

Factors of Production

Factors of Production	the natural, capital, and labor resources used by entrepreneurs to create goods and provide services
Natural Resources	materials or substances that occur in nature and can be used for economic growth <u>Examples:</u> coal, diamonds, gold, water, oil
Capital Resources	goods that are produced and used to make other goods <u>Examples:</u> money, buildings, equipment, machinery
Labor/Human Resources	refers to workers and their knowledge, skills, and experience needed to create goods and provide services
Entrepreneurs	someone who uses natural, capital, and human resources to make goods and provide services