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Loïc Bonneval and François Robert. *De la rente immobilière à la finance: La Société de la rue Impériale (Lyon 1854-2004)*. Lyon: ENS Éditions, 2019. 428 pp. Maps, tables, diagrams, images, appendices, bibliography, and index. 30.00€. (pb). ISBN 979-10-362-0094-6.

Review by Erika Vause, St. John's University.

The critical role played by real estate speculation in provoking the 2008 financial crisis, coupled with the rapid acceleration of rents and property values in major urban eras over the past few decades, would seem to demand that historians pay close attention to real estate's long-term transformation in relation to the trajectory of capital. Yet, as Alexia Yates has recently noted, real estate, with its (illusory) connotation of "long-term stability... material durability and fixity in space" has received comparatively little attention from the new scholars of capitalism, who thereby reify the historical opposition between "concrete/fixed" and "abstract/liquid" values already complicated by the likes of Marx and Polanyi.[1] When the story of real estate's financialization is told, it is often as an extension of finance rather than as an outgrowth of real estate industry dynamics. Into this historiographical context, Loïc Bonneval and François Robert's examination of one of Lyon's oldest and most prestigious real estate companies, the Société de la rue Impériale (SRI), represents an important intervention. Relying principally on the strikingly rich and little examined records of the SRI, conserved at the Archives municipales de Lyon, Bonneval and Robert present a fastidiously detailed account of the company's financial history from its creation in 1854 until its purchase, 150 years later, by the sovereign funds of Abu Dhabi. Focusing on major turning points in the SRI's history, while also emphasizing important continuities in its management, Bonneval and Robert's work demonstrates how scrupulous concentration on one company can help scholars think in more nuanced ways about the interstices of economic and urban history.

Yet while the SRI's manifestation, at the company level, of larger structural transformations in the nature of real estate investment may be its most easily transferable takeaway, as suggested by the book's title and foregrounded in its conclusion, Bonneval and Robert emphasize the importance of the SRI in its own right. As the introduction argues, the SRI serves as a kind of "doyenne" of French real estate companies, exceptional for its longevity, the central position of its buildings in Lyon's urban space and its involvement with the great transformations of nineteenth-century urbanization in ways similar to, but preceding, the companies of Haussmannized Paris. Although broadly illustrative in some respects of industry trends, the authors consistently signal the SRI's particularities as well. Examining the SRI's history thus takes part in a larger historiographical shift away from the focus on federal and municipal governments in the creation of the French urban landscape and towards the role played by

private companies. To do so, the introduction stresses the particular interplay of spatiality and temporality in illuminating a non-triumphalist account of company history. This emphasis might be fruitfully applied to the examination of other enterprises as microhistories of the history of capitalism.

*De la rente immobilière à la finance* is divided into four parts, each consisting of two chapters, and each covering the company's four main chronological periods and their attendant financial strategies and concerns, patterns of property management, profiles of the SRI's shareholders and tenants, as well as occasional discussions of broader changes to the Lyonnais urban milieu. The textual analysis is accompanied by a plethora of supporting data and illustrations, including 47 tables, 35 graphs, 15 photographs, eight maps and six diagrams within the body of the text itself, as well as extended tables, lists, and other maps in seven appendices.

Part one, covering the shortest period chronologically (1854-1858), is nevertheless the most dramatic, since it details the company's founding alongside the creation of Rue Impériale (today's Rue de la République). Situated in the well-known context of rapid urbanization and the attendant bourgeois impulse to "clean up" the city, the creation of the Rue Impériale and the gentrification of Lyon's city space represented the first major urban building project of the Second Empire. Chapter one handles the political and social impulses behind these changes, as well as the SRI's incorporation and early fundraising activities mobilized to undertake building demolitions and constructions along the thoroughfare. Despite resulting in the demolition of 250 buildings involving some 7000 residents and costing millions of francs in jury-awarded and private indemnities to renters and property-owners (p. 53), resistance to the Rue Impériale project was notably quieter than to those in Paris. Chapter two follows the SRI's involvement in construction along the Rue Impériale and ancillary areas, which employed dozens of different kinds of workers in over 200 trades. By 1872, the SRI had been critical in redefining Lyon along bourgeois lines and owned around 670 apartments (p. 92), concerning which the chapter provides a general sense of the varying sizes and rental revenue.

In part two, spanning 1858 through 1910, the SRI reaches its apex as a concrete symbol of the Lyonnais bourgeoisie's prosperity and prestige. Chapter three centers around the connection between the social composition of the SRI's most important shareholders (the 'noyau dur'), largely drawn from the conservative Catholic local elite, and its investment strategies in the late nineteenth century. The company's administrative council members held around 20% of company stock across the nineteenth century (p. 112) and the "dynastic" patterns of administrative succession underscored the company's conservative financial policies, which focused around the payback of the company's initial debt. The SRI's prudent capital management, which resulted in a debt-free capital of 28 million francs by 1915 (p. 127) and which cushioned the company from the various crises and crashes of the late nineteenth century, also limited its engagement with external speculation and investment. Chapter four moves from the company's financial strategies to its property management, examining the SRI's interactions with particular tenants, which included department stores, banks, and hotels as well as small commerce and households. This chapter also investigates the changing upkeep costs for the SRI's buildings, its ambivalence about needed improvements (like sanitation) as well as how it sought to split the burdens of maintenance with its tenants. Through a close investigation of the demographic makeup of the street and its shops, the authors support their claim that it represented "a veritable showcase for modernity and the triumphant Lyonnaise bourgeoisie (p. 178).

Although entitled “*Les tentations de la spéculation*,” part three, covering the turbulent years from 1911 through 1965, focuses as much on the SRI’s mergers and investments as it does on how it weathered, with surprising resilience, the contretemps of war, economic crisis, and adversarial government policies. Chapter five discusses the gradual shift in the SRI’s investment strategies after 1910, when a change in the company statutes allowed for an expansion of the SRI’s financial horizon beyond the conservative policies of the nineteenth century. It examines the company’s acquisitions and land sales stretching beyond the Rue de la République, as well as how these sales provide capital for the diversification of the company’s investments. After the end of WWI, mergers between the SRI and other real estate companies consolidated the SRI’s grasp not merely on the local real estate investment market but also those beyond Lyon. By 1936, the SRI possessed some 5 million francs worth of shares in nine different real estate companies (p. 211). Yet, through this initial period of speculation, the authors characterize the SRI’s financial strategy as still fairly conservative, driven by the desire to maintain consistent financial viability across its buildings. Chapter six investigates how the SRI dealt with the economic crisis of the early twentieth century, as well as with government legislation intended to ease their burden on renters. Despite the tumult of this period, the SRI managed to be even more profitable than in the nineteenth century. Even in the interwar period, it maintained a healthy capital reserve to liability ratio. Indeed, the authors argue that the undervaluation of the SRI (as of its Parisian counterparts) when compared to their real financial health, reflects the diminishing prestige of real estate as an investment vehicle. The chapter follows the SRI’s resistance to revaluating its capital in light of rampant inflation as well as its hostility to government imposition of rent moratoria and other pro-renter legislation. It ends by describing the changes on the Rue de la République by the 1950s—including the growing size of cineplexes, the aging of households, the closing of some long-established businesses as well as an increase in the buildings’ maintenance costs.

Part four continues the SRI’s history into the twenty-first century. The authors mark the beginning of this final financialized stage in the company’s development with the SRI’s subsumption by the Banque Lazard in 1965. Led by Antoine Bernheim, the Banque Lazard, a fascinating Paris-based organization that had undergone aryanization during Nazi occupation, the Banque Lazard finally shook up the old local network that had more or less controlled the administrative council for the past hundred years. Chapter seven begins with the SRI’s capital infusion in 1965, as well as its massive sell off of underperforming buildings. In a period of 15 months in the late 1960s, the SRI sold off 50 buildings (p. 294). This period also saw the SRI’s takeover of the Société immobilière marseillaise, masterminded by the Banque Lazard. Under the bank’s aegis, real estate increasingly became an additional aspect of the bank’s investment portfolio, rather than central to the SRI’s mission, despite the company’s continued role in promoting the local industry. The percentage of the SRI’s revenue from rental payments plummeted from 87% in 1965 to only 37% in 2000 as the company’s profitability increasingly rested with its financial engagements (p. 314-315). Despite its diminishing importance for the SRI, however, chapter eight again takes us back to the concrete realities of property management in the SRI’s buildings. The chapter divides rental patterns from 1965 into three main sections: 1965-1973, where the decline in the company rental revenue from building sales was moderated by the general rise in rents; 1974-1983 which saw a massive increase in maintenance costs and the impact of socialist legislation on rents and then 1983-2004, in which rents increased by over 50% (adjusted for inflation). Meanwhile, across this entire period, Lyon and the Rue de la République changed rapidly, from the establishment of multinational franchises, to the increase in parking and pedestrianization to the (re)gentrification of those living there (now members of

the liberal classes rather than the former rentiers and industrial bosses). The SRI seemed a follower rather than a leader in adapting to these new realities, generally offloading building modernization onto its renters and hardly involving itself in the larger transformation of Lyon's urban face.

The book's conclusion, which takes as its starting point the rather arresting end to chapter eight, where the SRI is purchased by the sovereign funds of Abu Dhabi, provides some important insights into understanding the larger trends of financialization. (Although it does leave the reader curious about this purchase, which is mentioned in passing as a bookend to SRI's story). In particular, Bonneval and Robert emphasize how following one company that becomes "financialized" shows how we can see this process within the expansion of internal dynamics to the real estate industry rather than as part of the financial industry. It would have been interesting here to dig a bit more into the ultimate purchase by the funds of Abu Dhabi and what this says about what had started as an emanation of the power of capital at an intensely local and concrete level.

While the reader learns much about the SRI's shareholders, administration and tenants, the marketers, brokers, real estate agents and other intermediaries who populate Alexia Yates's *Selling Paris* don't appear much at all in Bonneval and Robert's story.<sup>[2]</sup> More broadly, the density of the book can sometimes work against it. Despite, or, indeed, because of, the very richness of the source base with which the authors are working, the reader sometimes becomes overwhelmed by the sheer amount of attention to the SRI and can risk losing the forest for the trees. Additional sign-posting or theoretical analysis might have helped illuminate the broader takeaways for understanding French, urban, and economic history more clearly. Overall, however, *De la rente immobilière à la finance* is a deeply researched work whose non-celebratory account of one business's trajectory across 150 years provides new insights into key developments in urban space as well as financial history.

## NOTES

[1] See Alexia Yates *Real Estate and Global Urban History* (Elements of Global Urban History, under contract with Cambridge University Press). Many thanks to the author for sharing this manuscript with me.

[2] Alexia Yates, *Selling Paris: Property and Commercial Culture in the Fin-de-siècle Capital* (Cambridge, Mass.: Harvard University Press, 2015).

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