

INTERRELATION OF THE STAGES OF THE TERRITORY'S DEVELOPMENT PROCESS

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ABSTRACT

The development process of any area is anfractuious. It is a multi-stage process. It starts with the area's attractiveness, attracting resources, which are necessary for its development and ensures their preservation and retention for the area. When using these resources optimally, efficiently and productively, area's competitive advantages are achieved and, the area becomes competitive. Competitiveness is driving force and potential of growth of the territory. Growth facilitates quantitative changes of the resources, i.e. accumulation and development of resources, leading to state of development of the territory. The purpose of the process of territorial development is qualitative distribution and management of these resources aiming at achieving the concrete result – state of development of the territory. In this article, the author structures stages of the territory development process in a definite sequence taking into account earlier developed theoretical findings in this sphere, as well as she completes the layout of these stages with her own scientific view concerning the final aim of the territorial development to be achieved in the process of the development of the territory. This aim is the territory's state of development, which can be measured and compared, when considering success of the process of territorial development.

KEYWORDS: *attractiveness, competitiveness, growth, development of territory.*

JEL CODES: O100 – Economic Development: General; O440 – Environment and Growth.

Introduction

When analyzing experienced progress and results that have been achieved within any area, attention is drawn to the rate and development of the territory, as well as to such characteristic features of the territory as its competitiveness and attractiveness.

Issue of the research: when analyzing the process of territory development many scientists use concepts 'growth' and 'development' as synonyms, designating positive changes and progress that have been observed within the area in general. The author of the article, when analyzing theoretical findings in this sphere, notices that however these concepts must be defined as different, because territorial development is a process on its own, where one of the stages is growth of the territory. In relation to the territorial characterization, in the scientific literature you can see concepts 'attractiveness' and 'competitiveness' more and more often. It is believed that these characteristic features of territory are the result of the development of territory. Consequently, the issue of the research is composed by the fact that all abovementioned phenomena are usually analyzed separately without making a system and sequence of concepts.

Aim of this research is to structure stages of the territory's development process in a definite cause-and-effect sequence on basis of the analyzed scientific literature.

Object of the research: process of territory development.

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Hypothesis of the research: the territory development process is *anfractuous*: it starts with attractiveness of the territory and through the territory competitiveness and growth it achieves the result of the development process – state of development of the territory, which, in its turn, contributes to further territory development and competitiveness on a new level.

Objectives of the research:

- to analyze meaning and explanation of the terms – stages of the territory development process – ‘attractiveness of territory’, ‘competitiveness of territory’, ‘growth of territory’ and ‘state of development of territory’;
- to structure stages of the territory development process in a cause-and-effect sequence, illustrating it in graphs and figures;
- to draw conclusions.

Research methods – monographic method, logical analysis and synthesis method, deduction method.

1. Stages of territorial development process

According to the Economics of development, territorial development is seen as a whole process having a particular result: the process itself is territorial capital growth, but the result achieved within the process is state of territorial development (see Fig.1).

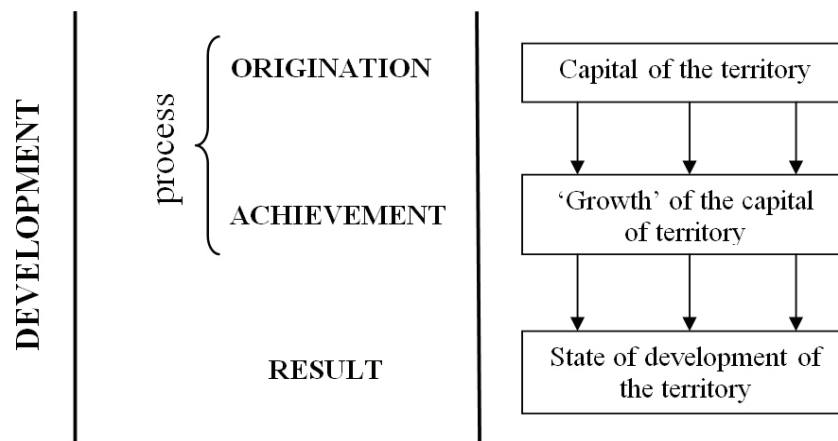


Figure 1. Development as a process and as a result

Source: Lonska, Boronenko, 2012: 23

Analyzing Figure 1, it can be concluded that state of development is hardly conceivable without growth; however growth is possible without state of development. Although the state of development is virtually impossible without growth, it is possible without increasing income per capita. For the ultimate rationale of state of development must be to improve living standards and welfare, although an increase in measured per capita income may not be a sufficient condition for an increase in individual welfare, it is a necessary condition in the absence of radical institutional innovations (Thirlwall, 2011).

Taking into account theoretical findings of development economics (Arrow, 1951; Lewis, 1955; Sen, 1970; Goulet, 1975), the author of the article concludes that the state of territorial development is achieved, when the basic needs are satisfied, when economic success facilitates increase of self-respect in the individuals and state, and when the improvement of the material status broadens people’s rights, opportunities, freedom and increases people’s subjective well-being and emotional state.

As it can be seen in Figure 1, territorial development is a process, where one of the stages is growth of territory. Growth starts with accumulating and increase of territory capital, or territorial resources. Attraction and retention of the resources may take place only if the territory becomes attractive, and only when reaching competitiveness advantages, the area becomes competitive, leading to growth of territory, thus achieving

the results of the territorial development – state of development of territory. Therefore the author believes that the process of territorial development starts with attraction and retention of capital, which is necessary for its development, i.e. when the territory becomes attractive. Consequently, attractiveness of territory can be considered as the first stage of the process of territory development, charm of the area attracts competitive resources to the territory. The territory becomes competitive, when the attracted competitive resources become competitive advantages of the area, i.e. the next stage of the territory development process – competitiveness of territory – is achieved. Optimal and productive usage of these competitive resources leads to growth of territory, which is also one of the stages of the territorial development process. Territorial growth accumulates increases and improves present resources with the aim to achieve general inhabitants' welfare increase, which is the final aim of the territorial development process – state of development of territory. State of development of territory is the final stage of the territorial development process; when it is achieved, the territorial development process starts from the beginning on a new level, because in reality this process is anfractuous (see Fig. 2).

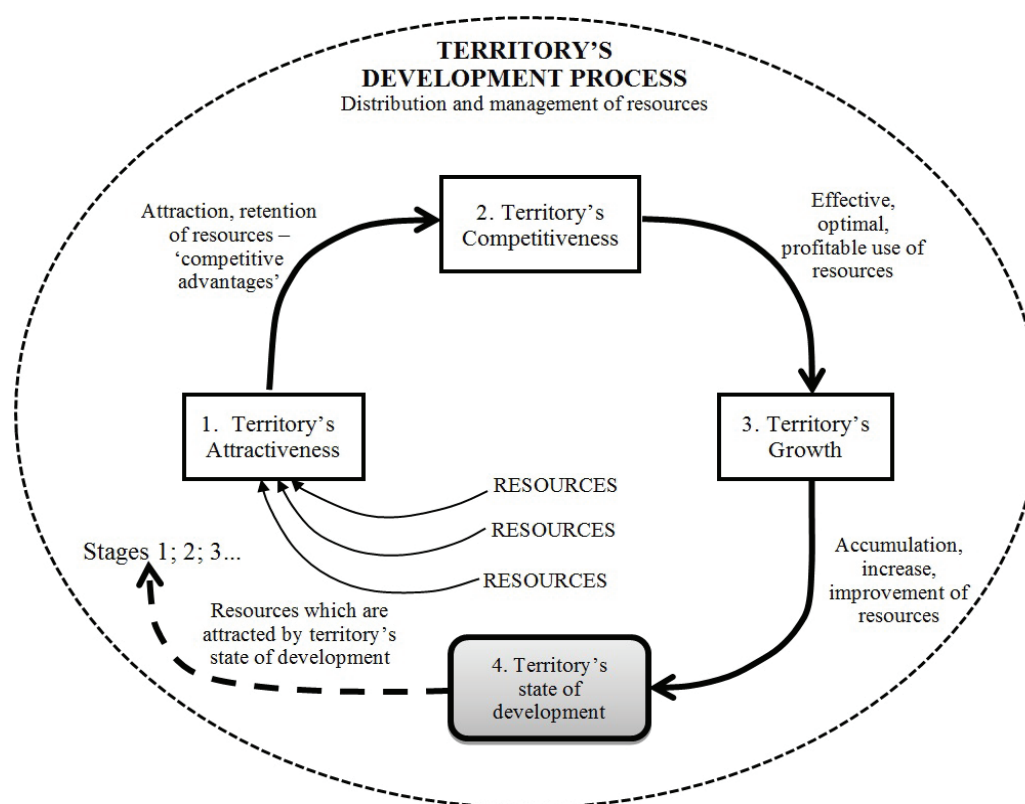


Figure 2. Stages of the territorial development process

Source: compiled by the author

Therefore marking the territorial development process the author distinguishes four stages in the process: territory attractiveness, competitiveness, growth and state of development. Further, on the basis of the scientific literature the author offers summarized definitions and explanation of these terms to prove that the research hypothesis is true.

1.1. Attractiveness of territory

Due to the fact that attractiveness of regions has not been analyzed so broadly as competitive capacity of regions, the author also reviews theoretical findings about urban attractiveness, which are found more often, believing that a town/city is also a territorial unit possessing regional features.

Examining the role of attractiveness as a policy concept with reference to regions and cities in EU policy discourse makes it clear that it emerged only gradually in the post-2000 period. By around 2004–2005 a more explicit consideration of the role of cities and regions in relation to territorial cohesion and addressing territorial disparities began to emerge in EU policy documents (CEC, 2004, 2005). Cities were increasingly seen as “engines of regional development”, and attractiveness, and by extension mobility, is understood partly in terms of accessibility but also, reflecting the influence of Florida (Florida, 2002, 2003), in broader terms related to quality of life and the role of culture as a “soft” locational factor in attracting knowledge workers (CEC, 2005: 12).

In the Fourth Report (CEC, 2007), attractiveness and mobility appeared as factors to be addressed by policy because they affect cohesion. The causes of mobility were conceived primarily in economic terms: “Economic factors in the form of differences in income levels and employment tend to be the main factors inducing people to move between regions” (CEC, 2007: 44). This was seen to apply particularly to capital cities, in all regions, which attracted population from within their countries and other countries. The key determinants of attractiveness were seen as “good basic infrastructure and accessibility; a well-educated work force; good ICT infrastructure and extensive use of ICT; a relatively high level of spending on R&D” (CEC, 2007: 74). But the Report also noted that “non-economic factors, in particular, the quality of life and the attractiveness of the environment, seem to have an increasing effect”. Also included among the non-economic factors related to quality of life were levels of health provision and effective institutions. Thus, a more complex notion of attractiveness and mobility had begun to develop.

Although attractiveness is not explicitly discussed, it is clear that diversity is a factor of attraction that can be utilized to generate growth by both attracting investment and mobile populations while retaining existing residents. In the Barca’s Report the emphasis is put on the “place-based approach” analyzing the attractiveness of the place. A key assumption underlying this approach is that only by focusing on the (diverse) strengths of places can more harmonious development can be achieved (Barca, 2009: 12).

The Sixth Progress Report on Economic and Social Cohesion (CEC, 2009) contains Richard Florida’s theory of creative class. Richard Florida has formulated a theory based on economic and regional development and on instruments to promote both economic and regional development. In his book “The Rise of the Creative Class” he develops a theory based on three decisive factors, the so called 3Ts – Technology, Talent and Tolerance. If a corporation/city/region has all these 3Ts it will be possible to attract creative labor with competences to generate innovation and economic growth. When the creative labor is attracted the capital will follow the labor force and innovative corporations will be established. To attract creative labor it is needed to have a diversified society, cultural offers from sport to theatres with both active and passive participation, high quality schools and universities and a government/governance system that promotes and supports an infrastructure that is attractive for the creative people. According to Richard Florida’s theory of the creative class this class of people is essential for a region’s economic growth in today’s economy. Knowledge has replaced natural resources and the efficiency of physical labor as the source of wealth creation and economic growth. In this new era, talent has become the key factor of production and regions develop advantages based on their ability to quickly mobilize the best people. The nexus of competitive advantage has thus shifted to those regions that can generate, retain, and attract the best talent (Florida, 2002).

Attraction is quite a different concept, assuming the point of view of a firm looking for an optimal investment location: the choice is based on comparative advantages and on resources availability in the given nation or regions, including relative input prices, access to the market, but also quality of the institutional framework and macroeconomic stability. Attraction is, therefore, an important component of competitiveness and is often considered its driving factor, allowing a system to attract and valorize critical resources for development. From another perspective, the firm evaluates not only the economic and socio-political context, but also the “living environment” surrounding the investment location, from the presence of an international environment to a safe, non-corrupted business life (Pellegrini, 2006: 358).

The differences between competitiveness and attractions are following: competitiveness is linked to the optimal use of resources, attractiveness to the capacity to attract and retain resources in the given area. Com-

petitiveness is more oriented in capturing development perspectives, while attractiveness is oriented towards the effective but also to the perceived business perspectives (Pellegrini, 2006: 358).

The main difference between competitiveness and attractiveness deals with the level of government participation in the economy. Attractiveness factors are almost completely under the control of governments, while competitive factors are out of the direct influence of governments. The power to attract activity and people is one of the most important pre-conditions for a place success. Attractiveness is now linked to stages of economic growth to provide a broader framework to analyze the process in which cities (or other territories) are immersed to reach a higher standards of quality of life for their inhabitants (Serrano, 2003: 124).

Servillo, Atkinson and Russo are developing the notion "attractiveness" on the basis of an overview of theoretical approaches seeking to identify the places' capacity to attract, and the impact it has (positive or negative) on places. The authors argued, that attractiveness of places involves three main aspects: (1) the asset side of the attractiveness of a place and its different characteristics (territorial capital); (2) different potential users for whom attractiveness should be measured; (3) the way such assets are mobilized by governmental and non-governmental organizations and institutional actors (Servillo, Atkinson and Russo, 2011: 359). Servillo, Atkinson and Russo believe that attractiveness of a territory is crucial for its development strategies, places need to be able attract (and retain) capital, labour and intellectual skills and improve their economic performance both in a competitive global context and for supporting sustainable strategies. Attractiveness is a complex and multifaceted set of characteristics; the relative balance of factors that attract varies depending on the groups that are at the centre of attraction strategies (Servillo, Atkinson and Russo, 2011: 361).

Competitiveness and attractiveness are concepts relevant to economic development and growth issues because they are strongly related to the way cities (territories) manage their strategies in order to improve wealth of their inhabitants (Anderson, 1999).

Resuming the abovementioned theoretical information the author concludes that attractiveness is a capacity of territory to attract and at the same time to retain and preserve the necessary resources for ensuring competitiveness of the territory: attractiveness of the territory ensures emergence of competitive advantages within the area, which is a significant component of territorial competitiveness and it is its driving force.

1.2. Territorial competitiveness

Emergence of the concept 'competitiveness' is historically related to appearance of the phenomenon of competition in economy during the epoch of capitalism development. If competition is a particular type of economic environment, competitive capacity is an economic subject's capacity to exist within this environment. Topicality and significance of competitive capacity grows, when competition increases in the world economy, on the one hand, and when new countries access the system of global market economic relations, on the other hand.

Since 1980s competitive capacity of countries and regions has become a new sub-branch of the theory of economics. This sub-branch studies factors influencing competitive capacity of countries and regions and is based on the classical economic theory, developing and reconsidering it in accordance with new economic globalization processes (Garelli, 2002).

Herein it is necessary to pay attention that there are significant differences between 'business' (and market) and 'national' (or state) competitive capacity. In the present article, the author analyses state's competitive capacity.

State competitive capacity, as well as regional competitiveness has become one of the most important concerns of every country's government. However, despite all discussions, debates and publications on this subject, one of the most famous competition and competitiveness theorists in the world, M. Porter believes that 'a convincing theory for explanation of competitive capacity on the national scale has not been developed until now' (Попреп 2000: 166).

Searching for economic nature of the concept 'competitive capacity' is the most complicated stage of definition of the concept, because modern economic thought suggests many interpretations of this concept and, it requires careful investigation and conceptualization of the concept 'competitive capacity'.

World Economic Forum defines competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the level of prosperity that can be earned by an economy. The productivity level also determines the rates of return obtained by investments in an economy, which in turn are the fundamental drivers of its growth rates. In other words, a more competitive economy is one that is likely to grow faster over time. The concept of competitiveness thus involves static and dynamic components: although the productivity of a country determines its ability to sustain a high level of income, it is also one of the central determinants of its returns to investment, which is one of the key factors explaining an economy's growth potential (Schwab, 2012: 4).

World Competitiveness Center of International Institute for Management Development (WCC IMD) defines term 'competitiveness' the following: a field of economic knowledge, which analyses the facts and policies that shape the ability of a nation to create and maintain an environment that sustains more value creation for its enterprises and more prosperity for its people. In another words, competitiveness is how a nation manages the totality of its resources and competencies to increase the prosperity of its people (Garelli, 2012: 485).

National competitiveness refers to a country's ability to create, produce, distribute and/or service products in international trade while earning rising returns on its resources (Scott, Lodge, 1985: 3).

Ciampi and associate researchers in the First report to the President of the EU Commission, the Prime Ministers and the Heads of State "Enhancing European Competitiveness" argue that competitiveness implies elements of productivity, efficiency and profitability. But it is not an end in itself or a target. It is a powerful means to achieve rising living standards and increasing social welfare – a tool for achieving targets. Globally, by increasing productivity and efficiency in the context of international specialization, competitiveness provides the basis for raising peoples' earnings in a non-inflationary way (Ciampi et.al., 1995a: 3). In the Second report to the President of the EU Commission, the Prime Ministers and the Heads of State "Enhancing European Competitiveness" Ciampi et.al. precise that competitiveness should be seen as a basic means to raise the standard of living provide jobs to the unemployed and eradicate poverty (Ciampi et.al., 1995b: 7).

Organization for Economic Co-operation and Development (OECD) claims that competitiveness is the degree to which a nation can, under free trade and fair market conditions, produce goods and services which meet the test of international markets, while simultaneously maintaining and expanding the real incomes of its people over the long-term (OECD, 2003: 7).

Consequently, summarizing the abovementioned definitions and explanations of competitive capacity, the author concludes that competitive capacity is an aggregate of institutions, political instruments and factors that defines the level of productivity in the country, which, in its turn, is a driving force and potential of the economic growth. State competitive capacity is reviewed by a sub-branch of the economic theory analyzing the state capacity to manage, create and improve environment, which is favorable for people and enterprises, where people are able to increase their prosperity and enterprises have possibility to create the added value. Competitiveness is an instrument for improvement people's life conditions and social welfare, which includes an aggregate of state productivity, efficiency and profitability, it is a capacity of the state to produce goods and services for export under free and fair market conditions, it is a capacity for successful competing with other countries in the international markets, at the same time preserving and increasing state citizens' income.

1.3. Growth of territory

The concept of growth has been manly studied during 20th century and more precisely after the end of the Second World War as a natural response to the reconstruction of Europe and Asia. After the devastation of countries like Germany, Italy and Japan, academics and policy makers started to define strategies to help these countries to solve their scarcity problem. At this point the question was how to make the countries' economies grow? Kuznets said that growth is simply the sustained and increasing production of goods, associating *increase* to growth (Kuznets, 1958: 39).

Blair claims that growth can be defined either as an *improvement* (or a detriment) in the present conditions of an economy or industrial sector. He argues that economic growth is responsible for providing jobs and resources to support improvements in order to increase the standard of life within a society. Growth can be a detriment when it is concentrated in a few people and there is no money flow to employees or in general to other sectors of society (Blair, 1995: 116).

Dietz and Cypher defined economic growth of the territory as the *increase* of the total income disposable by a government to exert in any time period in order to provide better assets for their inhabitants. Growth deals with *accumulation* rather than distribution, which is a characteristic of development. Growth itself is not able to distribute fairly the wealth generated by economic growth along the whole population of a geographical area, that's why development instead of growth (Dietz and Cypher, 1997: 34).

Rostow's work "Stages of economic growth" (Rostow, 1971: 10) made a clear differentiation between development and growth. The growth was defined in terms of *accumulation*: more jobs, more income per capita, higher domestic product, among others. According to Rostow's stages-of-growth model, the transition from underdevelopment to development can be described in terms of a series of steps or stages of growth through which all countries must proceed.

Growth is concerned with *increases* in population within an area, increases in prices or the number of products and services sold in an economy, in other words, it is concerned with the productive and consuming *capacity* of a geographical area and with *change* and redistribution (Malecki, 1997: 33).

Growth can also be defined in terms of *change* along time. Chaudhuri (Chaudhuri, 1989: 2) claims that all theories related to economic growth (Smith's, Ricardo's, Marx's, Harrod and Schumpeter, and Neo-classical theorists) have in common 'change' (positive or negative) and time. Indeed, this change is a central part in economic development.

Serrano (Serrano, 2003: 13) argues that it is possible to have growth without development, but economic development is not possible without economic growth; growth is a stage in the process of economic development.

Therefore summarizing the abovementioned theoretical findings about growth of territory the author draws the conclusion that growth is the increase of capacity and quantitative changes in the economic condition, accumulating necessary resources for further development of territory with the aim to achieve the result, i.e. state of development of territory.

1.4. Result of the territorial development – state of development

In order to define state of territorial development, it is necessary to start with analysis of the term 'development', because, as it was mentioned above, state of development is a result of development.

During eighteenth and nineteenth centuries the simple definition of development *as change* became transformed into what was seen as a more directed and logical *form of evolution*. The period when these changes took place is known as the "Enlightenment". In broad terms, Enlightenment thinking stressed the belief that science and rational thinking could progress human groups from barbarism to civilization. The whole idea of development became directly associated with Western values and ideologies. Thus, development was seen as being directly linked to Western religion, science, rationality and principles of justice (Potter, Binns, Elliott, Smith, 2008: 7).

In the nineteenth century, Darwinism began to associate development with *evolution*; that is, a change towards something more appropriate for future survival (Esteva, 1992: 10). When combined with the rationality of Enlightenment thinking, the result became a narrower but 'correct' way of development, one based on Western social theory.

During the Industrial Revolution (1760–1840) this became heavily economic in nature. But by the late nineteenth century clear distinction seems to have emerged between the notion of 'progress', which was held to be typified by the unregulated of pure capitalist industrialization, and 'development', which was representative of modernization and responsibility (Cowen and Shenton, 1996: 310; Preston, 1996: 70).

In 1949 USA President Truman in his speech employed the term ‘underdeveloped areas’ to describe what was soon to be known as the Third World. Truman also set out what he saw as the duty of the West to bring ‘development’ to such relatively underdeveloped countries. It was a start of the modern era of development (Porter, 1995: 78).

In 1950s development became synonymous with economic growth; increasing incomes and material wealth were seen as being of far more importance than making sure that such income was fairly or equitably spread within society (Potter, Binns, Elliott, Smith, 2008: 8). Parr says that growth and development have been used as synonymous, but the latter has the connotation of structural change. Indeed, this ‘change’ deals with the notion of including institutions (whatever they are for), governments and citizens in an effort to redesign the economic structures aimed to support the new way of fighting poverty and improving quality of life (Parr, 1999: 1202).

It is important to mention that conceptualizing development and growth as synonymous seems old fashioned and an error since it is clear that development by all means includes more than economics factors (Todaro, 1999: 60). In this sense, Malecki argued that economic development implies an interdisciplinary perspective, where models should incorporate not only economic but also social factors in order to portray the whole set of phenomenon immerse in a country or a region. The central point, he claimed, is to generate qualitative improvements in life for everybody (Malecki, 1997: 39).

However, the prominence and influence of Development Economics in the 1950s and 1960s have clear repercussions on other terminologies related to development. More locally oriented views began to emerge. These approaches were soon co-opted into official development policies, underpinning the ‘basic needs’ strategies of the 1970s, which fragmented the monolithic targets for development into what were seen as more locally and socially oriented goals, *development became more people oriented* (Arrow, 1951; Lewis, 1955; Sen, 1970; Goulet, 1975).

In 1991, Human Development Report (HDR, 1991) of the United Nations stated that “human development is about much more than the rise or fall national incomes”. The passage goes on to note that development should be about creating an environment in which people can develop their full potential in order that they should be enabled to lead productive and creative lives, in accord with their needs and interests. Thus, development is about “expanding the choices people have to lead lives that they value”. Such a perspective promotes the idea that development witnesses the building of human capabilities. The most basic of human capabilities are to lead long and healthy lives, to be knowledgeable, and to have access to the resources which are needed to achieve a decent standard of living, and to be able to participate in the life of the community. Approached in this light, the promotion of human well-being can be regarded as the ultimate purpose or end-purpose of development (*author – ‘state of development’*), so that development shares a common vision with the enhancement of human rights.

Dietz and Cypher explain that economic development is a process of *redistributing* the resources generated by an economy among all the citizens within country, in order to improve their standard of living. They emphasize that economic development relates social and cultural factors as “assets”. The fight against poverty is a core concept in economic development (Dietz and Cypher, 1997: 36).

Chaudhuri argues the main difference between economic growth and economic development is ‘*structural change*’ understood as a redistribution of resources in the economic system together with a reorganisation of the institutions supporting it to create appropriate exchange conditions (Chaudhuri, 1989: 2).

Conroy defined development as ‘*improvements in the quality of life*’ associated with changes – and not necessarily increases – in the size and composition of the population, the quantity and nature of jobs, and the quantity and prices of goods and services produced locally (Conroy 1975: 496).

After having analyzed theoretical findings about development, the author of the article concludes that development is defined as qualitative improvement, evolution and modernization directed to people’s life well-being. Development is considered as a process, which is realized with state and its institutions’ structural changes, ensuring efficient division and management of resources with the aim to create living environment for people, where they can realize their potential, increasing their choice potential and rights, i.e. state of territorial development is achieved.

Therefore, after the analysis of causal relationships between concepts of territory attractiveness, competitiveness, growth, development and state of development, the author concludes that the process of territorial development is anfractuous, i.e. when achieving the definite result of territorial development – state of development – it starts a new turn for achieving a new development level. Territory attractiveness can be considered as a ‘starting point’ of the process; it attracts and preserves the resources, which are necessary for the development process, ensuring territory competitive advantages being the basis of the territory competitive capacity. Territory competitive capacity is productive, efficient, profitable and optimal usage of these resources, which is a driving force and potential for growth of territory. Growth of territory is related to quantitative changes within the area; it ensures accumulation of resources and increase of territory’s economic load for further development and achieving state of development. In general, it is a process of territorial development, which is qualitative distribution and management of territory resources aiming at increasing inhabitant’s welfare. State of development ensures attractiveness of the area, and the process of achievement of the territory state of development starts on a new level (see Fig. 2). Therefore the author thinks that the hypothesis of the research has been proved to be true: the process of territorial development is anfractuous, it starts with attractiveness of territory, and further, through competitiveness and growth of territory it achieves the result of the development process – state of development of territory, which, in its turn, influences further territory attractiveness and competitive capacity on a new level.

The author of the article notes that when accurately defining stages of the development process, a structured basis of theoretical cognitions for further research in this field is being established. Analyzing the development process on a particular territory, causal relationship of this process must be clearly understood. Based on the knowledge of stages of the development process, effective territory management policy is being planned and implemented to achieve territorial development. The author of the article believes that studying the development process and graphically illustrating its stages in the dynamics, it would consequently lead to the attainment of the research objective and would serve as a basis for further empirical data analysis in the perspective of different territories. In this article, a deep analysis of scientific literature facilitated the process of structuring the stages of the development process in a specific order, thus contributing to the effective perception of the theoretical material among young and experienced researchers.

Conclusions

In this article, on the basis of available scientific information and theoretical findings, the author defined and conceptualized terms ‘attractiveness of territory’, ‘competitiveness of territory’, ‘growth of territory’, ‘state of development of territory’ and ‘development of territory’ as a whole with the aim to structure stages of the process of territorial development in a causal relation order. During the analysis it was found out that the process of territorial development is anfractuous, and there are four stages in it: attractiveness, competitiveness, growth and state of development of territory. The author of the article believes that the process of territorial development starts with attraction and retention of capital, which is necessary for making the area attractive. Therefore attractiveness of territory can be considered as one the stages of the process of territorial development, and it attracts competitive resources to the area. The territory gets competitive, when the attracted competitive resources become competitive advantages of the area, i.e. the next stage of the process of territorial development is achieved – competitiveness of territory. Optimal and productive usage of this resources leads to growth of the territory, which is also one of the stages of the process of territorial development. Growth of the territory accumulates, enhances and improves present resources with the aim to achieve increase of citizens’ general life well-being, which is the final target of the process of territorial development – state of development of territory. State of development of territory is a final stage of the process of territorial development, and when achieving it, the process of territorial development starts a new turn, since this process is anfractuous. The author of the article notes that when accurately defining stages of the development process, a structured basis of theoretical cognitions for further research in this field is being established: studying the development process and graphically illustrating its stages in the dynamics, it would

consequently lead to the attainment of the research objective and would serve as a basis for further empirical data analysis in the perspective of different territories.

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TERITORIJOS PLĒTROS PROCESO ETAPAI

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Santrauka

Šio straipsnio autorė teritorijos plėtros procesus tiria pagal nustatytą struktūrinę seką ir laikydamasi teritorinės plėtros teorinių principų. Ji pateikia savo teorinių išvalgų apie teritorinės plėtros procesus. Ap-skritai teritorinės plėtros procesai yra sudėtiniai procesai, vykstantys etapais. Jie pirmiausia prasideda nuo teritorijos, išteklių patrauklumo, siekiant užtikrinti jų išsaugojimą. Optimalus ir veiksmingas teritorijos išteklių naudojimas didina teritorijos konkurencingumą, tai yra pagrindinis teritorinės plėtros tikslas. Tikslas gali būti įvertinamas, matuojamas, taip nustatant teritorinės plėtros procesų sėkmingumą.

PAGRINDINIAI ŽODŽIAI: *patrauklumas, konkurencingumas, augimas, teritorinė plėtra*.

JEL KLASIFIKACIJA: O100, O440