

Glossary

Chapter 7

economic growth	an upward trend in the real per capita output of goods and services (p. 144)
human capital	the productive knowledge and skill people receive from education and on-the-job training (p. 147)
innovation	applications of new knowledge that create new products or improve existing products (p. 148)
productivity	the amount of goods and services a worker can produce per hour (p. 146)
research and development (R&D)	activities undertaken to create new products and processes that will lead to technological progress (p. 150)