

L'apport de différentes théories économiques à la problématique de la localisation des activités économiques : Une perspective historique sur la relation "territoire / investisseur".

The contribution of different economic theories to the problematic of localization of economic activities: A historical perspective on the relationship "territory / investor".

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Résumé

Cet article identifie un ensemble de théories classico-historiques qui irriguent la théorie de la localisation des activités économiques, dont l'investissement ; ces théories ont tenté de déterminer les champs d'analyse territoriale que l'on retrouve dans les projets, les investissements et les entreprises. Dans cette logique de base et selon ces théories classiques, la localisation des investissements est liée à un ensemble de dispositifs dont le territoire module pour chaque reprise sa stratégie en raison des bouleversements économiques, des croisements et des abandons de projets d'investissement. De ce fait, les investisseurs se caractérisent par une motilité sûre et certaine et une flexibilité dans le raisonnement de recherche de territoires émergents porteurs de richesses et de ressources. Un territoire peut être vu et mesuré à partir de plusieurs points de mesure, même l'économie, la gouvernance, la société, les liens géographiques, les bases historiques, la démographie, et ainsi de suite. En outre, on a tenté, entre autres, de définir le territoire par plusieurs sens, à savoir la notion endogène et exogène, la pluralité des partenaires, les attributs du territoire, et un marché de confrontation. A la fin de cet article, nous présentons les quatre déterminants de la localisation des investissements, à savoir le climat d'investissement, les avantages de l'efficacité et de l'efficience, les ressources de toute nature et un territoire attractif en termes de résidents.

Mots clés : Théories économiques classiques ; Localisation des investissements ; Relation entre territoire et entreprise ; Déterminants de la localisation des investissements ; Théorie de la localisation des investissements ; Histoire de l'économie de localisation.

Abstract

This paper identifies a range of classico-historical theories that irrigate the theory of localization of economic activities, including investment; these theories have tried to determine the fields of territorial analysis that are seen in projects, investments and businesses. In this basic logic and according to these classical theories, the localization of investments is linked to an assortment of devices whose territory modulates for each recovery its strategy due to economic upheavals, crossover and abandonment of investment projects. In this fact, investors are characterized by a sure and certain motility and flexibility in the reasoning of searching for emerging territories carrying wealth and resources. A territory can be seen and measured from several measurement points, even the economy, governance, society, geographical links, historical bases, demography, and so on and so forth. In addition, attempts have been made, among other things, to define the territory by several meanings, namely the endogenous and exogenous notion, the plurality of partners, attributes of the territory, and a market of confrontation. At the end of this article, we present the four determinants of investment localization, namely the investment climate, the benefits of efficiency and effectiveness, resources of any kind and an attractive territory in terms of residents.

Keywords : Classical economic theories; Localization of investments; Territory and firm relation; Localization of investments determinants; Localization of investments theory; History of localization economy.

Introduction

“There are many reasons to visit a city. The main motive is economy” (Asnawi et al. 2018). This finding indicates that the economy is the most representative and determinative component in a territory. This is, indeed, the aim of this paper.

The "territorial offer" approach makes the territory appear to the vision of investments as an organization; that is, apart from the fact that the territory is a space for localization of economic activities, it is an offer in a position of measure and it can and cannot form a choice of implantation of investment projects. The setting of spatial rivalry imposes on territories adopting innovative thoughts and developing new fields.

Moreover, the strategic choice of investors for the implantation of their economic activities depends on the cost policies and the endogenous organization's mode of the territory (Veltz 1996). However, both the plurality and the density of private economic actors influence the decision of local power. Two causes of the problem, among others that have been noted so far as to where the territory constitutes an evaluable product, there are those that arise from the State and those coming from investors.

The localization of investors is certainly linked to an environment, yet this environment is the result of panoply of efforts both of State and territorial persons responsible. Indeed, several variables come into play in the territorial marketing. In addition, the classical theories of the economy irrigate in some ways the theory of localization of economic activities.

In the logic of attachment between the territory and the investor, several partners immerse in this relation, namely the ground, men, actors and partners, the territory itself, other investors, and financial institutions and so on. From this effect, the territory is consumed and gauged in many ways. Subsequently, we will provide an exhaustive envelope of economic theories that are important to identify the theories of localization of investors.

In order to respond to the problematic of localization of economic activities, we have to set an arsenal of classical theories which they explain this object otherwise the localization of investor.

Moreover, our problematic is articulated to the question of localization of economic activities and investment projects. What are the concepts that impact the localization of economic activities referring to classical theories and to the theory of FDI (Foreign Direct Investment) then theoretical models?

In this paper, we got to approach the fundament of localization theories and theoretical models by being inspired from territorial marketing. Afterward, we are going to accentuate on the determinants of localization of investments.

1. The concept of mobility and motility of companies.

At first sight, the firms seek a perfectly favorable environment to install their economic activities. The recruitment, the layoff and the resumption of investment projects are related to circumstances. The State, economists, politicians and even other stakeholders inspect the logic and the reasons of the relative behaviors to the localization of economic activities. Nevertheless, certainly, the economic policy of a territory influences the strategic behaviors of the companies.

In addition, and in particular, businesses by faculty of skills are motile and always intend to metamorphose and seek emerging and advanced territories. However, trust is always implored and it constitutes a critical component. On the other end, economic partners seek certainty and opt for territories with industrialization dynamics. This remark leads to an investigation of the territory's economic and political structures and policies. In addition, any action implemented by the territory would have an effect over time, so the decentralization of powers is a notion bringing leads; it had influenced the quality of territorial policies and even economic and industrial ones.

By way of logic, the company is strongly linked to its territory; its development is therefore the result of a set of devices of the territory. The territoriality of a firm, its anchorage and its survival in a perimeter is the consequent term of an arsenal of advantageous territorial skills.

As a result, companies are looking for territories with wealth, resources and skills. For all that, the companies as for their functions like creation, execution, control and decision, do not opt for the installation of their economic activities on a standard conduct. Therefore, the term area seems critical for industrial activities and mass production.

1.1. The firm and the territory: A vision with multiple dimensions.

The sentence - the territory and the firm: A vision of large dimensions - explains the attachment of the firm to its territory. Moreover, the territory by its material and immaterial characteristics influences the territoriality of the firm. However,

- The industrial activities require large surfaces with favorably reduced costs of land and real estate;
- Logistics activities opt for territories that promote accessibility to transport infrastructure.

- Service activities arise in the concentration and density of businesses with the potential to promote agglomeration economies.
- SMEs and SMIs attach more importance to the presence of a dominant industry.

The territory develops according to strategic decisions made by endogenous actors and exogenous partners. In reciprocity of term, the firm evolves in parallel with the evolution of territory. Indeed, the international revolution is driven by multinational companies as countries strive to maintain transactional and commercial relations with the major economic groups.

From an anchor point of view, the company's territoriality resides in the integration of its directors and their participation in local activities. However, business leaders must be aware of both realities. Say, the major role that the territory creates for the purpose of the competitiveness of their companies, and the imperative of their contribution in the fabric of the territory.

1.2. The residents in the eyes of economic actors.

Similarly, and depending on human resources, the localization of the company changes from one territory to another. Investors seek to have an exhaustive market of labor to ensure the desired advancements by residents of the territory.

Being aware of the major contribution of man in his territory, companies place the amenity, the level, and the style of life and skills of man among the elements leading the choice of the installation of their economic activities. The amenity of social environment is paramount; the companies seek the quality of framework and style of living of the employees. Nevertheless, it is undeniable that the high-level qualification of households is critical in the choice of localization of investment projects.

Companies are strongly aware of the negative effects of the workplace and of the poor amenity of the social and even ecological environment (Lise B-L., 2015); however, companies must compensate for the annoyance resulted from the work environment by motivating counterparts (or even premiums and high wages thus societal benefits). Moreover, this is a disadvantage for companies as they will spend more costs for the pleasure of the workforce.

In fact, it is undeniable to note that today, the favorable social environment in favor of the man, the quality of life and the amenities nourish the attractiveness of the territories.

1.3. The firm: Which reflection?

The strategic behavior of a firm has a strong impact on the decision or even the strategic choice of a third party economic agent. First, the departure of a business results from adverse circumstances, maladjustments and lack of overlap with the territory. Second, the term strategic behavior of a firm is a critical indicator in the strategic choice of other investors. In addition, a private partner influences the behavior of other firms. The density of small and medium-sized enterprises and very small businesses or even the service boxes is the main cause put forward by the marketers of the companies in the choice of the markets of localization.

The literature has emphasized with strong words that companies attach more importance to agglomeration economies (Weber, Cantillon, Petty, Mill...etc.). It is clear that the attractiveness of investors is gauged by the number of firms setting up their investment projects and head offices in a geographical area.

1.4. The motility of the company; something that is not easy for the territory.

The strategy of anticipation is not within the reach of the territories and it can raise gigantic costs. Sometimes the innovation is destructive just like the technological advancement which can generate undesirable effects. The revolution of the territory can upset entities; moreover, an intention of evolution must be antecedently under the intention and under the will-power of the endogenous clientele.

The motility of companies resides in the desire to seek markets granting competitive advantages and in the ability to opt for territories on a global scale; mobility has depended so far on the intention of men carrying projects.

The metamorphosis of territories constitutes giant advancements and politico-economic efforts. In other words, the territory is made up of a set of traits and united components whose change of identity is difficult and intractable. More explicitly, the territory is then a homogeneous co-construction and a group of co-operative stakeholders whose upheaval can dissociate the associated process from partners.

1.5. The decision to invest.

A decision is not a random act but a logical, deductive, methodological and rational fact. Managed by managers, the choice of installation of investment projects focuses initially on the political and economic pedestal. Any action resulted from a human, therefore, must be empowered, explained and justified by one or more multidisciplinary investigations; that is, to

translate the aspirations of investors and to explain such an act, one can cross several sciences.

2. The territory: A localization market of economic activities.

The territory is a place of confrontation of supply and demand; in addition, it constitutes a market of economic activities. By way of the term 'localization market', the territory represents a perimeter of evolution of the projects of the investing companies on the basis of the density of the small firms of service and the concentration of the residents. Therefore, we must think of the territory as a resource for mobile multinationals.

2.1. The different dimensions of the territory.

Territory is no longer a concept. Its meaning is often polysemous; the territory reflects several visions that are not always related to geographical concepts. Several looks can be reflected from several areas including economics, sociology, demography, politics, historical background, and so on.

The polysemy of the concept of territory has awakened the intention of researchers to define the different dimensions of territory. In the "Dictionary of Geography" (Baud P., Bourgeat S. & Bras C, 2003), several terms can be used:

- The territory designates an administrative zone
- The territory is limited by borders.
- The territory is a social place.
- The territory is personalized by governance.

However, we can redefine the territory as a geographical space being limited by geographical and politico-administrative borders in which coexist people and institutions having the object of integration into economic, social, and political relations. Therefore, the territory is a socio-economic construct that connects the different actors forming an exclusive and unique reproduction.

This plurality of dimensions is explained by Lecoq and Maillat. They defined the territory as "an organic framework in which is inscribed a territorially integrated set of relationships not only inter-company relations but mainly non-market relations, partnership, cooperation, information exchanges that are structured within networks. It is built and takes shape around networks that are the double expression of the strategies of the localized actors and the history of a territory, its culture and its identity, in which they develop"(Maillat D., Crevoisier O., & Lecoq B., 1993). The present definition can highlight such different dimensions of territory as

the economic organization, the body politic, the social construct, and the historical values and so on and so forth.

2.2. The economic dimension of the territory.

A social angle envelops the plural economic concept of the territory:

- A place of local governmental administration: Despite the fact that the territory brings together a set of private actors who can intervene in the local decision-making, there is a responsible state body that evaluates the territory's current arrangements and that ensures to define and implement the actions that create competitive advantages.
- A place of concerted strategy: The economy of proximity constitutes the relational and social concept between the different economic entities located in a geographical perimeter having the object to improve their competitiveness represented in a network of actors, and to realize a unified and coordinated system of the territory.
- A place of creative economy: It is about adopting organizational and technological innovation to bring new offers. Economically speaking, a creative territory plays the role of attractiveness of agglomerations and investors. This requires mobilizing the professional creative class.
- A place of synergy effects: Effective and dynamic cohabitation between private actors leads to the production of initiatives and collective activities to forge the practical links of synergy between the actors and to cultivate data and certain information.
- A place of local economy: Spatial proximity optimizes the element of lower costs and the flexibility of transactions and communications between the entities involved.

2.3. The territory: Concept of resource construction.

The territory as apprehended by the literature (Zimmermann, 1999) constitutes panoply of resources intended for the service of the investing companies. Moreover, (Hatem; 2004) distinguishes two concepts of territorial offer by adding the notion of tributary, which explains the production of the data on the emergence of the territory.

2.3.1. Simple concept

The simple notion of territory refers to all the characteristics and socio-economic features that can be made available for firms in the context of their investment projects. Moreover, this refers to resources that may or may not constitute localization factors of economic activities.

2.3.2. Complex concept

The complexity resides in the plurality of stakeholders interveners in the construction of the territorial offer. As part of the enhancement of the territory, territorial development

institutions have taken shape. In addition, they are enlisting the current offer on the territory to adapt the simple or potential territorial offer to the aspirations of investment projects.

2.3.3. *Tributary concept*

The concept “attributes of the territory” explains the production of information on the strategic assets of the territory as real and persuasive - after having been adapted - which lead the investing companies to implement their projects.

2.4. Notions of endogenization and exogenization

These two notions are neither distinct nor antagonistic. However, they are complementary and associative. The territory combines them in a way to establish a position at once attractive, versatile and multifaceted.

2.4.1. *The territory as a resource: Exogenization.*

The notion of exogenization deduces that the territory represents a resource for mobile capital (Thomas L. 2003). Indeed, the mobility of multinational companies highlights the need for the immovable term of the territory (land, suitable areas for the installation of economic activities ...). The logic of economic turbulence has introduced the term exogeneity (private structures that produce decision-making and public policy, and they manage, among other things, by decision-maker position, a well-defined economic domain).

The mobility of capital can be a risk for the territory in terms of the stage of multinationalization (Thomas L. 2003) which deduces that the firm that has this stage produces a reduced percentage for its territory of origin in terms of transaction. In contrast, and always in the context of exogeneity, a territorial offer can rely on the attraction of external capital.

2.4.2. *Endogenization perimeter.*

New economic thinking is based on relationships and links in the sense of cooperation – competition (Thomas L. 2003). Indeed, the territory's endogenous policy highlights singularities that are interpreted as an opportunity for capital. In addition, the endogenous development of the territory is based on the logic of specialization to expand the field of intervention of firms.

Forms of industrialization through Ford's historical model, Marshall District, the Italian model of local productive systems (Courlet C. 2002) and ultimately innovative environments optimize the theory of building dynamics of local economic activities and promote the endogenous development of the territory (Thomas L. 2003).

In addition, the notion of endogenization is articulated around collective and cooperative strategies and the establishment of networks of partners. In addition, transnational firms are more concentrated in international markets. They can undeniably be part of other in the construction of a network of local actors, and they can intervene in the definition of strategies and local dynamics.

2.5. The territory: Confrontation market.

The term 'market of confrontation of supply and demand' expresses between its lines two meanings.

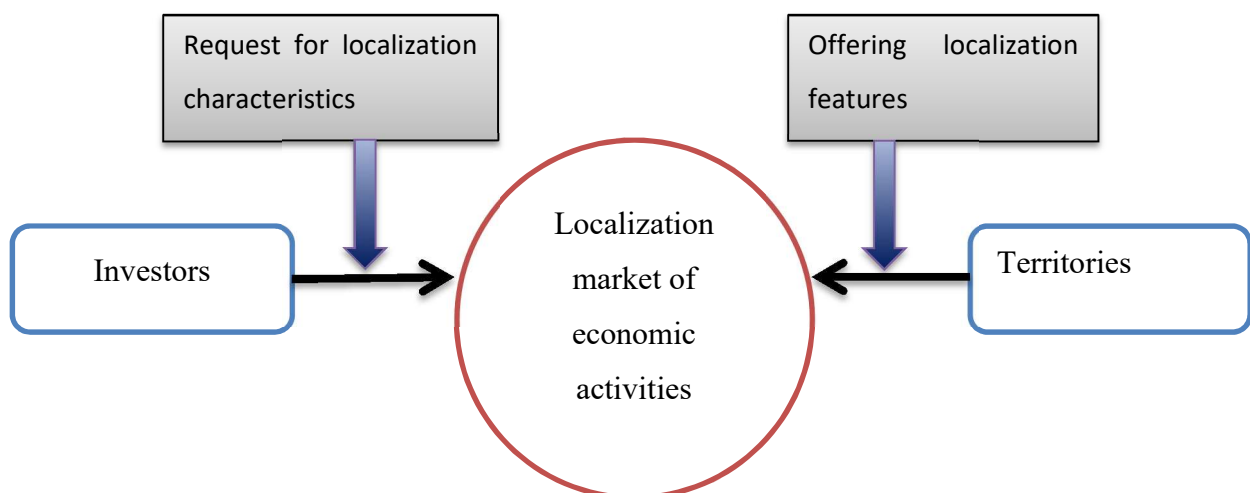
2.5.1. *Confrontation of supply (suppliers) and demand (customer).*

The territory is then a market of meeting between the supply and the demand whose characteristics required by the investors reside in the concentration of the local population and the SMEs in the perimeter developing their economic activities. The setting and way of life of residents are, therefore, a determining factor. The open system makes it clear that each entity is looking for multiple actors.

2.5.2. *Confrontation of the territory supply and the demand of the companies.*

In this section, we insinuate by definition the criterion whose territory is at the position of the offeror. In addition, the territory designates a territorial offer and a localization of economic activities.

Figure n°1: "Localization market of economic activities"



Source : Abdellatif N., 2010

This schema explains the confrontation of upstream and downstream characteristics. The first observation, the territory as to its resources and its singularities, procures investors features

that can persuade them to install their investment projects. Moreover, investing firms require a certain set of well-characterized parameters to succeed in their economic activities. Investors should be provided with suitable areas to set up their projects in terms of local resource, business climate and spatial proximity to the transaction market.

2.6. The founding reasons for the concept of territorial strategy.

In logic of imbalance of the world economy, times are changing; junior and senior investors are gaining confidence and certainty of strategic reflections through efforts to modernize economic and industrial modes and structures. However, in the end of reacting to the obstacles and difficulties of globalization, the territorial governments still rethinks the strategic choices that are based on four reasons.

2.6.1. Reason for economic upheaval.

The reason of economic turbulence highlights the pragmatic practices of innovation and the modernization of the territorial offer at all levels: Organizational mode; advertising valuation; local products; technical methodologies; technologies; etc. However, it is imperative to recruit actors generating intellectual wealth and bringing innovation.

2.6.2. b) Hybridization Reason.

The reason of hybridization and crossing is the combination of different stakeholders and the skills and resources of the territory to establish new markets for economic activities. The logic of linking economic agents favors the unification of supply. However, service companies and local subcontractors put-back into play economic activities into stagnation.

2.6.3. c) Interstitial reason.

The interstitial reason emphasizes the emergence of abandoned investment projects. However, to revive and revalue neglected markets, the metamorphosis of the offer is necessary. Inspired by the Fordist model, the recovery of these markets focuses on decentralized policies through the establishment of large areas and complex localization of economic activities.

2.6.4. d) Technological advancement reason.

The technological industry had influenced the economic arsenal through new technologies of information and communication and those of industrialization and production. As well as said in her paper, Klafke & al, explain that “the understanding of which technological industry

levels impact on the HDI plays an important role in grasping why one region is more developed than another, or even why they have better qualified workers” (Klafke & al., 2018). This is made explicit that the technological advancement with its materials, methods and careers influences on the economic development of territories.

3. The classical theories irrigating the theory of localization.

Generally speaking, marketing is a tool of analysis and pulling information. In addition, considering the importance and the added value that the territory can draw from the giants actors, the territorial analysis implies to highlight with three concepts "the projects; markets and businesses "(Benkaraache T. & al., 2016):

- Companies: Business information means focusing on the strategic assets influencing the localization of economic players and the expansion of their market shares in the territory.
- Markets: This involves identifying the criteria for the business markets of each sector and defining the benefits and ambitions described by each investment sector. This leads to specify the possible steps for each group of segments.
- Projects: Investment projects must be identified by sector, size, function ... etc. In order to receive them, investments are a very strong point for the competitive aspect that the territories have been subjected to produce and shape the territorial offer according to their aspirations and their demands.

3.1. History of localization economy.

The pioneering theories of localization had tried to explain the distribution of economic activities according to the exploitation of resources and agricultural wealth. The raw material was one of the characteristics that explain the concentration of the firms, while the natural sources of water influenced the density of the people. With this in mind, Richard Cantillon (1680-1734) thwarted William Petty (1623-1687) who explained the localization of economic activities, so the literature of Steuart Mill (1713-1780) seeks to approach the two visions (Abdellatif N. (2010).

In addition, the literature that had defended the concentration of the economic activities had explained the contribution of the means of transport and communication in the factory of the city, so the agglomeration of the people explains the advantages that hold the city. Cantillon (1755) in his explanation of the logics of distribution of economic activities, he refers to the logic of decentralization and geographical links (Perreur J. 2003) that lead to the establishment of industrial firms. Petty and Cantillon highlight the contribution of spatial

proximity and short circuits around attractive resources. Their theory tends towards agglomeration economies. While Petty assumes the concentration of industrial activities, Cantillon advocates the local economy through the weakening of distances at the level of the perimeters of the same territory (Abdellatif N. 2010).

Between these two visions that irrigate the same purpose but with different contributions, Steuart Mill advocates the strategic advantage of agglomeration effects and major economic complexes (Perreur J. 2003). The agglomeration economy according to Steuart is indeed advantageous for the investments, for the inhabitants, for the students ... etc. In addition, he focused on the localization of human resources and industrial firms (manufactures) and their links with the economic periphery. In other words, he "studies in his turn the localization of men and manufactures, the appearance, the growth of agglomerations and their relations with the surrounding countryside, the roads of communication; and finally the concentric distribution of agricultural activities "(Abdellatif N. 2010).

According to the three economists, the literature recommends the proximity economy that optimizes the implantation of the investments by the minimization of the expenses of displacement, logistics and transport. However, there are three trends in the spatial economy, namely: "the urban economy; regional science; spatial competition "(Abdellatif N., 2010).

3.2. The territory and economic theory.

At first glance, territorial marketing is a recent discipline as it is quoted "Territorial marketing is one of the modern and little-studied branches of marketing"(Barysheva G. & Kashchuk I. 2014). The classical economy had studied the density of human resources and the localization of goods while their localization is linked to a well-defined space, especially a territory. It is known the territory in economic concern was founded with Weber as early as the 20th century as the foundations of the new geographical economy were developed in 1990.

Indeed, and having optimized the economic theories by those of the spatial economy, the economy is enriched by terms and meanings and other instruments of analysis even explain the factors of implantation of the economic actors. Ponsard (1988) sees that geographical economy has the ability to analyze in parallel the whole content of classical theory, while "it (spatial analysis) has the power to deal with all the chapters of the latter ('economic analysis), because the consideration of space puts radically in question the scope of their content"(Ponsard C., 1988). In another narrower point, international trade is an antecedent

discipline to the territorial economy when it comes to explaining the factors of capital mobility. The classic theory of Smith and Ricardo dealt with the concept of international trade and its points of support to homogenize the territories towards the globalization of the trade.

As classical theories, the thought of the study of the territory is a consequence of a set of attempts and economic approaches whose territory is a determinant that influences the development of economic activities whereas before, the thoughts considered that a product would have the ability to satisfy an expectation whatever the territory. In addition, the price and cost parameter was the sole factor that determines the choice of localization of economic activities.

However, Ricardo, with his fundamentals of the theory of international trade, has launched the theory of comparative advantages of territories. Territorial economic theory is concerned with localization factors and engages the competitive aspect of territories (Porter M. 1993).

3.3. Localization theories inspired on economic theory.

Localization theories have mobilized many disciplines like economic sciences (local economy, regional economy, international economy, territorial economy ... etc.) and many other disciplines such as political science, social sciences ... etc.

The developments of the territorial economy, the establishment of agglomeration economies and so on have involved scientific research to mobilize the economic sciences to study the problematic of the territory. In the question of localization of economic actors, the authors draw several theories to explain the elements that push their actors to install their economic activities.

The fundamentals of classical economy had not studied the question of the territorial economy, but it remained undeniable that the theory of classical economics had found that economic actors located themselves according to a certain number of criteria that had formed paths for researchers and a stepping-stone to investment localization theory.

In a first end, the literature (Ponsard 1988) thinks that the economy of the territory is a science detached from the classical economy as long as the economic theory states some notion of the economy of the territory while he also thinks that the spatial economy can replace the so-called classical economy. This concept of autonomy or of independence of theory allows spatial economy to found theories isolated from that of classical economics or even to subrogate it.

This is seen as antithetic since theories of spatial economy can substitute the classical economy. So, how can one theory replace another without being inspired by it? In particular, taken from this argument, the classical economy can also deal with the questions of spatial economy. However, there is a great overlap between the two theories as long as economic research irrigates the theories of the territorial economy.

In addition, Thisse describes the non-tolerant requirement to go through the classical economy to lead off the geographical economy by saying that "if we want to make good economic geography, we must start by studying the point economic theory"(Thisse J.-F.1994). If we mean by the spirit, the classical economic analyses can always serve the other economic fields.

In a more specific observation, concerning our theme, the territory is a product that is being evaluated, evolved and shaped while it is necessary to rely on theoretical bases. By way of these observations, the geographical economy is irrigated by the classical theories of economy.

The economy of the territory has also brought to the economy new concepts or even new theories that no longer replace the spatial economy but feed and amplify the fields and the meanings of economy. In a group effects tab, for example, the territorial economy brings the concepts of actors system, synergy effect, agglomeration economies, industrial district, local production systems ... etc. that economic agents can benefit greatly. In addition, the concept of territorial competition permits to pick up the strategic assets and the competitive advantages that the territories can procure.

3.4. Territorial competition theory.

In a competitive logic between the territories there are two broad categories of determinants influencing the distribution of economic activities:

- The natural aspect of the territory: Ecological and climatic environment; natural resources; Geographic location.
- The strategic assets that influence the localization of economic actors.

Due to the theory of the territorial (spatial) economy, we can pose the problematic of localization of the economic activities in a territory to answer it. In this regard, the theory of spatial concurrence focuses mainly on strategic assets explaining the factors of choice of localization of economic activities.

Economic development in a market influences localization, likewise a product implies choosing a localization market because of the price and quality of the raw material, the price of the territory, human skills ... etc. From this effect, the same product differs from one territory to another. However, the heterogeneity between the territories weakens the competition between them in reasoning of the differences of offers and characteristics. In other words, it excludes for the most part the competitive aspect between the territories.

The classical theories had ignored to explain the influencers of implantation of the economic activities in an economic territory, whereas they explained the natural aspect of localization.

Indeed, we can ask several questions that can be answered by Starrett's theory:

- Where can the economic actors locate?
- How can we explain the distribution of economic activities in the territory?
- How can economic theories interpret spatial competition?

3.5. The Starrett theory.

In his theorem of spatial impossibility, Starrett considers that the homogeneity of the territory influences the localization of economic activities without resorting to the strong determinants of the choice of localization. Otherwise theorized "It is therefore impossible to envisage the spatial dimension of the economy because the activities can be localized on any point of the territory without that having consequences"(Noureddine A. 2007), while the investors are very interested in the agglomerations of the businesses and consumer density to the point of reducing logistics and transportation costs. In this point, the theory of space ignores itself to arrive at the theory of the territory (territorial offer).

The homogeneity of the territory induces then the minimization of the variable costs of the displacement, so all the economic activities are distributed on the same geographical perimeter. Moreover, the unfair spatial distribution thwarts the competitive equilibrium between the actors because of the transport costs that the theorem that was Thisse and Fujita (2003) explained "is synthesized as follows: If the space is supposed to be homogeneous and if there are transport costs, the price system is not effective as a vector of trade "(Noureddine A. 2007).

Because of the destination of the products, an investor or a firm may move to another perimeter where the products are consumed more whose costs of logistics and transport have also an effect, while consumers opt for a locality whose territory is the original producer of

goods to procure them with a perfectly minimal price. In addition, and based on the logic of costs, price is a factor of relocation of investors and geographical instability.

Indeed, there are two observations that contradict the theorem of spatial impossibility:

- Territories do not have the same strategic strengths, and of course, they are not shaped in the same way, while each investor focuses on different benefits than another investor.
- Endogenous localization determinants or even agglomeration economies influence the choice of locality. The density of an assembly of actors of the same sector or branch of activity in a territory induces the localization of economic activities.

3.6. The contributions of spatial analysis of economy.

Figure n°2: Concepts of spatial analysis of economy

Urban economy	Internal structure of city (Alonso 1964) - Agglomeration Economies (Marshall 1890 & Henderson 1974)
Regional science	Localization of men and economic activities (Weber 1909, Christaller 1933, Losch 1940, Isard 1954, Kuhn and Hanburger 1963 & Pred 1966)
Spatial concurrence	The localization of economic activities in terms of price competition and spatial competition

Source : The author

3.6.1. Urban economy

The theory of urban economy emerged by Von Thünen (1826) and Alonso (1964) deals with the problematic of the construction of the city. Indeed, Thünen deals with the spatial arrangement of the economic actors while having the competitive aspect, whereas Alonso gauges the agricultural production with the urban environment: "The model of the monocentric city"(Noureddine A. 2007).

Yet, these theories have ignored discussing agglomeration economies, yet the urban economy must necessarily transpose the issue to large urban projects and major city projects.

3 .6.1 Regional science

The association of Regional Science founded by Walter Isard (1954), which aimed to integrate the meaning of space in the theoretical issues of the economy, deals with the problematic of localization of men and economic activities. In addition, several theories nourished this discipline: Weber (1909), Christaller (1933) and Lösch (1940):

Weber (1909): As quoted in the classical theories of economy, Weber is one of the founders of these theories. First, he was interested in identifying the optimal localization of industrial firms facing local natural and human resources located on a market. In addition, Weber defines the optimal localization as "that which minimizes the transport costs of both inputs (raw material routing) and outputs (transport of finished products to markets)". He also focuses on the variable cost of transportation and interprets that reducing distances promotes the optimal localization of industries. Moreover, Weber assumes that the cost of human resources in its reduced version is more incentive than lower costs of transportation. Weber's model explains the inputs favored by investors with relatively lower costs to benefit from rational localization. Then, he identified another determinant factor, which is the economy of agglomeration.

The theory of W. Christaller and Lösch: The theory of central places explains agglomeration economies. It is also the combination of a set of catalysts such as economies of scale, the specialization of economic activities and the least costs of transport and human resources. This theory describes that to weaken costs, "the hierarchical structure of the central places must be hexagonal"(Noureddine A. 2007).

3.6.2. *Spatial concurrence*

The investor seeks a territory agglomerated by the operators of the inputs, otherwise pronounced the contributors of the investment projects opts the territories which have wealth and resources (raw materials ...). Hotelling presumes that investors choose to locate near the final consumer to market their products at lower prices while the latter (likewise the consumer) favors to be around the factory to humiliate the costs of displacement. Hotelling also notes that these agglomerations maximize the circumstances of the rivalry. This finding explains that investors choose their location according to the assets of the territory and to the selling price. This game of competitiveness puts investors in two paradoxical facets. First, price competitiveness requires them to move away from other competitors while spatial competition implicates them to be at the center of the market. Indeed, one assumes and extremity of concepts - in terms of spatial competition and price competition -.

3.7. The new geographical economy.

NEG (new geographical economy) appeared very recently in the 1990s with Krugman (Commercial Geography 1991). Its appearance feeds the approaches of localization of the economic activities and the impact of the effects of agglomeration and dispersion. According to Krugman, in the thesis of "(Noureddine A. 2007) », there are two types of forces that catalyze firms to locate themselves in a geographical area:

- Centripetal forces lead companies to group together in the metropolis of economic activities and human resources.
- Centrifugal dispersion forces that force companies to move beyond the density of economic actors to cover multiple markets and to move away from competitive markets.

In addition, the strategic assets of the places and their singularities remain the decisive and fundamental catalyst that influences the localization of investment projects.

4. Determinants of localization of investments.

The literature has not developed too much the theories of localization of investments, yet it has tried to approach that for IDE. The localization of FDI (Foreign Direct Investment) refers to a notion that the concept of localization of investments can approach. Theories, theoretical models, and empirical work always tried to approach the explanatory variables. Indeed, we will propose a set of determinants that explain the localization of investors.

4.1. Choosing a business climate.

A traditional condition is one that provides a favorable environment for setting up investment projects. The territory must be endowed with political and social stability as well as a constant legislative regime and a solid and permanent business climate that allow a continuous positivity for the investors.

4.2. The choice of attractive territory of localization.

Investors opt for the territories whose average income of the inhabitants is particularly appreciable, and thus having a notable rate of economic growth. In a narrower tab, the investor launches a test of analysis on the market of which it will operate its offer.

4.3. The choice of advantageous resources.

Resources by their nature are one of the most important factors that constitute an undeniable attraction for investors. These are the financial, human, informative and technological resources... etc. without neglecting a body of industrialists and infrastructure timed with modern news at the international level.

4.4. The choice of the opportunity.

Each investment project seeks one or more benefits from the territory in terms of profitability, efficiency and effectiveness. In this category of determinants, several concepts can come into play such as low price of the territory, resources and labor, specific benefits for investors in each category ... etc.

Conclusion

This paper discusses the concept of mobility and motility of investors and their ability to change one territory by another in order to seek better conditions of maturity. The territory, in turn, obliges itself to develop characteristics and parameters that may be attractive to this category of clientele. It was possible in one point to identify the dimensions that define the territory after theoretically overlapping the components of the territory with the investor clientele.

We have also tried to identify a rich set of economic theories that refuel the theory of localization of investments in the logic of building a territorial strategy that promotes an attractive positioning. This paper guides researchers to future scientific work; it is an arsenal of factors of localization of investments and economic activities. These classical theories irrigate in some ways the positioning strategies that vary according to the target and according to the localization market. This research can also contribute to the creation of a territorial brand for the different targets via the creation of networks of companies of the same branches of activity.

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