

Economic Growth cannot be understood without adopting the following,

Combinations of capital and labor with other factors have been and are a dead-end for understanding economic growth.

Economic growth occurs from the creative destruction of existing products and services by ones purchasers prefer. Such preferences always start from ideas that vie to become innovations through spending on their development. STEM (Science, Technology, Engineering and Mathematics) constitute that expense. All productivity inputs are secondary, tertiary or lower than this one.

Purchase price is not determined by supply **and** demand. It is determined by the demand that is actually supplied, a demand that constitutes competitive pressure.

Competition is neither perfect nor imperfect. Its pressure is experienced relentlessly in a market.

‘Quality’ is recidivist in Economics, conceptually overtaken by Deming and Crosby. It is replaced by the performance of products or services perceived by the purchaser at the point of purchase.

The sociology of purchase is vital but cannot be determined from ‘quality’ or ‘hedonic’ attributes.

verified by commercial knowledge taught in ‘Innovation in Economics: Missing Pieces’