

# Together everyone achieves more



# **CREATING COOPERATION OF THE ITER KIND**

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# False Wisdom

*“ That which is owned by all is cared for by none “ –  
conventional thinking*

Therefore, all scarce resources should be owned privately by individuals, companies, stock holders etc.

Or in opposite extreme, they should be owned and fully regulated by central authorities like countries, unions etc.

Many years of economic studies have rejected that conventional wisdom.

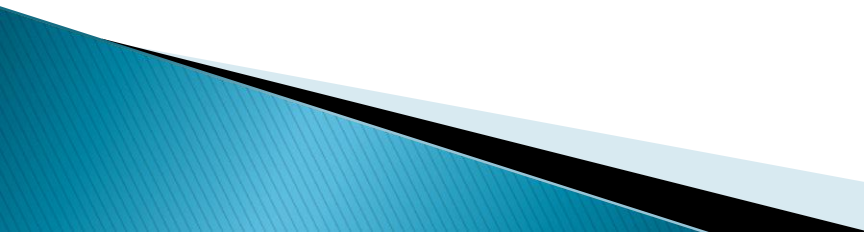
**When should decision power be centralized in the hands of authorities, and when should decisions instead be made through voluntary agreements like ITER ?**

ITER has prospered from enabling sciences, but prosperity will endure only if institutional innovation keeps apace of technological innovation. In the years to come, we will have to refine old and develop new rules, agreements and enforcement mechanisms

# A HARD QUESTION

## WHY DO WE NEED ITER ?

### COULDN'T A COUNTRY BE SELF-SUFFICIENT TRADING SOFT- AND HARDWARE ON THE MARKET ?

- ▶ COSTS OF EXCHANGING KNOWLEDGE, GOODS, SERVICES AND MONEY ARE SMALLER WITHIN ITER THAN IT WOULD BE ON THE OPEN MARKET.
  - ▶ MANY TRANSACTION WOULD BE IMPOSSIBLE WITHOUT ITER.
  - ▶ IN CONTRAST, MARKETS WORK WELL ONLY WHEN THERE ARE MANY BUYERS AND SELLERS. THIS OBVIOUSLY NOT THE CASE FOR ITER SINCE THERE ARE OFTEN FEW OR NONE ALTERNATIVE SUPPLIERS AND CONSUMERS.
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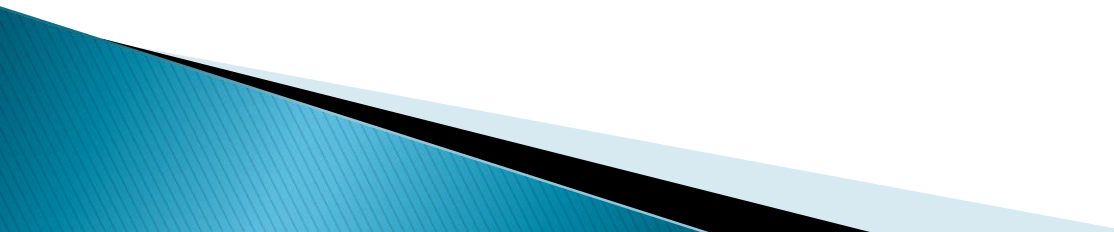
# **THE ORGANIZATION OF COOPERATION KEYS TO SUCCESS - Nobel Prize in Economics 2009**

**[http://www.nobelprize.org/nobel\\_prizes/economic-sciences/laureates/2009/advanced-economicsciences2009.pdf](http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/2009/advanced-economicsciences2009.pdf)**

## **RULES CLEARLY DEFINE ENTITLEMENTS**

- ▶ CONFLICT RESOLUTION MECHANISMS ARE IN PLACE
- ▶ MONITORING AND SANCTIONING IS CARRIED OUT BY USERS THEMSELVES
- ▶ DECISION PROCESS IS DEMOCRATIC
- ▶ THE RIGHTS TO SELF-ORGANIZE IS CLEARLY RECOGNIZED BY AUTHORITIES OR BY SOMEONE WHO IS ACCOUNTABLE TO THE USERS

# **THE ORGANIZATION OF COOPERATION KEYS TO SUCCESS CONT'D**

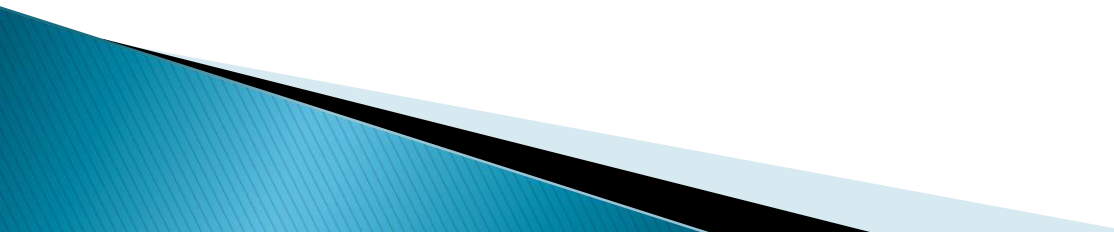
- ▶ **IN CASE OF DISAGREEMENT OR CONFLICTS OF INTEREST THE BOSS ALWAYS HAS THE LAST WORD**
  - ▶ **THERE IS A LONG LASTING TRADITION OF INTERNATIONAL COOPERATION WITHIN THE FIELD**
  - ▶ **SANCTIONS ON ALL PARTNERS ARE GRADUATED, MILD FOR A FIRST VIOLATION OF OBLIGATIONS AND STRICTER AS VIOLATIONS ARE REPEATED**
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# REAL BENEFITS OF INTERNATIONAL COOPERATION

- ▶ MARKETS VERSUS HIERARCHIES LIKE ITER DIFFER IN HOW THEY RESOLVE CONFLICTS OF INTEREST SUCH AS
  - ▶ GOOD ECONOMIC TIMES VERSUS BAD
  - ▶ SHORT TERM VERSUS LONG TERM INTERESTS
  - ▶ PRICE VERSUS QUALITY ETC.
- ▶ DRAWBACK OF MARKETS IS THAT THERE IS MORE HAGGLING AND DISAGREEMENT.



# REAL BENEFITS OF INTERNATIONAL COOPERATION CONT'D

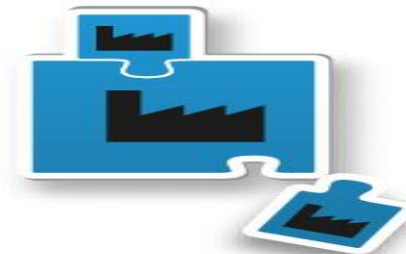
- ▶ **WITHIN THE CONSORTIUM LIKE ITER MAJOR DISAGREEMENTS CAN BE AVOIDED BECAUSE THE BOSS SHOULD ALWAYS HAVE THE FINAL WORD**
  - ▶ **MARKETS WITH MANY CONSUMERS AND PRODUCERS WORK WELL ONLY IF IT IS EASY TO FIND OTHER TRADING PARTNERS.  
NOT THE CASE FOR ITER**
  - ▶ **IN CONTRAST, WHEN THERE ARE NO OR VERY FEW ALTERNATIVE PRODUCERS OR CONSUMERS IT IS MUCH BETTER TO MOVE TRANSACTION WITHIN THE CLOSE ENTITY LIKE ITER.**
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# REAL BENEFITS OF INTERNATIONAL COOPERATION CONT'D

- ▶ ITER PROJECT WILL RESULT IN THE CREATION OF THE MARKET FOR NOVEL TECHNOLOGIES CAPABLE TO HARNESS FUSION ENERGY.
- ▶ ITER PROJECT WILL RESULT IN THE ALGORITHM FOR INTEGRATION OF OFTEN CONFLICTING CUTTING EDGE TECHNOLOGIES USING INTERNATIONAL EXPERTISE.
  - ▶ ITER PROJECT WILL PROVIDE VITAL EXPERIENCE IN ORGANIZING INTERNATIONAL COOPERATION FOR MANY OTHER CRUCIAL CHALLENGES FACING HUMANITY IN THE FUTURE

# ITER COOPERATION IS LIKE LEGO PUZZLE BITS TO BE MANUFACTURED BY DA

- ▶ EXPLOITING THE SYNERGY OF INTERNATIONAL COOPERATION



Thank you  
Merci  
ありがとう  
謝謝  
Спасибо  
감사합니다  
धन्यवाद  
*Tack*

