

Name _____

Scarcity and the Factors of Production

1.1 Worksheet

1. What is the major difference between a good and a service? Give two examples of each.
2. How is the concept of “buy one, get one free” misleading?
3. How often does scarcity occur? How often do shortages occur?
4. Name the factors of production: Once you have named them give an example of each.
 - A)
 - B)
 - C)
5. What does an entrepreneur do exactly?
6. What is a benefit of using both physical capital and human capital?
7. Think of a good or service that you consumed today. List at least five factors of production used to produce that good or service. Include at least one example each of land, labor, and capital.