EMPIRICAL EVALUATION OF THE PORTER HYPOTHESIS: ANALYSING THE STRONG, WEAK AND NARROW VERSIONS IN 84 HIGHLY CITED STUDIES (2016-2022)

LENART MILAN LAH, ŽIGA KOTNIK*

Abstract:

The Porter Hypothesis (PH) focuses on the relationship between environmental regulations, innovation and productivity. If properly designed, environmental regulation can stimulate firms to innovate more, potentially leading to increased competitiveness and productivity over time. This paper analyses the 84 most cited scientific papers dealing with the Porter hypothesis published in the period from 2016 to 2022. The empirical results show that in the overall relationship between the strong, weak and narrow versions of the hypothesis, testing of the weak version predominates, followed by the strong version, with the narrow version being tested the least. It can also be seen that the weak version of the hypothesis is most frequently confirmed, while the opposite is true for the strong and narrow versions, as these are rejected to a much greater extent. The results also show that there is no uniformity in the indicators used to measure environmental performance, innovation, or productivity and that recently most publications in this area have come from Asia.

Keywords:

Porter hypothesis, environmental regulations, innovation and competitiveness, public administration, geographical trends in research

⁻

^{*} Žiga Kotnik, Assoc. Prof., PhD, University of Ljubljana, Faculty of Public Administration, Slovenia, ziga.kotnik@fu.uni-lj.si; Lenart Milan Lah, M.Sc., Assist., University of Ljubljana, Faculty of Public Administration, lenart-milan.lah@fu.uni-lj.si.