

# WHAT ARE THE THREE MAIN MYTHS ON TECHNOLOGY AND INNOVATION IN THE ENERGY TRANSITION?

Myth n°1: *innovation only comes from private sector initiative*

## What Makes the iPhone so Smart?

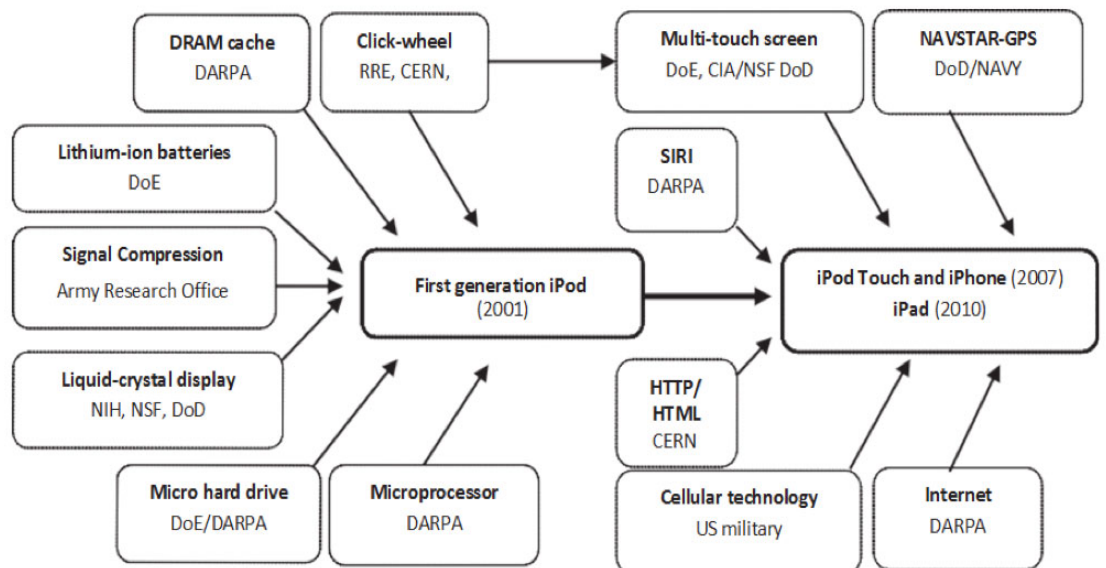


Figure 13 from *The Entrepreneurial State: debunking public vs. private sector myths* (2015, p. 116)

Myth n°2: *Tech will save us all*

Don't get me wrong. Technology is important. But it is not a silver bullet.

Today, we can do A LOT with existing technologies. When we look at buildings, we already have all the technologies to make buildings climate-neutral. This shows us that technology alone is not enough.

Myth n°3: *“I believe in innovation ... not in regulatory frameworks”*

In politics, innovation is often used as a pretext for policy inaction, a means to avoid taking bold decisions. Talks about innovation can thus allow politicians to create the feeling of change while keeping the situation unchanged.

For an innovation to work, it needs to match the needs of a specific system, made of other technologies, existing infrastructure, habits, and a regulatory framework.

For instance, to make cars a successful innovation, public policy made a lot of decision. In cities, it decided to police pedestrians, making sure that people walking would not slow down cars too much. For long-distance travel, public policy used public money to build highways, that make travelling by car faster.

So if you believe in innovation, you must also work on regulation and taxation, as having the right regulation and the right taxation are key to support innovation.

We cannot achieve an energy transition without innovation. And we need to think of innovation when you design regulations and taxation.