SUSTAINABILITY TRANSITIONS IN ESTABLISHED INDUSTRIES

The case of European Commercial Transport Vehicles

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Institutions are perceived as the rigid structures that form the basic foundation of societies by regulating coercive, normative, and cultural-cognitive aspects, which in turn provide stability in social life and predictability in human interactions. This also results in bounded rationality for the embedded agents limiting their actions and creating path-dependency on how societal functions are fulfilled. However, prominent scholars such as Douglas North argue that the stability of institutions in no way gainsays the fact that institutions do change.

Theoretical elaboration in this thesis provides explanations for such intrinsic duality in the nature of institutions by shedding light on internal and external dynamics resulting from endogenous and exogenous institutional forces. An important implication of understanding such dynamics is that it provides the potentials for those agents who are interested in creating new paths to get involved through those dynamics in redirecting the course of actions towards sociotechnical transitions and thus satisfy the desired societal functions in new ways. Hence, the duality of institutions that produces stability and dynamics at the same time, results in both path-dependence and path-creating potentials to coexist side-by-side within institutions.