General Purpose Technology and Global Warming: Solution to Global Warming through Innovation and a Role of Japan

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(Views expressed are personal)



Risk of environmental impact



Risk of CO₂ emission reductions



Balance is needed

Precautionary principles are not applicable when trade-off is crucial.



Solution of environmental problems in the past

Development of affordable technology (=technology at acceptable cost) was the solution to environmental problems in the real world.

E.g., Air pollution by car (NOx): three-way catalyst Air pollution by power generation (SOx): flue-gas desulfurization equipment



Successful examples of CO₂ reductions

When there were affordable technologies, CO_2 were reduced.



Shale gas

Figure MT-46. U.S. dry natural gas production by source in the Reference case, 1990– 2040

trillion cubic feet



https://www.eia.gov/energyexplained/index.php?page=natural_gas_where

Other examples of affordable technology

- LED lamp
- Liquid-crystal display

* Energy efficiency standard also accelerated diffusion of affordable equipment



Technological progress will continue in many aspects...

... Affordable technologies will enable CO₂ emissions. By what strategies & policies ?



Massive CO₂ cut of cars by three revolution

• Self driving, EV, and carsharing(=3R) lead to large economic benefits and CO₂ reductions.

3R Scenario Global Results

Compared to the BAU case in 2050, the 3R scenario produces impressive global results. It would:

- Cut global energy use from urban passenger transportation by over 70%
- Cut CO₂ emissions by over 80%
- Cut the measured costs of vehicles, infrastructure, and transportation system operation by over 40%
- Achieve savings approaching \$5 trillion per year

Three Revolutions in Urban **TRANSPORTATION**

How to achieve the full potential of vehicle electrification, automation and shared mobility in urban transportation systems around the world by 2050

> Lew Fulton, UC Davis Jacob Mason, ITDP Dominique Meroux, UC Davis

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UCDAVIS SUSTAINABLE TRANSPORTATION ENERGY PATHWAYS of the Institute of Transportation Studies



https://www.itdp.org/wp-content/uploads/2017/04/UCD-ITDP-3R-Report-FINAL.pdf

DP Institute for Transportation & Development Policy

Changes occur in the whole economy

•Transport sector: 3 Revolution

EV + self driving + sharing => Economic benefits & CO₂ reductions

-> More generally ->

•Whole economy:

The entire science and technology, in particular,

progress of General Purpose Technology (GPT :=ICT, AI, IOT, Chemistry, Bio-tech, etc)

=> Economic benefits & CO₂ reductions

Time span of technological progress is much shorter than that of global warming (Chance!)





* Reduction of Global CO₂ emissions in chemistry sector by 1/5 may be possible https://www.nikkakyo.org/sites/default/files/ghghoukoushogaiyo.pdf

Deep learning (Artificial Intelligence)



As part of general progress of science and technology, climate technologies emerge.

Wind power generation is...

Combination of general purpose technologies





Large blade with reinforced plastic (CFRP)

http://www.nedo.go.jp/fuusha/kouzou.html

Thanks to the progress of GPT, wind power scaled up.

How technological progress occurs?

 <Combination> New technology emerges by combination of existing technologies

Technology "evolves"

<Accumulation> Once born, it never disappears

The source of long-term economic growth

• <Acceleration > The technological progress accelerates The chance to solve global warming



New technology emerges by combination of existing technologies

time



"Evolution" of technology (complex systems)



(Kevin Kelly 2014; Brian Arthur 2011; Stuart Kauffman 2002)

How to accelerate the "evolution" of technology?



for handle



How to accelerate the "evolution" of technology? Ecosystem evolves:

- in a hot and humid climate
 - => Evolution accelerates, diversity increases

(J. H. Brown, 2014)



Ecosystem of <u>technology</u> evolves:

• in a good economy

=> Business activity are active, innovation occur.



Lessons from past measures for global warming mitigation

- Energy Efficiency Standard: Promoted affordable energy saving
- <u>National R&D project</u>(Sunshine, Moonlight): <u>accelerated progress of</u> thermal power generation or heat-pump technology (Kimura, 2015)
- FIT: Massive introduction of PV. Resulting in additional cost of \$690 billion (Asano, 2017). PV cost remains high(Nomura and Amano, 2014). Unsolved Issue of grid integration. Japanese manufacturers lost the market(Nakata, 2016). Failure of the Government



Doubly oblique approach



Doubly oblique approach



Governmental role in the approach

- 1. Establish virtuous cycle of economic growth and innovation. Do not undermine the cycle by misplaced mitigation measures.
- 2. Invest in basic research & technology development
- 3. Reform regulatory systems timely to benefit from and accelerate rapid progress of technology
- 4. Implement CO_2 reduction measures as they become affordable by the technological progress

