

2017 Alpbach Technology Symposium

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Konflikt, Kooperation oder beides: Wie entsteht Innovation

## Abstract

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### Future of urban mobility

#### **Innovation needs change and flexible structures**

The challenge of Uber is not new

- More than one hundred years ago LP Draper invented the Jitney
- Why? He saw people waiting in long lines for the trolley car and wanted to offer another way to ride across town
- He put a sign in his window and offered rides for a Jitney (slang for a nickel)
- not long and people jumped in – not just in LA but across the country

The Jitney didn't survive. This is why:

- Streetcars, the monopoly of the day, got worried about their business
- They lobbied city governments across the US to regulate ride sharing → Jitney License
- By 1919 the Jitney was regulated out of existence
- During the next hundred years, cities all over the world introduced regulations to protect transportation incumbents from ridesharing competition

The displacement of a market participant had a very public cost:

- People couldn't share cars, so they each bought their own ones
- That led to MEGA traffic jams and pollution
- Today: 95 % of more than 1.2 billion cars are most of the time unused

## **Consumers want change, but some are afraid to lose business**

UBER is part of the solution

1. reduction of individual traffic
2. lower fuel consumption
3. lower emissions

But there is one problem!

- Talk about the need to reduce greenhouse gas emissions vs. flexibility to allow intelligent tech solutions
- The regulatory framework vs. innovation

**Conclusion: Innovation needs some friction to break up old structures and build up new possibilities, but it also needs cooperation to develop these innovations further. Without modernization of laws to allow new technologies and businesses, we won't have real innovation. Think about the Jitney!**