

“enabling” because in many cases the users are unaware of the future needs they might have.

*Future value is inversely proportional to the certainty we have over it.*

Genesis of a component is inherently uncertain but it is also the point at which a component has its highest future value. You have to gamble with the novel but there’s also the potential for huge rewards. As the component evolves, its potential for differential value declines as it becomes more ubiquitous in its applicable market. This also means that any component that has not reached ubiquity must retain some uncertainty and some element of risk. The only conditions where a well understood, almost risk free component exists that is not ubiquitous and is of high value is when there is some form of restriction on competition e.g. a constraint through patents or monopoly. Care must also be taken not to confuse the terms common as in “everyone has one” with ubiquity to its applicable market. Many components have resource constraints (e.g. gold) or the market need is specific (e.g. wigs for barristers and judges).

*Efficiency does not mean a reduced spend*

Whilst evolution does result in more efficient provision of a component this should be not be confused with a reduction of spending on it. In many cases there is a long tail of unmet demand that efficiency will enable or previously uneconomical acts that become feasible or even the creation of new industries that result in greater demand. This is known as Jevon’s paradox.