



# eLearneconomics: Basic Concepts – Resources (1)

## Student response \_\_\_\_\_

(a) Classify the following resources as either capital, natural, human or entrepreneur.

- |                                       |                              |
|---------------------------------------|------------------------------|
| (i) Road sign _____                   | (ix) Shop assistant _____    |
| (ii) Tractor _____                    | (x) Shop owner _____         |
| (iii) Sewing machine _____            | (xi) Computer _____          |
| (iv) Van driver _____                 | (xii) Desk _____             |
| (v) Cardboard _____                   | (xiii) Shed _____            |
| (vi) Sheep _____                      | (xiv) Mineral deposits _____ |
| (vii) Mud pool _____                  | (xv) Highway _____           |
| (viii) Owner-operator of a taxi _____ | (xvi) Pen _____              |

(b) Complete the table below.

Economic resource	Definition and appropriate example	Reward for owning the resource or payment for using the resource
(i)	<div>_____</div> <div>_____</div> <div>e.g. unprocessed timber, seedlings</div>	
(ii)	<div>_____</div> <div>_____</div> <div>_____</div> <div>e.g. processed timber, timber mill</div>	
(iii)	<div>_____</div> <div>_____</div> <div>e.g. machinist, typist</div>	
(iv)	<div>_____</div> <div>_____</div> <div>e.g. owner of a business</div>	

(c) Complete the statements below.

- (i) The basic economic problem facing all economies is \_\_\_\_\_ of \_\_\_\_\_.
- (ii) Economics is the social science which studies how to make the \_\_\_\_\_ use of \_\_\_\_\_.
- (iii) A key idea expressed in a definition of economics is \_\_\_\_\_ have alternative uses.

# eLearneconomics: Basic Concepts – Resources (1a)



## Solution

(a) Classify the following resources as either capital, natural, human or entrepreneur.

- |                                 |                     |                        |                     |
|---------------------------------|---------------------|------------------------|---------------------|
| (i) Road sign                   | <u>Capital</u>      | (ix) Shop assistant    | <u>Human</u>        |
| (ii) Tractor                    | <u>Capital</u>      | (x) Shop owner         | <u>Entrepreneur</u> |
| (iii) Sewing machine            | <u>Capital</u>      | (xi) Computer          | <u>Capital</u>      |
| (iv) Van driver                 | <u>Human</u>        | (xii) Desk             | <u>Capital</u>      |
| (v) Cardboard                   | <u>Capital</u>      | (xiii) Shed            | <u>Capital</u>      |
| (vi) Sheep                      | <u>Natural</u>      | (xiv) Mineral deposits | <u>Natural</u>      |
| (vii) Mud pool                  | <u>Natural</u>      | (xv) Highway           | <u>Capital</u>      |
| (viii) Owner-operator of a taxi | <u>Entrepreneur</u> | (xvi) Pen              | <u>Capital</u>      |

(b) Complete the table below.

Economic resource	Definition and appropriate example	Reward for owning the resource or payment for using the resource
(i) <b>Natural</b>	<u>Resources that occur in nature</u>  e.g. unprocessed timber, seedlings	<b>rent</b>
(ii) <b>Capital</b>	<u>Man-made goods used to produce</u> <u>other goods and services</u>  e.g. processed timber, timber mill	<b>interest</b>
(iii) <b>Human</b>	<u>People's work or effort</u>  e.g. machinist, typist	<b>wages</b>
(iv) <b>Entrepreneur</b>	<u>People who take risks and organise the</u> <u>other factors</u> e.g. owner of a business	<b>profit</b>

(c) Complete the statements below.

- (i) The basic economic problem facing all economies is scarcity of resources.
- (ii) Economics is the social science which studies how to make the best use of scarce resources.
- (iii) A key idea expressed in a definition of economics is scarce resources have alternative uses.