Good Morning!

Today is Wednesday, 09/11/13

• Please come in quickly and quietly take your seat.
  • REMEMBER...lockers are now CLOSED until the end of the day.

• Go ahead and put your first and last name on the Cornell Notes handout you have been given.

• Also, don’t forget to write the date and 4th period.
Four Factors of Production

STANDARD:
SS6E7 ~ Students will describe factors of economic growth.

EQ:
Why is it important to understand how an economy functions?
What are the 4 factors of production?

1. Entrepreneurship
2. Natural Resources
3. Capital Resources
4. Human Resources
Entrepreneurship

• Entrepreneurship refers to the owner of a business creating goods and services.

• Example: Arthur Blank owns the Atlanta Falcons. Arthur Blank is the entrepreneur.

• Entrepreneur = owner
Natural Resources

- Natural resources refers to raw materials used to create a good or service.

- Example 1:
  - Tires are made of rubber. Rubber is the natural resource.

- Example 2:
  - Paper is made from trees. Trees would be the natural resource.
Capital Resources

- These are materials used to perform a job or the help create the good.

- **Example 1:**
  - A repairman uses a hammer and nails to fix a broken front porch. The hammer and nails are capital resources.

- **Example 2:**
  - An assembly line is used to help bottle sodas. The assembly line is the capital resource.
Human Resources

• Human resources refer to the people and the training/education used to produce a good or service.

• Example:
  – Teachers must have a college degree to teach. The college degree (training) is the human resource.

• Example:
  – The hospital employs over 300 nurses to help treat patients. The 300 nurses are the human capital
Identify the Resources

• Chef Ramsey owns a restaurant that uses grills, ovens and stoves to create gourmet meals. His equipment is made from steel, iron, and aluminum. His restaurant employs over 30 people.

• What are the 4 factors?
Your Turn

• Create a business that interests you. What are the four factors you will need in order to create your goods or services.
Review

1. What are the four factors of production?

2. In your own words describe each of the four factors.

*Identify the production factor in the following questions:*

3. Soda cans are made from aluminum. What is the natural resource?

4. All of Steve’s employees have earned Master’s Degrees. What is the human resource?
5. Susan and Anna own a hair salon that uses trained stylists to cut and fashion hair. What is the entrepreneurship?

6. Terry is a tailor who uses needle, thread, and scissors everyday to repair damaged clothes. What are the capital resources?