

# RRI and the Dynamics of Markets

## Global Objectives Require Global Regulation

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# von Schomberg

“Products to be evaluated with a view to...

- high level of protection to the environment...
- sustainability
- societal desirability“ (website)

“stakeholders share responsibility” (2013)

# RRI is

- Unclear
- Naïve
- Dangerous

# 1st Error

RRI ignores that companies need business secrets

- BMW
- Airbus
- Etc.

## 2nd Error

Evaluating groups cannot determine what is desirable

- How to deal with cars?

## 3rd Error

RRI gives impression that innovations come from lab

- Market is a „discovery procedure“ (Hayek)

## 4th Error

RRI gives impression that public research is important

## 5th Error

RRI ignores global value chains

plant construction, intermediate products, etc.



## 6th Error

Researchers can't know applications, quantities and all consequences

## 7th Error

RRI ignores that innovation takes longer than a public research project

- E.g. high pressure gas injection took 20-35 years to mature  
ETH Zurich 1970ies, Fiat Naples and IFA GDR 1980ies

## 8th Error

RRI says that evaluators will share responsibilities

- „Empty play of words“ (Blok/Lemmens)

## 9th Error

RRI advocates do not anticipate that citizens' views may change

Two aspects:

- New knowledge
- Democracy

E.g. nuclear, asbestos, biofuels

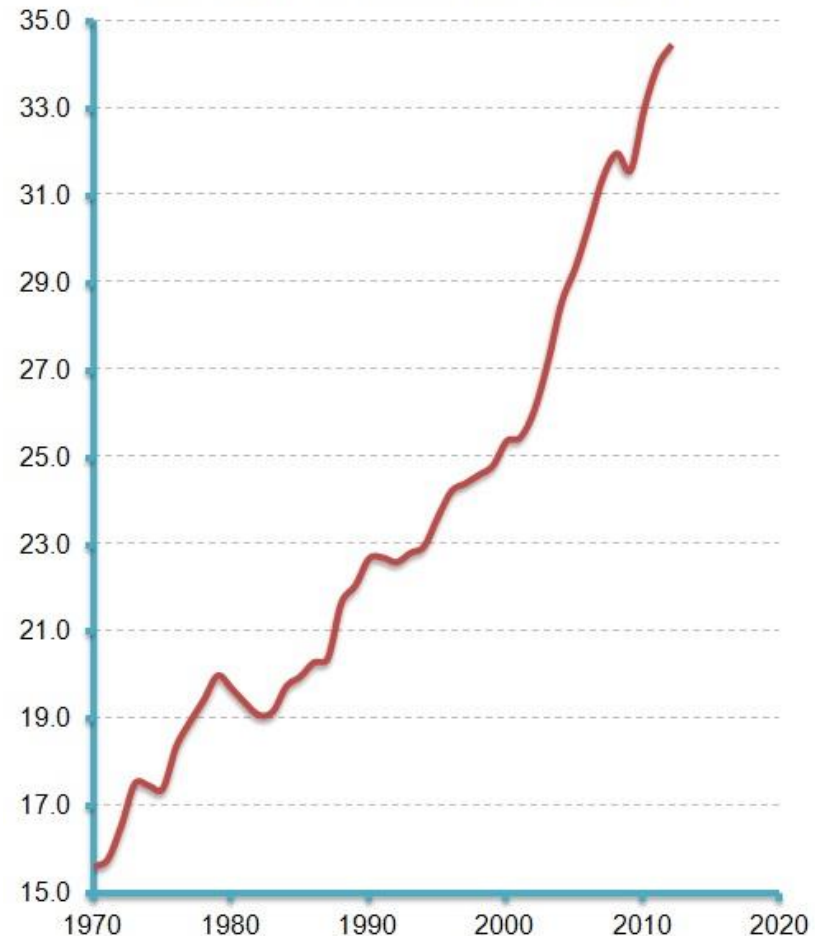
## So why do some people like RRI?

- It allows the Commission to say they have become better.
- It provides a seemingly easy path to sustainability.
- It provides the feeling of being important to publicly paid potential evaluators.
  - Promising decisions which are superior to market results.

# So what to do with RRI, how to replace it?

BRIC, Megacities...

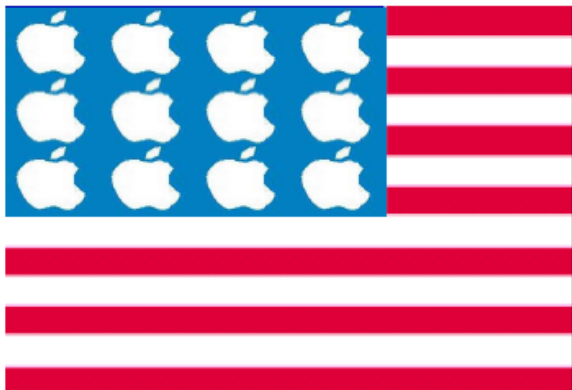
Global energy and limestone calcination (cement) CO<sub>2</sub> emissions, GT/annum



Source: Shell 2013

# Better proposals

- Limit RRI to publicly funded research
- Limit RRI to exceptional products, such as genetically modified organisms
- Address the efficiency of publicly funded research



Source: Bogdanowicz 2011

# Better proposals

- Address self-regulation by vocational ethics
- Address voluntary means to reduce overconsumption of the affluent
  - „no refrigerators“ (Journal of RRI 2014)
- Use environmental economics, such as emission cap&trade

Cf. paper „Incentives for reducing global fossil fuel combustion“