Cider Stand Choices

Find the resources behind a small business.

GE.1.1 "Define, identify, and explain the productive resources."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Circle one example of each type of productive resource in the passage. Label your examples N for natural resources, L for labor, C for capital, and E for entrepreneurship.

What Goes Into a Cup of Cider?

1 On a cool Saturday, a neighborhood cider stand begins turning apples into drinks. Apples from a nearby orchard and water from a well are inputs supplied by nature. Economists call inputs from nature **natural resources**, or **land**. The word land means more than the ground beneath the stand. It can include water, forests, minerals, and sunlight. If the orchard has fewer apples after a dry summer, the stand cannot make as much cider without finding another source. Natural resources affect what a business can produce and how easily it can do so.

2 People also help turn those apples into cider. Maya and her cousin pick fruit, wash it, and operate the press. Their time and effort are **labor**, the human work used in production. The press, sturdy worktable, and stand's shelter are **capital**: goods people made to help produce other goods or services. A press is not a natural resource, even though its metal originally came from the earth, because people built it for repeated use. Money can buy a press, but the money itself does not squeeze an apple. The equipment makes each hour of work more productive.

3 Maya notices that customers want smaller bottles they can carry on a hike. She decides to offer them, sets a price, and uses her savings to buy a smaller filling tool. This planning and willingness to risk losing money are **entrepreneurship**, the resource that brings the other inputs together to create and sell a product. When Maya washes apples, she supplies labor; when she chooses a new product and accepts the risk, she acts as an entrepreneur. All four resources matter: without apples or water, workers, equipment, or organizing decisions, the stand cannot keep producing cider.

2 ANSWER WITH EVIDENCE

Use the passage

1. Why are the apples and well water natural resources, even though people must gather them?

2. Maya washes apples, then decides to sell smaller bottles. Which productive resource does each action represent? Explain the difference.

3. Why is the press capital rather than a natural resource? How does it help production?

4. If a dry summer reduces the orchard's apples, which productive resource has become scarce? What effect does the passage predict?

3 YOUR TURN

Your own words

Invent a student-run service unrelated to making drinks. In 4 or 5 sentences, give a specific example of each of the four productive resources, explain how one helps provide the service, and describe an entrepreneurial decision that risks losing money.

Cider Stand Choices

PART 1 · READ AND MARK

Circle one example of each type of productive resource in the passage. Label your examples N for natural resources, L for labor, C for capital, and E for entrepreneurship. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Why are the apples and well water natural resources, even though people must gather them?	**Nature supplies the apples and water. Gathering them takes labor, but it does not change where those resources come from.**
2	Maya washes apples, then decides to sell smaller bottles. Which productive resource does each action represent? Explain the difference.	**Washing apples is labor because it is work used to make cider. Choosing a new product is entrepreneurship because Maya plans the business and accepts a risk.**
3	Why is the press capital rather than a natural resource? How does it help production?	**People made the press for repeated use in production. It helps workers turn apples into cider and makes their work more productive.**
4	If a dry summer reduces the orchard's apples, which productive resource has become scarce? What effect does the passage predict?	**A natural resource has become scarce. The stand cannot make as much cider unless it finds another source of apples.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

My student-run bike service cleans and adjusts bicycles. Water used to wash the bikes is a natural resource. I supply labor by cleaning chains, and my reusable repair stand is capital that helps me hold bikes steady while I work. I act as an entrepreneur when I spend my savings on the stand and set a price, since I might not get enough customers to recover the cost. Without water, I could not offer the cleaning part of the service.

Accept other accurately classified examples from the passage. For Part 3, the entrepreneurial decision must include a real possibility of losing money, not just a task the student performs.