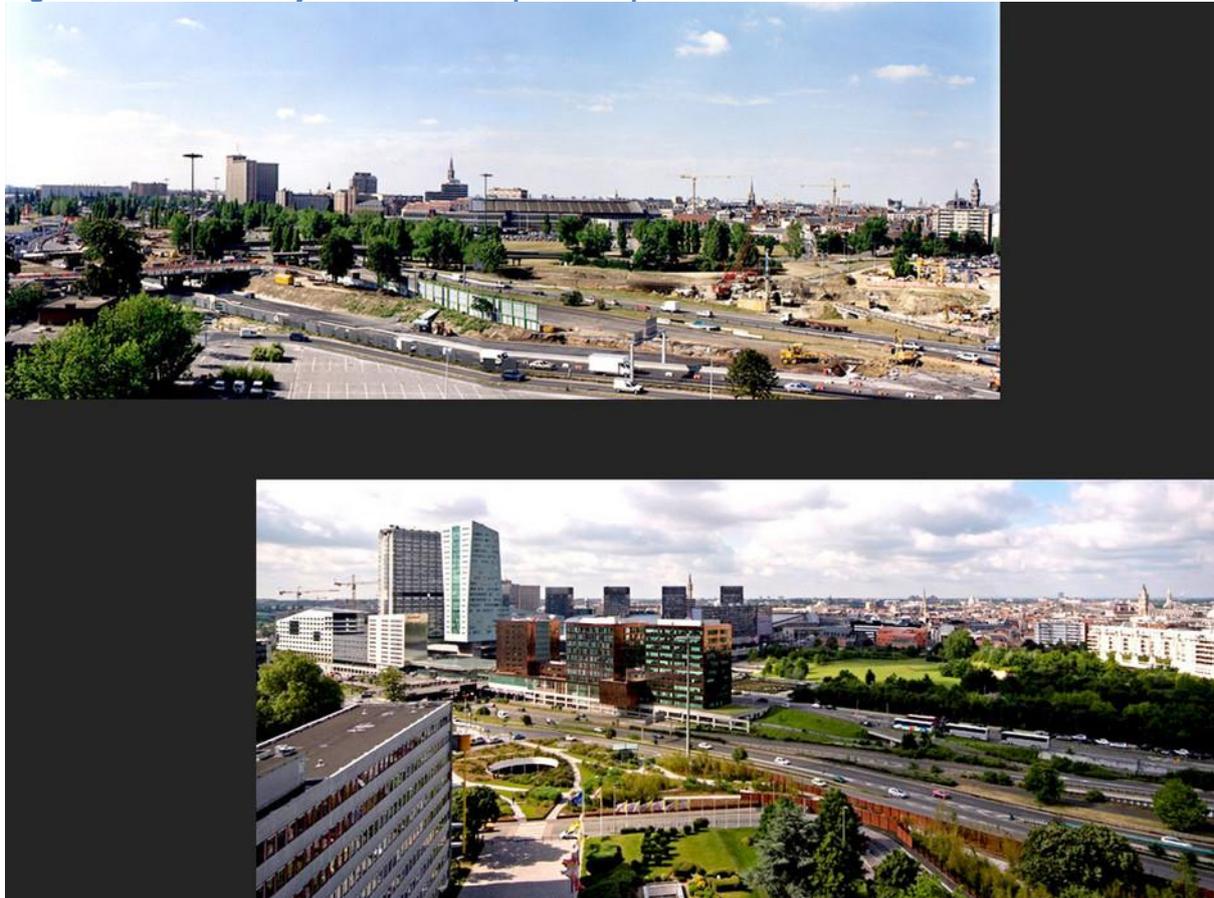
The original Euralille project extends over 110 hectares, and around 6 million rail passengers now pass through the International station and 17 million through the domestic station (Lille Flandres) each year. The development includes the Euralille commercial centres with a hypermarket and 120 shops (over 66km<sup>2</sup>); 'Centre International d'Affaires des Gares' (Stations International Business Centre) with 300m<sup>2</sup> of offices space and a 14,000 strong workforce; 2,500 housing units for 4,000 residents; five hotels with 600 rooms; and 20 hectares of parks and green spaces.

Euralille 2 includes an environmentally innovative housing development called 'The Inhabited Wood' ('*Le Bois-Habité*') built on the site of the ancient, but long gone, Lille forest. It includes offices built to meet HQE (high environmental quality) standards and a final tranche of housing meeting 'Habitat et Environnement' certification standard, including one building of 44 homes built to highest 'passive building'<sup>48</sup> standards. In addition there is a planned development for a further 10,000-15,000m<sup>2</sup> of offices in the 'Triangle Sud' part of the site, and the future regional headquarters of the National Centre for Public Sector Training. Between 8,000 and 12,000m<sup>2</sup> of offices will be located in the Portes de Valenciennes site.

<sup>48</sup> Passive housing standards require the building to have a very low energy consumption, with needs met from solar, or other sources including the heat from the residents and their electrical equipment in use

Once these projects are completed is intended to have a set of developments providing 282m<sup>2</sup> of housing, 441m<sup>2</sup> of office space, 162m<sup>2</sup> of commercial retail space, 44km<sup>2</sup> of hotel provision, and 100m<sup>2</sup> of amenity space and public services.<sup>49</sup> The Euralille site is now the third largest business quarter in France, after La Défense in Paris and La Part-Dieu in Lyon.

**Figure 15: Euralille Project Phase One - past and present**



Source: GEOphotos

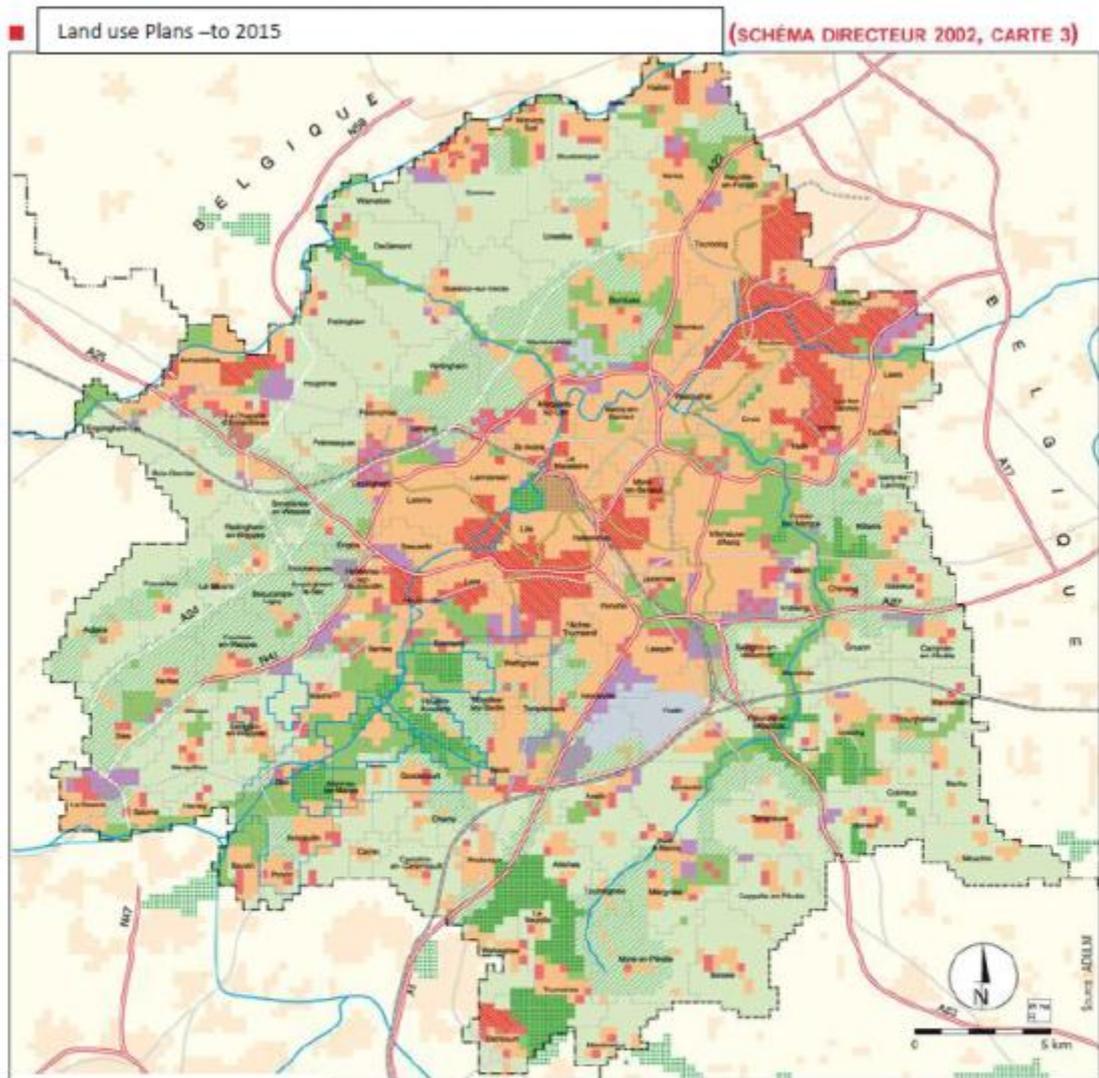
### **New economic development**

While Lille was slowly pulling itself out of a forty year crisis, the rest of the Nord-Pas-de-Calais region, once at the heart of the France's economic prosperity, was also struggling to catch up with the rest of the country. Since 1967 there has been a requirement on metropolitan authorities (now the LMCU in the case of Lille) to produce an overarching framework planning document for urbanisation and development called a '*Schéma Directeur*'. Various programmes for housing, education, commercial development, industrial development and related matters are within the framework of these overarching plans. Lille's first *Schéma* was produced in 1973, and the 2002 version set out a new LMCU economic strategy to promote the development of new attractive business sites. This included the

<sup>49</sup> Euralille Summary Brochure *La Ville continue*, SAEM Lille 2011

creation of 1000ha of space in 10 years composed of a wide range of sites: industrial parks, business parks dedicated to one theme, local interest sites and spaces for redevelopment for urban renewal. Figure 16 below sets out the current plans for land use by 2015 clearly showing the development of inner urban brownfield sites (red hatched); and the creation of new green zones around the urbanised areas (green hatched).

Figure 16: Schema Directeur 2002



- |  |                         |  |
|--|-------------------------|--|
| <b>Main Use</b>  |                         | <b>INFRASTRUCTURES</b>                       |
| Urbanised zone   | Espace agricole protégé |  |
| Multi function zone  | Aéroport ou aérodrôme   |  |
| Economic Zone  |                         | Autoroute et voie rapide                     |
| Green and leisure zone   |                         | Autoroute et voie rapide en projet           |
| <b>Changes</b>   |                         | Voie d'eau                                   |
| Requalification urbaine et ville renouvelée                              |                         | T.G.V.                                       |
| Site urbain à protéger   |                         | Voie ferrée                                  |
| Espace boisé à préserver ou à créer                                      |                         | Tramway                                      |
| Préservation et développement de la qualité du paysage                   |                         | Métro  |
| Périmètre de protection rapprochée (DUP), tracé simplifié                |                         | Extension transport en commun en site propre |
| Zone de très forte vulnérabilité de la nappe phréatique, tracé simplifié |                         | Frontière                                    |
|  |                         | Limite de l'arrondissement                   |
|  |                         | Limite communale                             |

Source: LMCU SCOT

*Schéma directeurs* are now being gradually replaced by a revised document, the '*Schéma de cohérence territoriale*' or SCOT, and the Lille version of this is currently under development<sup>50</sup>. The 2010 summary of the emerging SCOT overview development strategy<sup>51</sup> sets out five objectives and three principles to move Lille to the level of an internationally significant metropolitan area. The objectives are to:

- support international activities of the area;
- develop accessibility and a variety of transportation options;
- put in place an ambitious economic policy relevant to all parts of the area;
- find tools which will address cohesion and inequalities in the area;
- deliver an urban infrastructure which is of the highest quality including environmentally.

These objectives build on three principles:

- an equitable balance to support the development of all parts of the metropolitan area;
- addressing the challenge of economic growth and urban dynamism through targeting excellence;
- quality.

### **Competition clusters and centres of excellence**

The approach of focusing development on inner-city sites which were previously industrial land and now offer opportunities for brownfield development has, over the last 20 years, been developed and used throughout the city to encompass four 'Centres of Excellence'.

They have several aims:

- to provide a regenerative push to the run down areas in which they are cited;
- to develop sites which bring new homes, offices, services;
- to provide opportunities which will be attractive to external firms looking to relocate into Lille;
- to stimulate new local start-up companies and particularly small and medium enterprises.

Each of these centres of excellence is intended to develop expertise as a 'cluster' for firms pursuing similar activities, and be a focus for cutting edge development of products and ideas in that sphere. As well as the Euralille development, the other principal sites are:

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<sup>50</sup> See, for example, the consultation documents and information on the LMCU site <http://www.scot-lille-metropole.org/spip.php?article27>

<sup>51</sup> Cited in the SCOT summary at [http://www.lillemetropole.fr/index.php?p=1203&art\\_id=](http://www.lillemetropole.fr/index.php?p=1203&art_id=) [accessed 25/9/11]

- **Eurasanté Park:** Situated in Loos, near Lille Hospital and on the largest university health centre complex in Europe, it is a **development site for companies and research laboratories specialising in health fields.**
- **Haute-Borne Technology Park:** Near Villeneuve-d'Ascq, home mainly to **hi-tech enterprises and research laboratories.** Its proximity to Lille 1 University makes it a research centre of excellence in Europe. It accommodates several units connected to the French national organisation for scientific research (CNRS<sup>52</sup>), as well as the IT Research Institute (IRCICA<sup>53</sup>).
- **Zone de l'Union:** Located in the heart of the Lille metropole, the site of the Union seeks to become a model of sustainable development blending housing, economic activity and services. This **ancient industrial site of 80 hectares is currently one of the biggest urban regeneration projects in France.** At completion, the Union site will house some 4,000 employees and 3,000 residents. It is the first eco-quartier of Lille Métropole and is a sustainable development project including land clean up, waste management, water use organisation, transport management, participation. The site will house two centres of excellence: one on image, culture and media, the other on innovative textiles (the Vantroutryve site).
- **Euratechnologies:** a refurbished industrial building mainly dedicated to enterprises in **new information and communication technologies** on an area of industrial wasteland. There are currently 150 firms of different sizes, employing 1,500 people, focusing on start-up businesses but also including a Microsoft project aimed at providing support and training to new e-businesses. Experience has shown<sup>54</sup> that on average half of all start-up businesses will disappear within five years, whereas with the type of support provided on the Euratechnologies site this drops to 20%.

In addition to these business support initiatives, Lille has created six 'competition clusters' set up under the sponsorship of the Government Committee for French Development and Planning (CIADT) and its Department for Competitiveness, Industry and Services (DGCIS) and receive tax breaks and research funding following a competitive bidding process<sup>55</sup>, of which there have been two rounds so far, the latest 2009-11 round investing in total

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<sup>52</sup> Conseil National pour la Recherche Scientifique

<sup>53</sup> (Institut de recherche sur les composant logiciels et matériels pour l'information et la communication avancée

<sup>54</sup> Information from Jerome Fauquembergue during the site study visit

<sup>55</sup> For more on this see [competitivite.gouv.fr](http://competitivite.gouv.fr)

€1.5bn. The objectives of these poles are to develop French competitiveness through innovation; to provide new technical and creative industries in the regions; to improve the visibility and attractiveness of France to industry and investment; and to stimulate local employment.

These clusters are:

- **I-trans** which has the status of an international centre, looking at innovative ground transport systems, building on the 1983 Siemens first automatic light railway system (the Lille VAL metro) and now comprising 40% of national railway construction business, 100 firms, 10,000 jobs, 17% of French exports and 400 researchers in 12 laboratories and has a €5.3m annual turnover.
- **NSL (nutrition, health, longevity)** which leads in agri-food and health ingredients (reflecting LMCU's important rural aspect), as well as in health and biotechnology including a unique specialist blood centre. It has a turnover of €6.5bn and a research budget of €171m to employ 500 researchers in 21 public and 35 private research teams. Its activity is focused in the Eurasanté centre of excellence development
- **Uptex** – advanced textiles and materials, building on the long history of textile manufacture in Lille. It is the home to ENSAIT in Roubaix which trains 80% of French textile industry engineers, and CETI (European centre for innovative textiles) which shares this research portfolio with similar textile centres in Ghent. It has a €5bn turnover, and supports 15% of the French textile industry workforce.
- **PICOM** supports 219 distance selling companies, who hold 66% of the national turnover and 70% of French jobs in this industry, as well as providing 20,000 jobs in the region – again building on the historical legacy of the first 1928 La Redoute catalogue. It is trialling new distribution concepts including sustainable DIY, arts and crafts, and food, and in addition to distance selling provides a further 44,000 jobs in the retail sector and in total a turnover of €65bn.
- **MAUD and TEAM<sup>2</sup>** are focused on environmental innovation – MAUD deals with new materials and their uses in the search for lower carbon production, particularly around packaging, and graphic industries; TEAM<sup>2</sup> deals with waste management and recycling, particularly the recovery of industrial waste and by-products. It includes the only centre of ground and site depollution in France, and holds 14% of the French market. Overall it supports 9,500 workers and 270 businesses.

The overall approach within these developments is to maintain links between the past history of the regions – for example agriculture, textiles, mail order – and the new businesses, and

thereby draw on and build from the experience and traditions locally, as well as the characteristics of the region (as, for example, an important agricultural area).

Another important LMCU area initiative took place in 1994 when Roubaix mayor René Vandierendonck implemented a strategy to attract private sector investment in Roubaix, a city with large swaths of deprivation, an unemployment rate of 27% at the time, 42% social housing stock, a largely immigrant area with less economic advantages and less of a diversified economy as Lille. The strategy was first to change the image of Roubaix, from one of dereliction by cleaning up the canal and the derelict factories along its banks, improving transport links within the city and between the other centres of the metropole, and improving the main town square, all vital for changing the image of the city. There are 14 other projects which considerably changed the character of the city<sup>56</sup> including a combination of public and public/private ventures where local enterprises played a part. These included parks, city beautification projects, the *Pôle d'enseignement Art et Activités Textile*, a workshop/nursery area for the regeneration of the textile industry attracting new manufacturers of high-quality products, plus a museum of the area's textile past, Casino, La Redoute headquarters, the introduction of the McArthur Glen factory outlet retail centre, and a huge housing (both public and private) upgrading programme – all launched in the city within a 15 year span up to 2008.

2,500 jobs were created by the enterprise zone but there's an on-going argument as to whether those jobs are taken up by unemployed locals or people who commute into Roubaix but live in more affluent suburbs.

### **Renewing the old centre – the 'Vieux Lille'**

As well as economic development, the LMCU has a major focus on urban redevelopment, including the restoration of the old inner-city core. A key element to restoring the attractiveness of the city, to businesses and as a means of attracting residents back to the city centre, was the restoration of the old centre – Vieux Lille – which was one of the most deteriorated areas of the city. This was partly supported by the national initiative put in place under the 1962 Malraux Law which provided financial incentives helping owners of historic buildings to undertake restoration works. An overall plan was prepared, and agreed to in 1980, covering 56 hectares of the historic centre, including the medieval streets, the Grand Place, Rue Royal, St Catherine's church, and the part of the city built during Lille's incorporation into France in the 17<sup>th</sup> century. This plan is in the course of being revised, but

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<sup>56</sup> Couch 2003

since the original redevelopment projects the area has gone from one of the most run down to one of the most expensive areas of Lille, supporting a thriving tourist industry and related up-market shopping outlets.

Figure 17: Lille's restored Old Central Area



Source: LMCU

In addition there has been a partial restoration of the Gare Saint-Sauveur area of the inner city; once a notorious area of factories and densely packed, poor quality working class housing, but now mainly derelict apart from the elements which have been restored under this local initiative. The Saint-Sauveur restoration is intended to be participative, engaging local residents in the emerging set of new multi-purpose buildings and facilities, which includes exhibition spaces, shops, a cinema and performance space, flexible rent hotel rooms (renting by the hour if wanted), green design (with minimal heating provided) and frequent events to attract visitors. Over 700,000 people have visited the 22 hectare site since its opening and the area was a focus for events during the 2004 European City of Culture programme. This approach links culture as a key element of regeneration to the necessity for carbon reduction to be at the heart of all new developments. Final development plans for the remaining parts of the site are in progress, although funding is uncertain at present.

**Figure 18: Family events at the restored Gare Saint-Sauveur area**



Source: City of Lille

### **Tackling deprivation and urban regeneration: housing**

As noted above, improving housing, both social and private in the city centre, has been a priority need for Lille and its metropolitan area since the creation of the industrial workers housing in the 19th century. National policies prioritised the improvement of housing conditions, particularly in areas built up in the 1960s and 1970s which are characterised by long mid-rise and pockets of high-rise apartment blocks.

City renewal was given further impetus with the launch in 2005 of the overall Lille Major Urban Renewal Project '*Grand Project Urbain de Lille (GPU)*'. This new programme continued the previous emphasis on inner urban renewal and development to re-unite the original parts of the city centre with the inner suburbs, with a particular focus on run down social housing neighbourhoods. Its aim was to improve areas that had suffered major physical deterioration and address the extensive and persistent socio-economic inequalities affecting these areas. The approach was to implement flagship regeneration programmes that simultaneously addressed housing, environmental, economic and social needs of targeted areas.

In Lille, the GPU was presented as a concrete realisation of the vision set out in the '*Le Projet Urbain de Lille*' (Lille's Urban Renewal Project)<sup>57</sup>. It includes a commitment, signed in August 2006, to improve the worst social housing areas, and a further commitment made in December 2007 to address the problems of private housing. The GPU brings together LMCU partners, as well as the main HLMs (social landlords), social work and community development agencies, with funding bodies from ANRU, the social banking sector (Caisse des Dépôts et Consignations), the region, and the city.

The main focus of the GPU is on Lille Sud, and Porte de Valenciennes; and in the neighbouring city of Moulins. Other work will also be done in six further areas: le Centre, Bois-Blancs, Fives, Saint-Maurice, Vauban-Esquermes et Wazemmes. The programme includes:

- a budget of €482m;
- rapid progress in bringing to fruition within 6 years a programme that would normally have taken 10 to 15;
- 3,400 new homes, of which 1,100 are to be social housing (replacing 750 homes demolished); 900 private rented, and 560 for owner occupation;
- Internal improvement for 4,500 further homes;
- a further 400 new homes and 900 renovated homes for the private sector.

There are also environmental works including a three hectare park in Lille-Sud and various projects to 'green' existing major roads. All of the works will meet current EU standards for insulation and green construction, including materials, heating, solar panels, the recovery of rainwater and other environmentally focused approaches.

The programme also aims to stimulate the local economy in terms of local shops and services, as well as mandating that building and public works contractors must employ at least 5% of local labour. The Lille Sud project includes a local centre for enterprise and in total 10,000m<sup>2</sup> of new provision for local business activities.

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<sup>57</sup> Le Projet Urbain de Lille (préface de Martine Aubry), 2006, éditions Ville de Lille

Figure 19: Major works to Lille Sud Estate



Source: LMCU

Further information about the overall approach to city renewal was set out in the 2010 discussion document 'Ville 3000'<sup>58</sup> for central development including the Saint-Sauveur site. The LMCU president and Lille Mayor, Martine Aubry, sets out her aim to build on previous innovative developments to create an attractive, sustainable, socially mixed area which is "the antithesis of ghettos of rich and poor"<sup>59</sup>, mixing generations and the different activities of living and working, in a compact space which provides a '*nouvel art de ville*' – a new approach to living in the city. Ville 3000 particularly aims to combat urban sprawl, develop public transport, address issues of renewable energy, improve the environmental assets of water, air and agricultural land, and make 'quality the trademark of our city'<sup>60</sup>. This vision resembles the concept of 'Métropole Renouvelée' which some commentators attribute to the 1996 planning discussions within Lille Metropolitan development groups.

### Lille as a city of culture

The award of the 'European Capital of Culture' status in 2004 gave Lille the opportunity not only to showcase its cultural life but more generally to present the city and metropolitan area as a modern, vibrant, 21st century city which was open for business and a good place to live. Many events were held including the transformation of the inner city to a 'Bollywood' set. Lille's focus on culture is central to its plans for regeneration and renewal. It is

<sup>58</sup> Carré, D. (ed) 2010

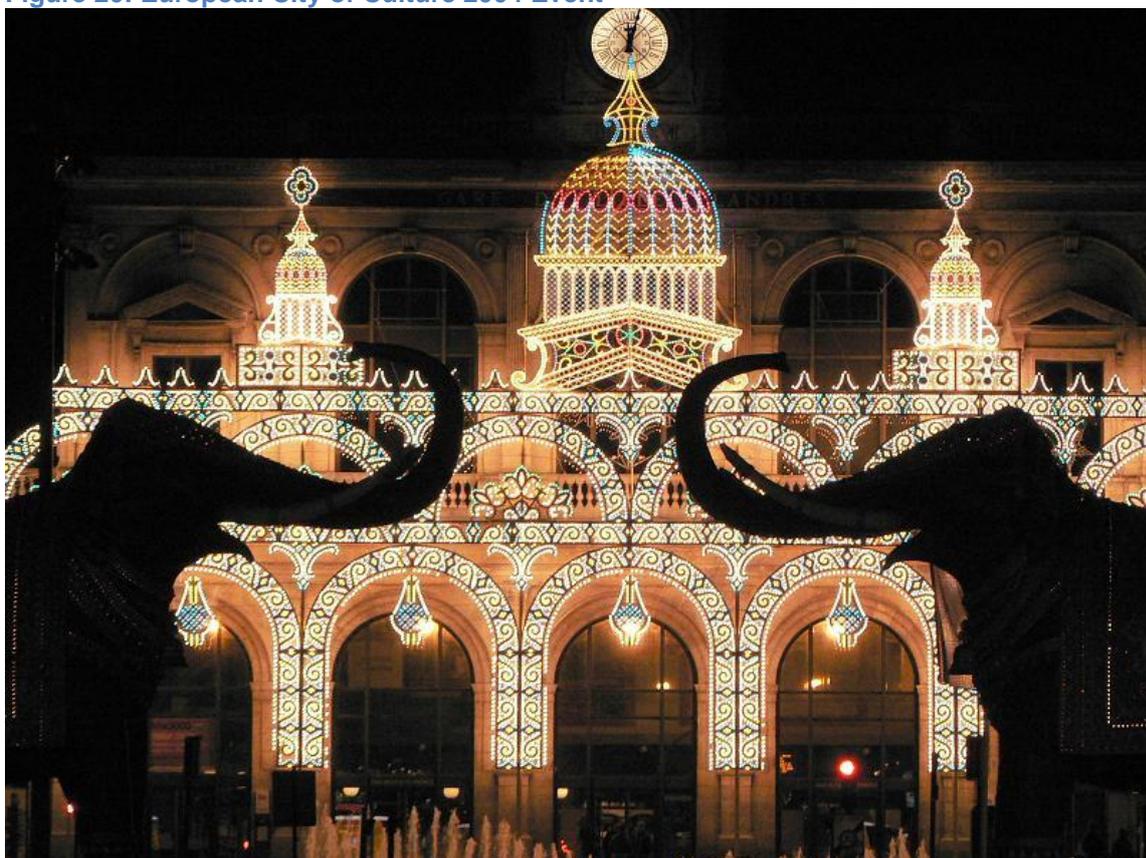
<sup>59</sup> Ibid p10

<sup>60</sup> Ibid p14

attempting to shed its image as a cold northern town in an area of mining, steel working, and bleak landscapes to attract industry and new residents. It is also seeking to make cultural activity an integral part of life in the city, and in every neighbourhood, in relation to many more activities and civic engagements than just the traditional arts. Three 'Maisons Folies', which opened in 2004 continue to provide centres for exchanges between local, regional, national and international artists and the local population work on an informal basis on local artistic projects. An example of this was the production of 'An Opera in a Day' in the Gare Saint-Sauveur area which brought together professional musicians and singers with anyone in the community who wished to take part – providing instant tuition to encourage people to play an instrument which they had never touched before.

Part of this focus on culture comes from the Mayor, Martine Aubry, who promotes a non-hierarchical approach of exchanges, in which Lille is considered a leading city in France. The culture promoted is 'local' culture and follows the republican model: there are significant ethnic minority communities in Lille, and whilst encouraged to take part, there is a clear emphasis on their integration and not on any celebration of their own prior cultural heritage.

**Figure 20: European City of Culture 2004 Event**



Source: City of Lille

## The carbon reduction and the green agenda

Sustainable development has been central to rebuilding efforts in Lille during this period of recovery. While interest in sustainable development began in the late 1970s / early 1980s, it has become a guiding principle for all political action since 2001 under Martine Aubry's mandates. A core group of leading environmental thinkers and activists involved locally and in the MRES (Maison Régionale de l'Environnement et des Solidarités) were the first to identify sustainable development as an exit strategy to the deindustrialisation crisis and the accompanying environmental destruction<sup>61</sup>. In the 1970s, 1980s and 1990s, the MRES acted as a laboratory for environmental public policy and many of those involved went on to lead the summits at Rio and Johannesburg in the 1990s. A new approach, the 'Agenda 21', was born out of the Rio summit in 1992, where local authorities were called upon to integrate sustainable development initiatives in their city plans for the 21st century. Since 1995 when the city signed the Aalborg charter (European charter of sustainable cities), the city HAS WORKED with partner organisations like MRES on action proposals for a sustainable 'co-development' anchored in strong local action and international advocacy of Lille's environmental leaders. Lille was one of the first cities to sign the Agenda 21 in 2000.

Since then and under the strong political will of Martine Aubry, the city has made important strides to rethink sustainable development in all aspects of policy-making. In the past ten years, the city of Lille has managed to streamline sustainable development into many different fields. In urban planning, this translates into the creation of more green spaces, the cleaning up of brownfields, and the containment of urban sprawl. Important housing renovation policies have been implemented to reduce energy consumption and waste, and health and food measures have been enforced (e.g. 50% of organically grown locally produced food will be in all state-funded food programs by 2012). Additionally, international partnerships around sustainable development initiatives have been created in order to exchange best practices – as is the case with Lille's sister city Saint-Louis in Sénégal.

Sustainable development is not just a top-down matter for the city. It is considered a key ingredient to people's participation and inclusion and an efficient means to not only create healthier more sustainable environments for people, but as a means to foster 'innovation, creativity, cooperation, proximity and solidarity' between citizens. Beyond that sustainable development is conceived as an important means to repair social inequalities, through what Aubry has called 'social-ecology.' As such the city has undertaken important projects to include citizens in sustainable development initiatives in their area, and in training young

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<sup>61</sup> Interview with Lille official December 2010

people to become 'green leaders'<sup>62</sup>. Alongside that, social justice and environmentalism are seen as one and the same. Aubry talks about the 'eco-conditionality' of public policy which states that every decision must answer yes to two questions: "Does this project contribute to the reduction of inequalities?" "Does this project contribute to preserving the balance between man and natural resources?"<sup>63</sup>.

#### **Box 4: Lille Agenda 21 – main themes for action**

**Modes of production and consumption:** City policies on green purchasing, better management of waste, promotion of recycling, locally grown food in schools, new businesses for producing green goods, public information and education activities.

**Energy and climate plan:** reduction of energy use in all city facilities including social housing units (to save up to 45,000 tonnes of CO<sub>2</sub>p.a.), reduction of energy use for public lighting and heating (36% reduction for lighting in 5 years to 2009), actions to reduce fuel poverty and the impact of climate change on the most excluded citizens, production of a thermal map of the city to identify hotspots and engage public awareness.

**Health and sustainable development** A new aspect of the 2010-14 plan involving health improvements to nutrition and health, particularly in disadvantaged neighbourhoods, including 50% organic products in schools, reduction of CMR (carcinogenic and poisonous) substances, employment health, improvements in air quality.

**Sustainable city and housing:** Engender a collective and dynamic identity, good quality of life for all in all neighbourhoods, reduction in social inequalities and environmental degradation. This includes the development of 7 'eco-neighbourhoods'; higher thermal and eco-performance through renovations and in new build, grants for insulation works, solar cell installation, surface water collection and related works; non-polluting public transport and support for cycling; considerable investment in public information and support including guides, training, supporting small eco-businesses and individual support including a new 'Green Centre'; and a new strategy for water management.

**Culture:** Supporting all forms and diversities of culture, improving the quality of cultural education and facilities, ensuring cultural events are eco-proofed, organising events to promote and engage residents in climate change including training 120 activists, and holding regular social events ('Dances at Fives').

**Biodiversity:** Development and protection of green spaces, an inventory of biodiversity, community gardens, reduction of pesticides, promoting bee habitats, climbing plants on walls and plant and insect rich city ditches.

The extent of the commitment to this agenda is illustrated by the huge resources it attracts including:<sup>64</sup>

- 70% of Europe's expenditure for **environmental projects** located around Lille
- more than **800 eco-companies** located in the region, of which 40% are in Lille Metropole
- **'Excellence Pole'** for site and soil decontamination – unparalleled in France
- **CD2E (Création Développement d'Eco-Entreprises):** a specific subsidy tailored to the development of eco-companies

<sup>62</sup> From interview with Lille Official, December 2010

<sup>63</sup> Introduction to City of Lille 2007

<sup>64</sup> Source : APIM (Agence pour la Promotion Internationale de Lille Métropole. See also [http://www.mairie-lille.fr/fr/Vie\\_economique/Brochures/developpement-durable-en](http://www.mairie-lille.fr/fr/Vie_economique/Brochures/developpement-durable-en) for details of how Agenda 21 is being taken forward

- **Triselec**: a social and technological model in the field of sorting plants (90,000 metric tons of material sorted per year)
- **CVO (Centre de Valorisation Organique) (Organic Upgrading Center)**: processes 108,000 metric tons of waste per year since 2007 and supplies biogas for 150 buses operated in the metropolitan area.
- **Energy Upgrading Center ANTARES** : processing capacity of 350,000 metric tons per year to produce 185 GWh of electricity per year.

Additionally, sustainable development is used as an important lever for fostering international development, by strengthening cross border initiatives of waste and water recycling management with Belgium. Aubry's emphasis on moving from a framework of consumption, to one of prioritising a well-being and inclusive society, involves re-thinking the concept of 'development' and what we view as important, alongside the idea of 'sustainability', as not just something that's good for the environment and promotes well-being for future generations, but fundamentally is about creating long-lasting links within community. This is a priority that is not only adopted at the city level but articulated at all levels of government.

**Figure 21: Green neighbourhood and housing development: Le Bois Habité**



Source: City of Lille

## 6. What has changed? Signs of recovery?

### Overview: Progress, but still problems

Lille has made impressive progress in addressing its need to re-invent itself as a 21<sup>st</sup> century city building on its historical roots. This section will set progress and achievements in the city and metropolitan area, in terms of the overall strengths, weaknesses, opportunities and risks in the context of the history and actions set out above. It goes without saying that the biggest risk and uncertainty at this time is the continuing market turbulence whose outcome is unknown at the time of writing but which might fundamentally change the future prospects for Lille and other western European cities. The conclusions here are based on a snapshot of the situation as it appeared in November 2011.

### Strengths

Lille has a range of strengths, many of which have been clearly identified by the variety of local players who have taken part in the discussions, interviews, and workshops which formed part of the research for this report. These strengths are outlined below:

11. Lille is identifiably the capital of the Nord-Pas-de-Calais region, the focal point and most visible driving force for change within the region. There are no competing major towns (unlike, for example, in the case of Saint-Étienne), and the long history of cross-frontier exchange of ideas and workers has been supportive of previous traditional industries, and emerging new ones (unlike, for example, in Metz where there were competing and very different cross-frontier German approaches and investment patterns).
12. There is a long political tradition of far-sighted, national level political leaders in the position of Lille mayor (Salengro, Laurent, Mauroy, Aubry) who also served as presidents of various intercommunal bodies like the Lille Metropolitan (LMCU group), and who were supported by a solid and longstanding base of grassroots party members (in this case Socialist party members), ready to take the lead in the region. Even in terms of major employers and industrial owners, there was a tradition of paternalistic family based capitalism which seems to be finding modern forms of development. Overall this combination of historical tradition, political dynamism, and territorial coherence has enabled the collaborative development of joint policies locally.
13. Within this framework of political leadership there has emerged a willingness by the local communes, businesses and other partners, to build increasingly wide-ranging joint

ventures, including across national boundaries, with a view to formally linking the individual strengths of each local unit into a more powerful regional and international force. Starting with the original cross-commune body in 1967, the importance of formally constituted and managed joint working as a key strength has been recognised and developed; and is continuing to develop in new areas such as transnational transport networks for the movement and networked exchange of goods, and the first formal EU transnational European Grouping of Territorial Co-operation. This is partly built on the framework of consultation and respect for different interests of partners and communes, reflected for example in the recent extensive consultation on the local contracts (*contrats de territoire*) being put in place with every commune in the LMCU, a unique approach in France.

14. Lille's elected members and full-time officials have both taken an active part in the development of the emerging national frameworks for planning, urban development, and the green agenda. They also have proved well-able to bid for and secure funding under the various economic development and housing renewal programmes which have been put at their disposal. Further, there is a tradition of successful delivery through the programmes put in place, with visible progress in developing the economic, housing, transport, and urban renewal and renovation projects which have been funded.
15. Linking points 1-4 is a continuity through change in the development of the region, including the most fundamental changes in the rapid rise and subsequent decline of industrial coal and steel. The textile industry, agriculture, and the exchange of goods has been a feature of Lille's economy (and image) since the Middle Ages and this continues to the present. More generally Lille has been very active in promoting local cultural activities, including an arts centre in every neighbourhood, for local talent to mix with regional, national and international artists. This is part of the promotion of Lille as a historically rich, vibrant, cultured, green and attractive city in which to live and work.
16. Impressive progress has been made in developing the tertiary sector in Lille, stimulating new and innovative industries in emerging sectors such as health and agribusiness, and attracting international investment. Lille now boldly advertises itself as the third largest industrial area of France, with 15 headquarters of international organisations and 80 of the headquarters of businesses with over 500 employees, the 15<sup>th</sup> most important European metropolitan area, second highest region for foreign investment, and third for international commerce. The LMCU is ranked today 3<sup>rd</sup> in the French office space market, with 141,000m<sup>2</sup> of commercial space in 2005 (LMCU), with an active workforce

of 900,000 people and a market of 100 million people within 300 kilometres. Its national and international visibility and attractiveness have been enhanced with the European City of Culture activities in 2004 and beyond, and it continues to be a national leader in using the promotion of local culture as a means of improving the quality of life locally.

17. Despite the traditional model of family capitalism still continuing (which was a problem in the 1960s as outlined above), Lille appears to have successfully adapted to new market conditions. Several families own very large businesses, many of which have national and international renown, such as Auchan, Decathlon, Leroy-Merlin, (some of France's biggest companies all affiliated with the Mulliez family), La Redoute, Les Trois Suisses, and others. These were families that have in some cases diversified into sectors deriving from the textile industry such as in mail order sales, major outlets and specialized textiles. Alternatively others diversified into other economic sectors that also have links to the past, for example, the food processing industry through Bonduel (the French giant in the field), or in the chemical industry. Lille is the European leader in baking powder and is home to the baking group Paul. Here tradition and change have made joint progress in economic development and management.
  
18. The metropolitan area is now has the second largest student population in France, with over 100,000 students, 20% from outside the region, attending the various prestigious universities in the city and its surrounding municipalities including four universities, 13 schools for engineering or 'grandes écoles', five schools for commerce and management, the Ecole Supérieure de Journalisme, l'Institut d'Etudes Politiques, l'Ecole d'Architecture, and 25 research laboratories. There remain problems about securing sufficient focus and funding for research, outlined below, but there is potential to continue expanding and exploiting this sector.
  
19. Property prices have increased in the last decade, thanks to the increased commercialisation of the city-centre, the attraction of more middle class and better educated workers to the city and the now large student population. House purchase prices in the LMCU increased by 90% between 2000 and 2006 (and a more reasonable +31% for renting)<sup>65</sup>. Prices stagnated somewhat during the 2008 economic crisis but started climbing again in 2010.

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<sup>65</sup> Source: Reflexions SCoT – See [scot-lille-metropole.org](http://scot-lille-metropole.org)

Today, the real estate market extends beyond the LMCU borders, as more and more people move to the outskirts in search of affordable places to live outside of Lille. Lille only represents 20% of the real estate market. Daily trips happen outside the LMCU. There are very frequent commuting journeys between Lille and the mining basin now, with globally still quite a depressed real estate market, but there are many differences within the sub-region as a whole. There also is a very strong real estate market in francophone Belgium with certain Belgian municipalities having over 20% of French residents. The affordability of that area, the proximity to Lille and the lack of a tax on wealth make Belgium an extremely attractive place for middle –income families and the extremely wealthy<sup>66</sup>.

20. Lille has been an early and vigorous advocate of the development of comprehensive and long term plans for addressing the ‘green’ agenda at the city level. Through its active promotion of the ‘Agenda 21’ set of policies and its promotion of new green skills and industries locally it is positioning itself to be in the lead on the development of the green economy and green jobs in the coming period

## Weaknesses

Beneath the surface, however, the picture is more complex, reflecting some long-term demographic, cultural, and economic aspects of the region and its location in the previously highly centralised France.

4. Population indicators suggest that the population is at best stable and only growing slowly, although steps taken to focus housing and population growth on the city (and not the suburbs) seems to be effective (see Figure 6). Population increase seen in the past 2 decades is primarily due to the birth-rate which is attributed to the large number of young couples that reside in Lille – it is one of the youngest cities in France with over 35% of residents being between 15-29. This has created a persistent problem of youth unemployment. In January 2006, almost 65% of jobseekers in Lille were under 25 years old (up from 56% in 1999)<sup>67</sup>. At the same time, Lille suffers from a strong outward flow of migrants with more working-age people leaving the city than settling in it. The more detailed age breakdown is set out in Figure 22. According to estimates made in the SCOT<sup>68</sup>, if demographic trends in Lille continue the way they are, the population of the

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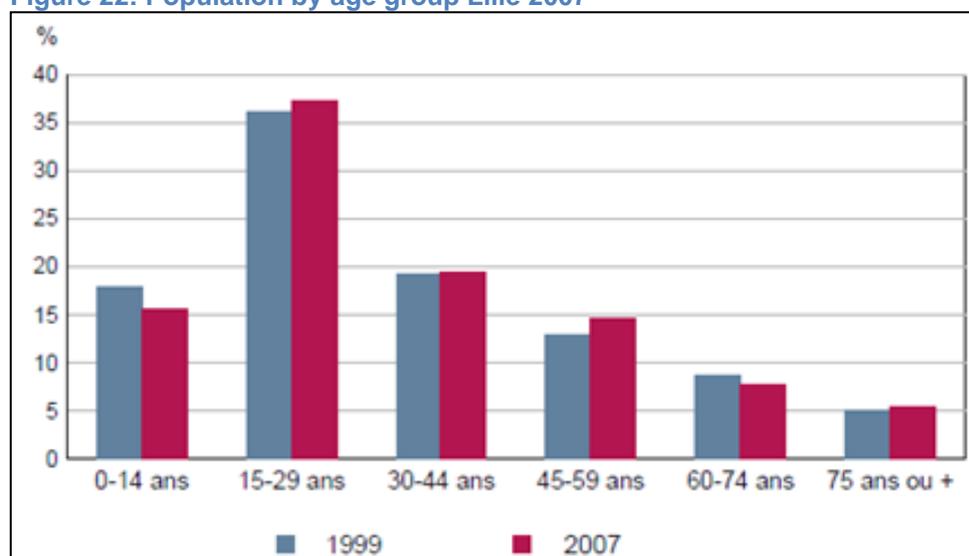
<sup>66</sup> Thierry Baert in interview

<sup>67</sup> INSEE

<sup>68</sup> Schema de Cohérence Territoriale (land planning framework)

city of Lille will stagnate in 2030. It is estimated that 15% fewer departures are needed to reverse in the trend and add 80,000 residents to the city by 2030.

Figure 22: Population by age group Lille 2007



Source: INSEE

- Despite the impressive progress in building new office space, there is currently a problem with filling up commercial sites in the city. Local city planning officials report that many already existing businesses and public administration services that are unhappy with their older space or location and are relocating to the new office space<sup>69</sup>. As existing businesses shuffle around the city, there is a real need for new businesses to fill these commercial spaces and help grow the economy and new approaches need to be found to attract people and businesses to the city. These include promoting the city's 'attractiveness' by improving its image for outsiders and for Lille's citizens themselves, as well as promoting tourism in the area with events such as Lille and Roubaix's '*Villes d'art et d'histoire*' promotions in 2001 and Lille European Capital of Culture in 2004, which have already given a boost to the city's tourism and consequently its image. The main means of building attractiveness however reside in continual efforts to attract investors, (through, for example, the clusters strategy and the LMCU's business property policy) as well as improving the quality of life in the city via the development of inclusive and mixed-use community centres, and similar approaches set out in the SCOT<sup>70</sup>.
- There remains much to be done to address the decline in income, unemployment, and concentrated deprivation since the 1960s. The persistence of unemployment amongst

<sup>69</sup> Site visit interviews

<sup>70</sup>: Reflexions SCOT – See [scot-lille-metropole.org](http://scot-lille-metropole.org) (Schema de Cohérence Territoriale / land planning framework)

low-skilled ex-industrial workers is a legacy of the very high concentrations of poor unskilled industrial, mining, and agricultural workers from the late 19<sup>th</sup> and early 20<sup>th</sup> century throughout the LMCU region. Overall city unemployment remains 3% higher than the French average; incomes are 8-10% lower; 30% of the working age population is not in work, with unemployment particularly high amongst women and 4 in 10 of children living in households with no economically active parent. More widely in the region<sup>71</sup> 10 of the 30<sup>th</sup> poorest cities in France are situated in the Nord-Pas-de-Calais region, 8 of which are in the top ten: Denain (mining) and Roubaix (textile) come in at first and second place, Maubeuge (foundries, forges, ceramics, automobiles), Calais (port, lace, chemicals, paper), Tourcoing (textile), Grande-Synthe, Lens (coal) are 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> and 9<sup>th</sup> place respectively.

Some further information helps link these two issues, and explain some of the underlying issues here. Overall, between 1997 and 2007 the LMCU gained 48,000 jobs (+14%) and secured 37% of all jobs created in the Nord-Pas-de-Calais region. The primary sectors that have benefitted from job gains were service jobs, health, social services, construction, and hotels and restaurants; while the principal losses were seen in the industrial sector including textile, electric and electronic goods, wood, paper. Tertiary activities are the motor of the metropolitan economy, concentrating over 80% of recruitment projects. However the difficulty in recruiting is more marked in the construction and industry sectors<sup>72</sup>.

But there is a very mixed economic picture within the LMCU. Lille is faring much better than many of the LMCU cities and has made the transition from an industrial to a tertiary economy more successfully than the surrounding cities, such as Roubaix, where factories continue to shut. Today the businesses in the financial sector (banks, insurance companies) are in the top 5 of Lille's biggest businesses ranking the city at 2<sup>nd</sup> place in French insurance centres and 3<sup>rd</sup> place in financial services (LMCU) (see Figure 23).

But even within Lille inequalities remain high. Although rich and poor now mix in the restored and rehabilitated city-centre, due to active urban planning, the wider housing market has led to the movement of some lower income populations in these mixed areas and from elsewhere in the city, to the social housing dominated areas such as Lille-Sud, which houses increasing numbers of struggling households. Addressing this issue of increasing

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<sup>71</sup> According to a 2010 study conducted by the Journal du net,

<sup>72</sup> Source : Diagnostic Territorial et PLA Lille 2009

polarisation within the poorer areas has been raised as a concern within the current discussions of the emerging SCOT<sup>73</sup>.

**Figure 23: Lille's biggest businesses 2006**

	Company	Activity	Turnover (millions €)
1	La mondiale	Mutual Assurance	5 319,6
2	Crédit Mutuel Nord Europe	Bank	745,8
3	Crédit Agricole Mutuel Nord	Bank	605,8
4	Gan Patrimoine	Insurance	512*
5	Banque Scalbert-Dupont	Bank	445
6	Rabot Dutilleul	Housing and construction	442,16
7	Société des Eaux du Nord	Services	197,4
8	Apave	Services	169,2
9	La Voix du Nord	Media	153,1
10	Douglas	Perfumes	146,7

Source : Sociétés \*chiffres 2008

This is a persistent problem for Lille. In 1999 in areas targeted as priorities for state intervention under the PUCS project (Projet Urbain de Cohésion Social) 78% of residents lacked qualifications, unemployment exceeded 18.7%, and household incomes were around 73% of the city average. While the early years of the new millennium saw some improvements, the economic downturn in 2008-2009 showed the persistence of these problems throughout the city and the region was more entrenched.

In 2009, the decline of the jobs market was 'without precedent'. Industrial regions of the north-east suffered the biggest job losses, in excess of -5%, compared to -3.6% at the national level<sup>74</sup>. With an unemployment rate of 12.6% in 2009, the region became the second worst performer, with only Languedoc-Roussillon lower with 12.7% unemployment and 3.5 points behind national average (9.1%). Temporary jobs particularly suffered with the loss of 14,000 jobs (-33%) and globally, unemployment in 2009 saw its highest increase since the last crisis in 1993 - 'mere turbulence compared to today's situation', according to Arnaud Degorre, at l'INSEE<sup>75</sup>. Of the nearly 300,000 jobseekers registered as looking for work at the end of 2009, nine out of ten were skilled or non-skilled workers, 22% were under 25 compared to 17% in France.

Partly as a result of the crisis there was an explosion of the number of self-employed businesses in the region, although in parallel there was a decline in the number of new traditional businesses created. Figure 24 shows a rise from 13,200 to 24,000 businesses in created in the Nord Department 2009, although this a decrease in the number of traditional

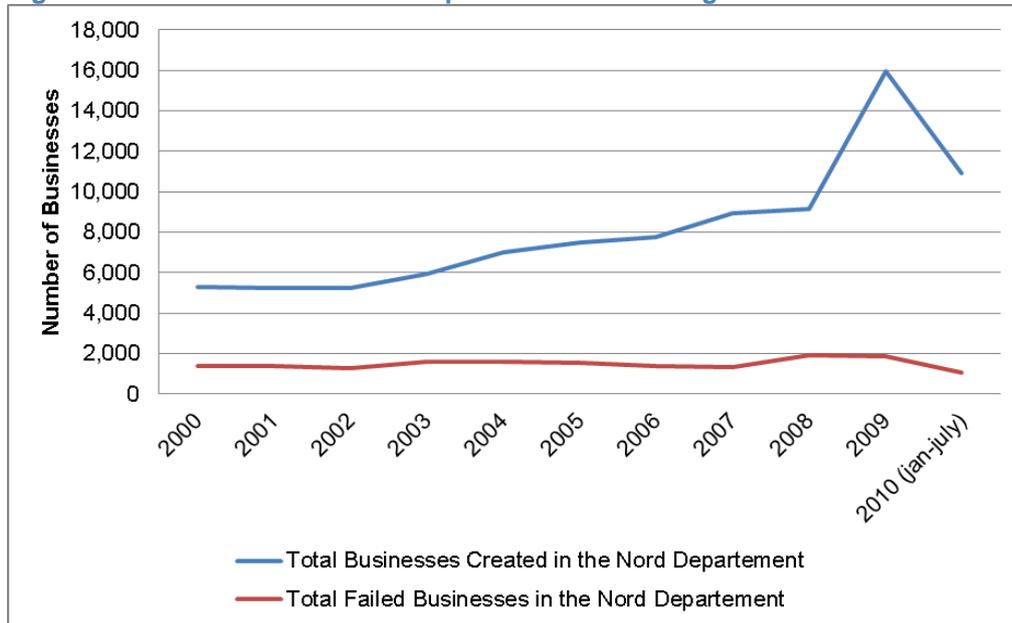
<sup>73</sup> Diagnostic SCoT – See scot-lille-metropole.org (Schema de Cohérence Territoriale / land planning framework)

<sup>74</sup> INSEE

<sup>75</sup> INSEE

businesses as 13,500 of these are self-employed businesses. In addition, failed businesses increased with 2900 losses affecting 12,200 employees (+60% compared to 2008).

**Figure 24: Business starts and stops in Lille's Nord Region 2000-2009**



Source: INSEE

Part of the rise in new self-employed businesses is due to the implementation of new national government scheme to lower the barriers to business creation with the introduction of a new 'auto-entrepreneur' status at the beginning of January 2009, which allows many people to create their own businesses at a low cost. Overall, in France, the number of new start-ups in France was 300,000 in 2008 rising to 580,000 in 2009 mainly due to this policy.

## Risks

The main current risk is the much wider pan-European crisis in the Euro and related downturn in the world economy. Lille itself can do little to influence directly the outcome of political level negotiations and market level movements, but it can anticipate and seek to mitigate the impact on the LMCU region as a whole. This may be limited for several reasons. First, as set out above, some of the major new industries in Lille are in the banking and financial sectors which could be major casualties of the current crisis. Second, the continuing decline in more traditional industries, which remains an underlying weakness affecting Lille, may continue and accelerate as emerging markets continue to pick up greater proportions of the global market in textiles, industrial and other primary goods. Whereas LMCU is seeking to build new high tech industries through its competition clusters, it is in direct competition with other parts of France, and other western and emerging economies; and the rate at

which these industries can grow is unlikely to exceed the rate at which the traditional industries are collapsing.

There is a related risk that the focus on small and medium enterprises (SME) will be unable to provide sufficient jobs to replace the previous large scale employment opportunities offered in major industrial sectors (for example as one of the priorities of the 2009 PMDE economic revival strategy). Three further complications add to this risk. First, the local tax raised by smaller industries is likely to provide less local income than that provided by the large employers of the past, and changes in 2010 to the previous 'Taxe Professionel' regime have introduced even more uncertainty to this area, but a continuing likelihood that smaller businesses will generate less local income. Second, and more fundamentally, there is a tension between some major businesses who want greenfield sites linked directly to the motorway or rail network with unlimited room for bespoke development, and various current Lille renewal strategies<sup>76</sup> which constrain building on smaller inner-city greenfield sites. Third, there is no certainty that the establishment of competition clusters will provoke the creation of the types of ancillary services hoped for in the areas surrounding the development. In the case of the Euratechnologies development for example, the study team noted the clear lack of any restaurants, shops, or support businesses in what seemed a remote neighbourhood, which may have been a temporary problem but was evident nonetheless.

That said, some of the tertiary banking and service industries may provide larger scale employment opportunities, and that in the current changing economy the role of SME's could become a more prominent and important element of the 21<sup>st</sup> century French economic landscape.

A related risk concerns another aspect of the previous industrial heritage, which is the persistent concentrations of poor, and in many cases previously immigrant, families of unskilled workers on large social housing estates throughout the LMCU area. Considerable efforts have been made to improve conditions in these areas, but trends suggest that levels of poverty and worklessness are more likely to increase than to diminish in the next few years. Politically the far right *Front National* party has always been a more important player in France than in many other western European countries, but its current levels of support and the risk of the economic downturn are increasing this support further due to the emergence of a more protectionist and anti-federalist, anti-immigrant atmosphere. This is a

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<sup>76</sup> See Paris2002 which expands on this issue

real risk which needs to be addressed with specific measures requiring additional management, particularly in the Lille Sud estate where voting patterns suggest some level of support for FN policies.

There is another emerging risk of severely reduced levels of publicly funded programme expenditure on measures to support new businesses and to address deprivation, poverty, and under-achievement in poor areas (such as the LMCU). These programmes may be cut in order to balance the French budget and reduce its very high public expenditure. This represents a major risk to the long standing (35 year) '*Politique de la Ville*' approach, with its measures to address poor skills and education, crime, poor housing, poor environmental facilities, and a host of other special problems, backed up by extensive networks of semi-public delivery vehicles and committees of management. Many of these programmes have provided specific physical improvement programmes on estates and related skills training and job guarantee schemes for local residents living in the target neighbourhoods.

Removing these programmes could compound the effects of a recession on the most socially fragile areas, and reverse progress made over the last 20 years. More recent policy, initiated by the current French President, has a greater focus on security than social issues as the most effective approach to deal with problems on estates – with additional police funding and presence to reduce the incidence of crime and anti-social behaviour.

The final risk raised here is the continuing absence of one major local international level area of expertise and speciality, despite the many smaller scale successes. Other French cities of a similar scale have developed world class industries – for example Toulouse in aerospace or Grenoble in nano-technology – but despite the large university developments and the numerous competition and innovation clusters, Lille has not broken through into any one field as a recognised international leader. This may be because of a continuing lack of sufficient investment in research and development, which at around 1.8% a year is below both the French average of 2.3% and the EU average of 3%<sup>77</sup>. Several possible areas may have this potential but as yet the lack of a clear leading sector presents an underlying risk to growth and the attractiveness of the area.

## Opportunities

There are many forward looking documents published by the LMCU and other local and regional bodies, including the 2005 '*Nouvel Art de Ville*' statement, Lille 3000, Agenda 21, the emerging SCOT<sup>78</sup>, and the PMDE economic forward planning document produced in the context of the 2008 economic crisis. The main planks of these detailed analyses and

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<sup>77</sup> Idem p 51

<sup>78</sup> Schema de Cohérence Territoriale (land planning framework)

outcomes of intensive local discussions are discussed below including a brief overview and commentary of some of the main issues raised, and some of our additional conclusions.

6. Lille's geography presents a continuing opportunity and the city has taken a range of steps to establish itself as a major international player in the north-west European triangle. The success in attracting financial sector headquarters functions indicates progress being made. The location is important not only in terms of rail and road but also emerging waterway links with one of the first of seven EU 'Connecting Citizen Ports 21' pilots which seek to use multiple modes of transport and 'reverse logistics' IT systems to radically improve the environmental efficiency of the movement and exchange of goods. Greener and more intelligent modes of distribution and exchange, irrespective of the country of origin of the goods, is an emerging area for development and one where Lille is well placed to lead – as set out above Lille may be provincial in France but it is central in Europe, unlike other provincial towns like Nantes or Bordeaux.
  
7. History remains an opportunity. Almost thirty years of 'Schémas directeurs', and the plans of Émile Dubuisson in 1921, Théo Leveau in 1950 and the Schéma Bernard in 1964-6, have consistently aimed to reflect and use the historical patterns of neighbourhoods, populations, and commerce within Lille itself and as the plans in the wider LMCU have often reflected the rich industrial heritage of the regions. This focus on the historical continuity and tradition, particularly in the context of the frequent cross-border exchanges which have taken place, build and support the development of the unique 'Lille' brand and appeal which supports and enhances the strenuous efforts to present the region as a great place to live, with a living and vibrant culture. The fact that the city and the LMCU have invested considerable effort in mechanisms for community engagement in the development of the growth and urban renewal plans suggests that this 'brand' is solidly rooted at local level, and genuinely reflects the realities of the Lille culture, rather than being any kind of superficial cultural invention (which may be the case for other cities).
  
8. It is possible that the current crisis and profound shift of manufacturing from the traditional locations in the West will give impetus to the move from the 'Fordist production' of the past eighty years to a much more innovative, flexible, smaller scale model based on the emerging pattern of SME businesses and clusters<sup>79</sup>. This means that the continuing focus on SME development and brownfield, integrated urban

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<sup>79</sup> See also idem p56-7

regeneration could enable Lille to become a leader in the re-invention of growth through more sustainable and smaller scale activities. It is likely that some cities need to make strenuous efforts to make this model of development work and Lille is amongst those cities already ahead of the game in building this into its longer term plans, despite their consciousness that it is likely to be against some more short term considerations (as set out above).

9. The ambition to develop research and higher education functions seems both an opportunity and a necessity to be able to focus on some high value and cutting edge sectors of new economic growth. There are a range of technologies and research opportunities which are being supported in the city and region, and finding the ones which have the highest potential then focusing increasing development and marketing effort on them seems to present a major possible area for future development.
  
10. The green agenda presents opportunities for many cities, but in the case of Lille and the LMCU the extent of thinking, planning, and implementation work already done<sup>80</sup>, together with the emerging options around the 'green economy' and 'green jobs' which need to be implemented at city and neighbourhood level, as well as at regional and sub-regional levels. This agenda could bring together the related priorities of developing leading edge new technologies, up skilling the unemployed young people of the region, providing alternative skills for workers previously in now declining industries, and providing an internationally attractive offer. But this is a long way from having a detailed road map to lead to its realisation.
  
11. There is a certain weakness and over-reliance on seeking to attract foreign residents and capital to the city in order to revamp the economy. While Lille is avant-garde in the social policy work it does (for example around the extensive support provided to residents displaced from demolished social housing), many of the policies adopted by the LMCU can have detrimental effects to the long-existing working class population. Market pressures drive up real estate prices (via large student populations coming from outside Lille, and various investors, from Paris, for example, attracted by the cheap rent and accessibility of the city) causing gentrification pushing out traditional residents.

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<sup>80</sup> For example the 'Agenda 21' CD published by City of Lille contains detailed plans for each of the actions in the multiple domains set out earlier in the document

## Concluding thoughts

Lille brings together a set of major advantages with equally major problems. A long history of municipal socialism and good governance, led by dynamic and far-sighted national level leaders has provided a continuing set of practical responses to the threats and opportunities thrown at the city and sub-region. At the same time the wider forces of economic and technical development have meant that the city has been subject to major challenges to its underlying skills base and wealth creation mechanism which brought it to prominence. Throughout our visits and interviews it was evident that the politicians and officials who were dealing with these issues were committed both to their professional and political principles, and also to the unique history and culture of the area, and to engagement with and for local residents with whom they had regular contact. The numerous and voluminous planning and consultation documents reflected a genuine local dialogue and engagement, backed by an extensive set of more academic studies of the historic and contemporary issues of Lille. Its successes are testimony to this commitment and creativity; but where it will go next is much less certain, although the capacity of the City and the LMCU to respond flexibly and quickly provides a positive platform for the future.

## List of Main Interviewees and Contacts

Amongst the many people interviewed and with whom we had conversations, the following provided more formal interviews and contributions to the report

Mari-Dominique Lacoste	Director	Employment Services : Lille, Lomme, Hellemmes, Armentieres
Carole Mignot	Director, Politique de la Ville	City of Lille
Christian Crindal	Director , Economic Development, Commerce et Tourism	City of Lille
Bruno Cooren	Director of International Relations	City of Lille
Alexandra Mahé	Director, Urban and Natural Spaces	LMCU
Ari Brodach	Director of Sustainable Development	City of Lille
Mathieu Goetzke	Director of Urbanism and Land Development	City of Lille
Thierry Baert	Director of Studies, International and Major Development	Urban and Development Agency, LMCU
Rose Secq	Director General, Public Interest Group	Lille Metropolitan Urban Renovation
Stanislav Dendeviel	Municipal Councillor	City of Lille
Thibault Tellier	Historian	University of Lille 3

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