



## Territorial development: towards a dynamic and innovative understanding

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# Territorial development: towards a dynamic and innovative understanding

André Torre 

## ABSTRACT

This editorial discusses the notion of territorial development to show that it is grounded in related or previous notions such as local or regional development, and that it enlarges them and encompasses concepts such as places, districts, clusters and ecosystems. The strength of the notion of territorial development lies in the fact that it rests on two legs: the relations of production and also modes of governance. This is why territorial innovations of all kinds (technological, organisational, social, institutional) are based on a deep understanding of the territory, which implies taking into account all the stakeholders present on the territory, and that they are at the origin of the project dynamics that determine the past and future evolution of local systems.

## KEYWORDS

territorial development; territorial innovations; governance; production

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## 1. INTRODUCTION

The notion of territorial development occupies a growing place in our daily environment: having been initially associated with actions and policies carried out by local authorities or by decentralised public bodies, it is now giving rise to an increasing number of academic researches. In this sense, it has succeeded or has competed with local development in the literature (Coffey & Polèse, 1985; Garofoli, 2002), which was already dealing with organisations and systems located at a subregional level, but with a particular focus on productive processes. Of course, territorial and local development must be carefully distinguished from regional development (Capello & Nijkamp, 2019; Pike et al., 2017). The latter is concentrated on macro or sectoral levels, whether macro-economic policies, social programmes and smart development (Torre et al., 2020) or specialisation approaches (Foray, 2015), whose intersectoral and systemic logic necessarily calls for a strong regional dimension.

Like a large part of the literature on local development, the notion of territorial development covers a broad scope. In particular, it involves a substantial consideration of the type and number of actors concerned, and their list extends well beyond firms, research laboratories or public authorities. Territorial development is concerned about the whole social, economic, political and ecological system of a given territory, not just economic development, and that

is why the term ‘stakeholders’ is often applied to local actors (Goodin, 2007; Mitchell et al., 1997). These stakeholders represent the interests of economic or productive agents, but also other sectors of society, such as landowners, associations of urban and rural residents or consumers, members of neighbourhood or nature protection associations, local-level interest groups, or even managers of local devices such as natural parks or water catchments, for example.

A closer look reveals that this slow but irresistible emergence of research on territorial development, of which this special collection of papers published in *Regional Studies* offers some understanding, is largely linked to two main causes, which explain both its profound interest and its renewed content.

## 2. THE DYNAMICS OF TERRITORIES

The interest in the concept of territorial development is in fact due to two main reasons. First, it is linked to the notion of territory itself, as debated also through many contributions in *Regional Studies*, whereas previously it was applied in disciplines outside of the social sciences (such as ethnology, ecology and law) as well as in physical or political geography (Brighenti, 2010; Elden, 2013).

Indeed, the way in which the territory is conceived in social science research refers not only to a geographical limit or a space of sovereignty, but above all to the presence of a group of human beings, with its organisation, rules,

traditions and history (Sack, 1986). The territory is a living, human entity: it is not only a question of location, although that is important, nor of a place-based approach, which indicates the importance of actions carried out at the local level (Barca et al., 2012; Neumark & Simpson, 2015). The life of the people, their organisation, their relations, their struggles and their oppositions are important in the contemporary conception of the territory, characterised by its deep roots in the social sciences (for a survey, see Pike et al., 2007). The term, which has a few roots in the English language, imposed itself. It even appeared before 'place', which has a much more proven geographical dimension and became rapidly quite successful, while 'territory' also refers to human and institutional dimensions (Rodríguez-Pose, 2020).

The second reason is related to the consideration of a real dynamic process of development, which goes beyond the snapshot of a situation by taking into account the profound evolutions of the territories and the projects that support them.

One can find in the approaches of territorial development the primary purpose of the term of development, that is, the passage from one state or situation to another and also the progression that occurs between two phases and will result in concrete actions and improvements. In this sense, this notion is very Schumpeterian in style (Schumpeter, 1934); the idea of breaking with the logic of the identical reproduction of local systems (even with some growth), and the desire to chart paths towards the future (Fagerberg, 2003), based on the projects carried out by local stakeholders. Whether it is firms, governments or citizens' associations, they are the actors who build their own future, and thus the future of their territory, through their projects. In doing so, they self-design their development plans, embodying them in reality at the time of their realisation.

Therefore, the dimensions of evolution appear crucial, and the link with evolutionary approaches cannot be neglected. It can refer to the analyses in terms of innovation in the strict sense of the term (Dosi, 1988; Geels, 2002; Rosenberg, 1982) or their transposition into evolutionary economic geography (Boschma et al., 2017). As in these approaches, we find the notion of evolution, the creation of novelties and the importance given to innovation. In the same way, the initiatives taken by local actors are considered crucial, and determine the future evolution of systems (Grillitsch & Nilsson, 2022). There is also the selection of the best projects, which allows preservation, through a screening mechanism, the best initiatives and their implementation for territories' future development.

### 3. TERRITORIAL DEVELOPMENT: TERRITORIAL INNOVATIONS BASED ON PRODUCTION AND GOVERNANCE RELATIONS

But the type and the range of territorial development projects is much broader than that put forward in traditional evolutionary approaches, even when they are applied to territories. They are not just led by companies, or even

by laboratories, or economic initiatives supported by public authorities (such as in an area of activity, or an innovation ecosystem). They also come from civil society and/or are supported by public authorities. This could include the creation by the latter of a new natural park, a new vehicle exclusion zone, a network of water users on a watershed or local regulations on land, for example. But it can also be a collective crèche, the setting up of short circuits, the creation of a local currency or crowdfunding operations, a joint circular economy experience, for example, all types of initiatives that come from users or local citizens groups, and novelties which emerge from local communities.

The link with innovation processes is thus essential. But this is about every type of innovation, or even novelty, and not just technological innovation. Organisational (Le Chevalier, 2019), social (Moulaert & MacCallum, 2019) and institutional (Hargrave & Van de Ven, 2006) innovations are important and play a major role in territorial development processes. Territorial innovation (Doloreux et al., 2019; Morgan, 2004) in all its forms is crucial because it is the driving force behind the dynamics of territories and is at the root of the sub-dynamics that run through them. Simply, in the same way that technological innovation is the engine of economic and entrepreneurial dynamics, other innovations are the engine of social dynamics, territorial governance, cooperative relations and opposition, which are born and developed locally.

Territorial development is defined on this basis (see also Storper, 1997). It is built on the involvement of the local people and communities, their relations and especially their actions and their projects. It is characterised by the interweaving of different economic, social functions, etc. with consideration of ecological and environmental dimensions, as well as land use and planning at the local level. The approach to territorial development thus breaks with teleological (Cypher & Dietz, 2008) and exclusively economic filiation (Arndt, 1989) classically attached to that of development. It tells the story of a human group, with its systemic perspective, its social and cultural dimensions, as well as its environmental and land issues.

The will to take into account the life of all the inhabitants of the territories implies the need to consider the complex behaviours of the latter. It goes further than the analyses of productive clusters (Porter, 2003), industrial districts (Becattini et al., 2009), innovative milieus (Crevoisier, 2004) or even local ecosystems (Stam, 2015). It is not a question of abandoning these approaches, which have brought a crucial dimension to the understanding of spatial economic and innovation dynamics, but rather of overcoming them through a broader perspective of relations at the 'local' level. Thus, notions such as local well-being (Morrison & Weckroth, 2018), or conflicts (Glazer & Konrad, 2005), occupy an important position in territorial development, alongside more usual principles, such as cooperative relations or the networking of actors. This is also why governance issues (Stead, 2014; Torre & Traversac, 2011) have a special place in territorial development processes. We cannot limit ourselves to the economic dimensions. We must also consider the way in which

the territories are managed, and what the projects (sometimes frustrated) of the different categories of stakeholders are, that will project them towards the future, within their territories, and in relation with other territories.

#### 4. THE RATIONALE AND THE PAPERS IN THIS COLLECTION

Therefore, to paraphrase the Chinese Great Leap Forward campaign (Gabriel, 1998), territorial development is moving towards the future on its two legs. On one side, its dynamics are based on productive relations and technological or organisational innovations, with the actions of economic actors. On the other side, it is based on social and institutional innovations, which determine governance processes and the well-being of populations, driven by negotiation phases and local conflicts (Torre, 2023, in this collection).

This duality gives very specific colorations to territories, in relation to the development processes of which they are the result and which they contribute to build: (1) because their current situation depends on past developments, it is the result of previous evolutions or changes in situations; and (2) because future developments will depend on the actions of the actors, their evolution, their projects, their agreements, their oppositions, disputes, successes and failures. These specificities make it possible to describe the atmosphere of the territories (in the sense of Marshall), or even their global identity card. And they help to draw typologies (of current or future situations), based on these two dimensions. It can be dynamic or depressed, urban or rural territories, development failure areas, high growth peri-urban territories, developing areas, etc.

We find these themes and these typologies in this special collection of *Regional Studies*, which shows different facets of territorial development processes.

This collection starts from the point of view of innovations coming from the productive and industrial sector, with approaches in terms of industrial districts and their actuality, the questions of specialisation in developing regions, population–employment dynamics or social capital issues in post-industrial regions. The first four papers thus show how the productive and organisational facet of territorial development can be reconsidered.

Bellandi and Storai (2021, in this collection) assess the case of mature industrial districts and their contribution to virtuous territorial economic development, whereas Tortosa-Ausina et al. (2022, in this collection) stress spatial and sectoral heterogeneity and the question of population–employment dynamics in local systems of production. The two following papers extend the analysis to less developed territories with peculiar idiosyncrasies and difficulties. Gerke and Dalla Pria (2022, in this collection) deal with the case of post-industrial territories, faced with phases of growth slowdown or even non-development, and on the essential role played by social capital in these areas. These papers show how productive and sometimes innovative dimensions play a key role at the territorial level, and also how the difficult start or failure of this engine

can have an impact on the life of the territories and make significant changes to their characteristics.

The following four papers study the other engine of territorial development dynamics, namely how innovations emerging from civil society or government initiatives affect the dynamics of territorial development. They are clearly interested in other types of territory, such as the rural or more peripheral, in which social and institutional dimension take the lead and are at the basis of territorial development processes.

These examples of territorial innovations lead to territorial governance figures differentiated according to the atmosphere that predominates within the territories. Nemes and Tomay (2022, in this collection) deal with the role of tourism activities in rural areas, and more specifically about local initiatives and innovations regarding food promotions and rural gastro systems, and their impact in terms of gentrification. Caitucoli et al. (2023, in this collection) ask questions about the representations of rural belonging, and the respective opinions of rural and urban dwellers about development choices at the borders of rural and urban areas. Védrine et al. (2022, in this collection) address the issue of new forms of organisation adopted by local or global institutions, with the evaluation of the territorial impacts of LEADER programmes, whereas Blanc et al. (2022, in this collection) concentrate on territorial innovation coming from local populations, with the case of local currencies and their impact on territorial development. These papers illustrate the way social and institutional innovations contribute to the foundation and evolution of territorial development processes.

Finally, these illustrations allow us to draw a general contribution to the theory of territorial development, illustrated in the first paper in this collection. Torre (2023, in this collection) is based on a set of territorial innovations informed by local dynamics that include both cooperation. Torre describes the various stages and dimensions of territorial development, progressing on its two legs, production and governance.

All these contributions encourage us to think about territorial development and its dynamics. For example, how do different categories of innovations contribute to new dynamics and what are their respective contributions to the evolution of local systems? Or, what are the paths followed by territorial projects and how do the different plans of local stakeholders combine to build development paths? And what are the decision-making processes that make it possible to build the forms of governance at the origin of territorial development processes? Or finally, how do the maps and ID of territories, which define their identities and specificities, emerge from the entanglement of dynamic paths and combined plans of local and global stakeholders?

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