

# Learning to Create, Learning to Destroy

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# We live in a world of crap

- Capitalist systems produce a variety of goods and services that are successfully marketed and sold...
- ...but in reality those goods and services are not always useful or beneficial
- In many cases capitalism's products bring more harm and unhappiness than they brings positive effects.

# Examples of things we'd better get rid of

- Petrol-driven automobiles
- Copper-wire telephone lines
- Old-generation nuclear power
- analogue signatures
- Stupid TV programmes
- Over-bureaucratized politics
- Etc.

- **The main problem is not that we lack creative new technologies...**
- **... but rather that the old ones continue to be so dominant and ubiquitous!**

# LEARNING TO DESTROY

- What are the political and other instruments that may help us get rid of the old rubbish?
- Are some countries more successful than others in managing destruction?
- If so, why?
- Can less successful countries learn from the success stories?

# The Baltic Sea Region as an East-West arena for creative destruction

- **"WEST":**

- Sweden
- Finland
- Denmark
- West Germany

- **"EAST":**

- Estonia
- Latvia
- Lithuania
- Poland
- East Germany
- Russia

# Four case studies

- 1) Getting rid of outdated banking technologies
- 2) Replacing copper-wire telephone lines
- 3) Putting an end to fossil-fuel energy production
- 4) Shutting down old-generation nuclear power stations

# Western difficulties (I)

- High level of development and widespread diffusion of older technologies => the West has a lot to lose!
- Western countries hesitate to jump into new technological paradigms – even though they have the necessary competencies, financial resources, etc.!
- Examples: Internet banking, nuclear power



# Western difficulties (II)

- Telecommunications: Western countries missed the chance to install optical fibres to the end user (FTTP) on a grand scale
- Instead: copper lovers continue to rule, through DSL technologies
- Why? Because of high costs? Or rather: lack of necessary institutional efforts?
- Pockets of success: Sweden, East Germany

# Eastern difficulties

- Even though it has often been tempting to try out creative paths after collapse of socialism, old technologies have often remained!
- Many problems rooted in financial weakness...
- ... but there is also a lack of political vision and institutional capabilities!
- Example: fossil energy production

# Success stories in the East

- Eastern part of the Baltic Sea region has managed to liberate itself almost totally from old-style nuclear power (in contrast to Western neighbours)
- Several Eastern countries almost liberated from outdated banking technologies (in contrast to Western neighbours)
- But: decisive push for these and other success stories has hardly ever come from domestic politics!

# Conclusion

- It has been tremendously DIFFICULT to achieve success in destruction all over the Baltic Sea region – in both East and West
- There is no obvious trend as to whether Western countries are more successful than Eastern countries, or vice versa
- The role of politics in managing the process of destruction has mostly been disappointing, to say the least