



**Datar**



## COESIONET

EUROPEAN COHESION AND TERRITORIES RESEARCH NETWORK

### **Minutes of the workshop “Crises and territorial cohesion” 13 December 2010**

#### **Geography of the crises, geography of the resilience. What can be said two years after the 2008 crisis?**

##### **I. Territorial cohesion facing the crisis. How do indicators address newly the issue? Maria Prezioso, Université de Rome II**

Cohesion will influence the choices for the future implementation of EU 2020 priorities concerning climate change, migration, sustainable development, innovation, environment etc.

Territorial cohesion in front of the crisis is strictly linked to competitiveness and sustainable development. Solidarity can only be reached if the market and economic competitiveness enable it. Territorial cohesion represents an innovative capability to have a creative situation in social and economic fields so as to mix the public and private spheres.

Assessing territorial cohesion means also to measure efficiency and deficiency of administrative and programming system as well as the use of funds, performance, improved planning and accountability. Therefore indicators are needed in order to enable a dynamic vision of cohesion not limited to a rigid vision in time and geographical scale system.

The 5<sup>th</sup> report limited the discussion to 4 topics: globalisation, demography, climate change and energy but it doesn't present an integrated vision of the problematic of cohesion.

A meta-model has been developed on the basis of a multi-criteria approach in order to assess territorial cohesion. It involves 116 indicators.



Ce programme est co-financé par l'Union Européenne dans le cadre d'Europ'Act.  
L'Europe s'engage en France avec le Fonds européen de développement régional

## **II. The crisis and our territories, first impacts**

**Laurent Davezies, Université Paris XII**

### ***1. How to measure the economy of a territory?***

In order to measure the impacts of the crisis on the territories, the economic and social situation of the territories prior to the crisis has first to be measured. The approach of “territorial base economy” has been used to evaluate the situation of the French territories. This approach measures the income flows entering a territory based on three types of “economy”:

- production activities
- State public salaries
- “Residential economy” including pensions, tourism revenues, incomes of people living in a territory but working elsewhere and social transfers

### ***2. Territories and crisis***

There has been a combination of crises:

First, in 2006-2007 in France, there was a first step towards the awareness of the environmental crisis. Second, at the beginning of 2008, the prices of raw materials increase dramatically which questions the relation between the companies and the territories.

Third, in fall 2008, the Lehmann Brothers disaster led to the financial crisis and the collapse of the prices of raw materials which positively impacted consumption.

Nowadays, the prices of raw materials are increasing again.

This combination of complex crises makes the public policies difficult. Therefore “old school” recovery plans were preferred to longer term adjustment plans including environment questions for example.

### ***3. Lessons drawn from previous crisis***

Over the last few years, there has been a series of different crises, what lessons have been drawn?

- First that previous crises have strongly impacted metropolis regions strongly characterised by their interconnection with international trade and with a long industrial history.
- Resistance dimension: either territories impacted were able to resist to the crisis with a good recovery afterwards: this concerns mainly the metropolis activities. Or territories stagnate and don't manage to re-launch growth and therefore decline. This evolution concerns mainly some territories characterized by more traditional industrial sectors (but not aeronautics, food sector and car industry).
- In the three previous crises, metropolis regions have more suffered from crisis but their recovery was quicker.

### ***4. Features of the 2008-2009 crisis***

In this respect, the 2008-2009 crisis was different:

- Metropolis regions have less suffered than during the previous crises,
- modern metropolis sectors and high added value sectors have even kept creating jobs,
- territories with a strong “residential economy” have resisted well,
- territories with traditional industrial activities have experienced one of the most important shocks since the second World War with heavy job reductions. These territories represent small employment areas with few or no other alternative and no public employment. They are the most vulnerable and the least attractive ones,
- the crisis has therefore heavily impacted the most fragile territories.



## 5. *Conclusions*

Future evolutions of the territories will be put under stress test because of:

- the evolution of the prices of raw materials
- the public expenditure crisis (public job cuts and austerity plan for public expenditure)

What has been developed in the presentation is valid for France but does not apply at European level (for example the mobility is not developed and supported in the same way in other EU countries).

## *Reference*

Davezies L., La crise et nos territoires, premiers impacts, 2010. Can be downloaded: [www.adcf.org](http://www.adcf.org)



Ce programme est co-financé par l'Union Européenne dans le cadre d'Europ'Act.  
L'Europe s'engage en France avec le Fonds européen de développement régional