## Local development

Local development is a process of diversification and enhancement of economic and social activity on local scale in a « territory», by way of the mobilisation and coordination of its material and immaterial resources. This notion refers at once to a stance adopted towards development issues, to a method for developing local territories, and to the analysis framework for assessing its functioning.

The notion of local «development» appeared in France in the 1970s, at a time when certain protagonists were becoming aware that their territories had not had the benefit of the main development drives of the post-war period. At the time, the issue was therefore for territories to escape from macro-economic functioning, and to orient outcomes according to decisions reached locally. There was a need to mobilise the potential and resources of social groups and local communities, so as to derive economic and social benefit first and foremost for the groups concerned. In this sense, local development is a criticism of economic functioning, because it pinpoints the fact that not all territories or human groups can meet the requirements for integration into national economic functioning, and a fortiori global economic functioning. Thus an approach in terms of local development implies considering that development does not arise solely from the economic value of the activities, and that it does not rely solely on organised production systems and centralised institutions – it also involves small local initiatives, and mobilises local populations around projects that use local resources. Some consider that this approach belongs to a humanist perspective requiring humans to be central to economic functioning. Hence the proponents of this approach consider that development is not solely the exponential growth of goods and services, but should also allow for consideration of the immaterial, social, cultural and psychological needs of individuals, envisaged on the scale of the places in which they live.

From an operational viewpoint, local development uses two methods, generally comprising three main elements:

- -the elaboration of tools for the production of information and knowledge, so as to identify the resources of a territory (e.g. territorial diagnosis)
- -tools for consultation, mobilisation and cooperation among protagonists, for the purpose of valorising the resources identified, and if necessary developing new resources (e.g. forums, working groups etc)
- -design and implementation of projects via management and decisional systems, where the degree of formalisation varies.

However, while local development is a political stance leading to methods of action, a certain amount of scientific research in the areas of economics and geography enable a theoretical justification of this approach.

In the area of economics, the notion of the industrial district, developed by the British economist Marshall at the end of the 19th century, can be considered to be a theoretical basis for local development. The industrial district involves the presence in a territory of small size in which there is a range of small and medium businesses organised around one or several specific industrial activities, and where development depends on the strong ties between the different components, businesses and local communities. The strength of these ties is explained by a shared culture of economic and social relationships considered to be a resource that is specific to the territory. In the 1970s, this concept was used by Italian economists (such as G.Becattini) to describe the industrial organisation of the Third Italy (Centre and North-East). In France the approach aroused interest among certain economists who proposed the notion of "localised industrial systems" to describe the economic organisation of territories such as the Choletais (area around Cholet in western France, textiles). To extend the scope of the analysis to other economic sectors, they later proposed the notion of the systÃ"me productif localisé (SPL – localised production system).

In geography, it is the concept of the "innovating environment" that can serve as a theoretical basis for local development. According to Aydalot, there are environments that can be particularly favourable to development, depending on the nature of the relationships that businesses entertain with the territories in which they are established. An "innovating" environment is one in which the businesses develop exchange and cooperation networks, and mobilise the human and material resources of their territory. Thus this notion of the innovating environment enables the analysis of economic development factors in a territory.

What these two approaches have in common is that they consider space not merely as a portion of ground, but as a set of technical, economic and social relationships, interacting to varying degrees, and variously generating processes of collective learning. They therefore envisage territories in their geographical dimension (localisation, topography, landscape, climate, population densities and distribution, presence and quality of resources), in their cultural dimension (behaviours, knowledge, custom, which shape a society and generate the feeling of belonging), and in their social dimension (formation of a network of territorial relationships underpinning local initiatives). The analysis of these dimensions can help to explain differential territorial development patterns.

In France in recent years local development approaches have been mobilised by the State via action undertaken for territorial development projects. For instance we can quote the funding from 1998 by DIACT (formerly DATAR) to support the emergence and development of territories possessing characteristics complying with the SPL model (localised production system). More generally, the design of local territorial projects occurring in the legislative framework (Loi d'Orientation pour l'Aménagement et le Développement Durable du Territoire (sustainable development programme) also mobilises local development methods. This evolution reflects a degree of institutionalisation of the local development approach. At the same time, its theoretical justifications are often based on territories that are well integrated into the world economy. Today the initial militant stance therefore no longer appears adequate to characterise the different forms taken on by local development.

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