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The process of recovery after hype and disappointment

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Abstract

This paper addresses the influence of policy in system recovery, after a cycle of hype and disappointment. The processes that lead to hype and disappointment and their impacts on the trajectory of emerging technologies have been studied, both by the sociology of expectations and the socio-technical transition literatures (Van Lente et al, 2013; Bakker et al, 2012; Geels and Raven, 2007). Research that investigated the conditions that lead to recovery after disappointment found that continuity of policy support was a critical factor (Ruef and Markard, 2010; Melton et al, 2016). But support may not always be maintained, since policy actors can also be affected by disappointment and stop regarding the technology as contributing to social and economic goals. This can be damaging for the emerging system, since it simultaneously reduces the resources provided, and the legitimacy towards other actors (Kivimaa and Kern, 2016; Konrad et al, 2012).

However, both the implications of disappointment at policy level and the conditions for recovery of policy support are not well understood. This is a significant gap, since it is our contention that when policy support is lost, its restoration is a critical step to recovery. Thus the goal of this paper is to understand how policy support can be regained and how this process can equally induce system recovery.

The paper draws on several streams of the literature to discuss the factors that can drive a process of system recovery, including sociology of expectations, innovation policy studies and socio-technical transitions. This discussion supported the development of an analytical framework that permits to investigate how such process may unfold. The framework puts together a number of dimensions: *nature of disappointment, structural conditions and recovery strategies* (Figure 1). Central to the framework are the “recovery strategies”, three interdependent strategic actions that need to be performed to restore policy support and induce recovery - reconfigure expectations, credibilise the new promises and agendas to increase their value to policy makers, communicate the reconfigured expectations to gain policy attention and achieve their incorporation in policy agendas. The performance of these strategies is constrained by the conditions of the specific environment in which they are deployed. Two main dimensions are defined in the framework to characterise the environment. One is the nature of the disappointment, which both affects the behaviour of policy makers and determines the type of changes needed in the contents of expectations. The other, structural conditions, concerns the situation of the system after disappointment sets in, which affects the capacity of system actors to conduct the required recovery actions

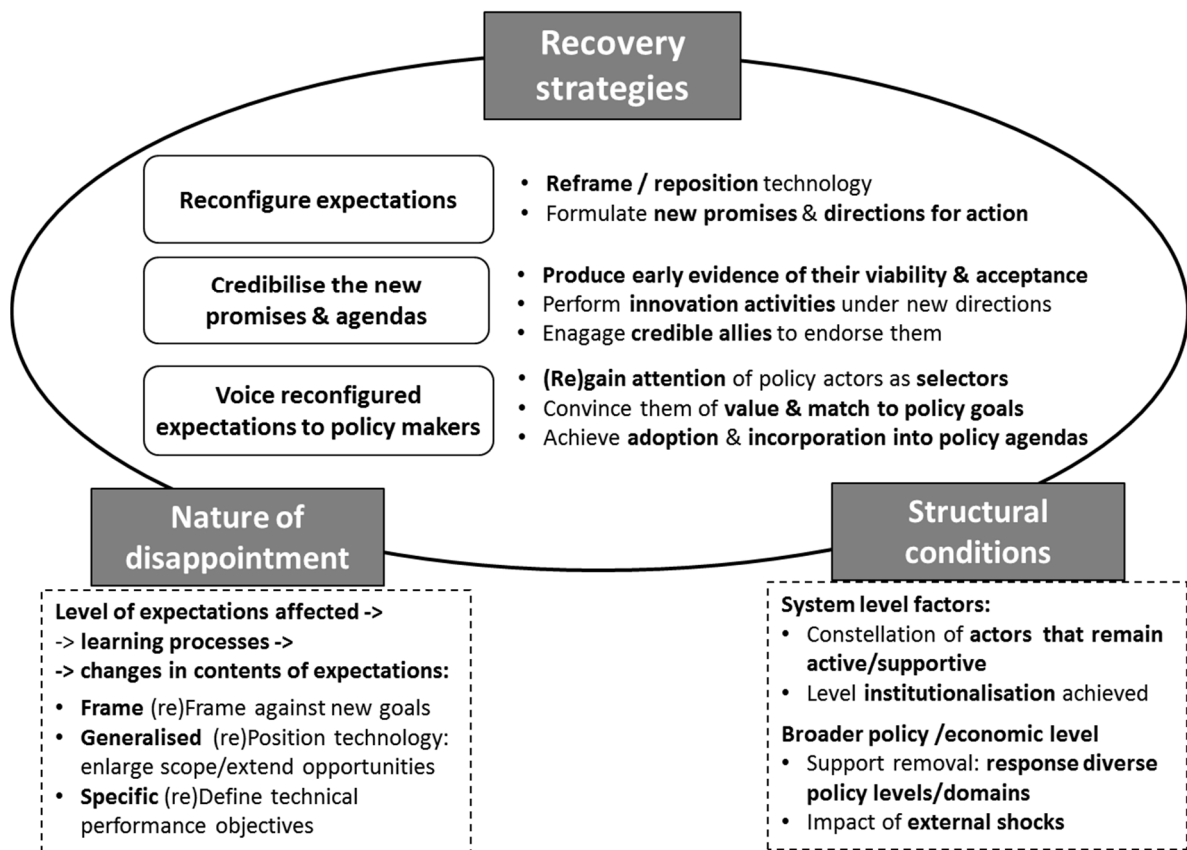


Figure 1 – Analytical framework

This framework was applied to the case of the system being built around marine renewable energy technologies in Portugal, which represents an exemplary case of hype followed by deep disappointment that also affected the government, entailing an withdrawal of policy support (Fontes et al, 2016; Fontes et al, 2017). Recent developments, such as the formulation of new policies and some increase in innovation activity, make this case a relevant setting to understand how recovery can be achieved.

The research adopted a historical perspective and used interpretative methods to examine: i) the processes conducted by surviving system actors to address the effects of disappointment and policy withdrawal– e.g. the reconfiguration of expectations, the communication of the new promises and the development of innovation activities under the new directions - with particular emphasis on the actions aiming at restoring policy attention; ii) the responses of policy actors, as reflected in their policy decisions; iii) the impact of the actions conducted at both system and policy level on the attitudes of other external actors towards the emerging system, and the influence on these combined effects on system recovery, in terms of new policy formulation and increased innovation activity. The analysis at policy level was based on policy documents and interviews. The analysis at system level drew on a broad set of data: primary sources (interviews with system actors); data on documented actions conducted by system actors, or other actors temporarily associated with it.

The empirical research permitted to investigate in detail the way the strategic actions were performed, the interrelations between them and the influence of the constraining factors. It provided evidence on the presence, interdependence and relevance of the recovery strategies

proposed, showing that the specific ways in which they are deployed are contingent on the contextual conditions. It also provided insights on the processes through which they induce system recovery, by highlighting the dynamic nature and effects of the interplay between system actors' expectations work, policy makers' decisions and external actors' responses.

This research permitted to demonstrate the capacity of the literature-informed framework to elucidate the processes underway in recovery after disappointment, when policy support was lost. As a result, the paper offers an analytical instrument that advances in the explanation of the recovery process and can guide the efforts to be conducted towards that goal. Overall, the paper contributes to a better understanding of the development trajectories of new technologies, and particularly to fill a gap in the literature concerning the comprehension of a critical but less understood moment of these trajectories: system recovery after hype and disappointment.

Linha temática:

(1) Innovation and Labour (IL)

1.1. Innovation