**Factors of Production Vocabulary Activity**

In this lesson, we will be learning about the factors of production. Below are some vocabulary words that we will use in this lesson. Before we read the lesson, please look over the following words and rate your level of knowledge of each of the words listed.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Vocabulary** | **I have not heard or seen this word before and do not know what it means.** | **I have heard or seen the word before but do not know what it means.** | **I have a general understanding of what the word means.** | **I know what the word means and could explain it to someone else.** |
| Factor |  |  |  |  |
| Land resources |  |  |  |  |
| Labor resources |  |  |  |  |
| Capital resources |  |  |  |  |
| Entrepreneurship |  |  |  |  |
| Renewable |  |  |  |  |
| Nonrenewable |  |  |  |  |
| Rent |  |  |  |  |
| Wages |  |  |  |  |
| Interest |  |  |  |  |
| Profit |  |  |  |  |
| Scarcity |  |  |  |  |
| Blue collar worker |  |  |  |  |
| White collar worker |  |  |  |  |

Now that you have previewed the vocabulary, let’s review each definition and build on our understanding of these words.

**Factor** – Something that contributes or is a part of something.

**Land resources** – Raw materials found in nature, such as forests and natural gas, used to make goods and services.

**Labor resources** – The effort people give to make goods and provide services to earn wages, such as working a job.

**Capital resources** – Things, such as machines, tools, or computers that are used to make goods and services. They are man-made things.

**Entrepreneurship** – Combining land, labor, and capital to earn an income.

**Renewable** – Something that can be grown or remade, like a forest.

**Nonrenewable** – Cannot be regrown or remade, like oil or natural gas.

**Rent** – Income received from the use of land resources.

**Wages** – Income earned using labor resources.

**Interest** – Income earned by people who own capital resources.

**Profit** – Payment to entrepreneurs for their goods and services.

**Scarcity** – Limited amounts of resources to meet an unlimited number of wants.

**Blue collar worker** – A worker whose job requires some type of physical work building or maintaining something with their hands.

**White collar worker** – A worker whose job is often working in an office or sitting at a desk with little to no physical work required.

Use the above vocabulary to complete the sentences below:

1. When you combine land, labor, and capital resources to open your own business, it is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
2. Something that can be grown or remade is a(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resource.
3. Something that contributes to something else or is a part of something else is called a(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
4. Having a limited number of resources to meet wants is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
5. Man-made things, like computers, are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources.
6. Raw materials, like forests, are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources.
7. Income that is earned by people who own capital resources, like machines, is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
8. Something that cannot be regrown or remade, like oil, is a(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resource.
9. Income received from land resources, like gas wells, is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
10. Working as a cashier or welder is an example of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources.
11. Income earned working as a cashier or welder is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
12. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are the payment entrepreneurs receive for their goods and services.
13. Someone that works as a laborer at a construction site would be a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ collar worker.
14. Someone who works as a customer service representative at a call center would be a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ collar worker.

**Name that Resource Type Activity**

Directions: Now that we understand the vocabulary for this lesson, work with a partner to complete the chart below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Land Resources** | **Labor Resources (Kinds of Jobs)** | **Capital Resources** | **Types of Entrepreneurship** |
| 1.  2.  3. | 1.  2.  3. | 1.  2.  3. | 1.  2.  3. |