

Economics Line of Inquiry

Lesson 1

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.

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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 _____.

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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.	1.	1.	1.
2.	2.	2.	2.
3.	3.	3.	3.