

Economics: Factors of Production

Resources are important to produce goods and services. These resources are also referred to as factors of production, which include land, labor, capital, and entrepreneurship.

Land - natural, renewable or nonrenewable resources; think, found in the environment

Labor - mental and physical talent of people

Capital - tools that are used to produce goods and services

Entrepreneurship - special talents of people who create new products and ideas for businesses

Directions: Identify which category - land (renewable or nonrenewable), labor, capital, or entrepreneurship - each item falls into.

Item	Factor of production
1. copier machine	
2. copper	
3. microphone	
4. creators of Instagram	
5. coal	
6. cash register	
7. tractor	
8. chef	
9. cows	
10. Steve Jobs (iMac, iPhone, and iPad)	
11. spring water	
12. teacher	
13. hammer	
14. accountant	
15. Elon Musk's SpaceX	

Answer Key

Item	Factor of production
1. copier machine	capital
2. copper	land, nonrenewable
3. microphone	capital
4. creators of Instagram	entrepreneurship
5. coal	land, nonrenewable
6. cash register	capital
7. tractor	capital
8. chef	labor
9. cows	land, renewable
10. Steve Jobs (iMac, iPhone, and iPad)	entrepreneurship
11. spring water	land, renewable
12. teacher	labor
13. hammer	capital
14. accountant	labor
15. Elon Musk's SpaceX	entrepreneurship