Coffee, Cars, Connections

How resources, workers, tools, and trade shape economies

6.6 "Economics. The student understands the factors of production in a society's economy. The student is expected to: describe ways in which the factors of production (natural resources, labor, capital..."

NAME ______________________ DATE ______________

1 READ AND MARK

Read it twice

YOUR JOB Circle each factor of production named in the passage, and underline each shortage or unevenly distributed resource. Number the sentences that show how a resource issue in one society affects people or businesses in another society.

Resources Link Economies

1 In Kenya, many farmers grow coffee on small plots of fertile land. Rainfall, soil, and sunlight are natural resources that help coffee plants grow. Farmers and pickers provide labor by planting, tending, and harvesting the beans. Washing stations, trucks, storage buildings, and roasting machines are capital, tools and equipment used to produce or move goods. Entrepreneurs organize these resources, take risks, and decide how to sell coffee. Together, the factors of production support jobs and income in coffee-growing communities.

2 Japan imports much of the fuel it uses because it has limited supplies of oil and natural gas. This resource shortage makes energy prices important to homes and factories. Japanese companies use capital, such as robots and advanced machines, to make cars and electronics. Skilled workers operate and repair that capital. If a company cannot find enough trained workers or cannot afford machinery, it may produce fewer goods. That can limit jobs and raise prices.

3 Countries trade because resources are not spread evenly. Kenya sells coffee beans to buyers in other countries, while Japan imports fuel and may export cars or electronics. A drought can reduce Kenya's coffee harvest, leaving less coffee for exporters and businesses that roast or sell it. Higher coffee prices can then affect shoppers far away. When fuel prices rise, shipping coffee and car parts costs more. These links show economic interdependence: people and businesses in one society depend on production and resources in others.

2 ANSWER WITH EVIDENCE

Use the passage

1. How does each of the four factors of production help Kenya's coffee economy?

2. What could happen if a Japanese company cannot find enough trained workers or cannot afford machinery? Give two effects.

3. Why do Kenya and Japan trade with other countries, according to the passage?

4. Trace the effect of a drought in Kenya from the coffee harvest to shoppers in other places.

3 YOUR TURN

Your own words

Choose a product made in a contemporary society. Write exactly five sentences that explain its natural resources, labor, capital, and entrepreneurs, then describe one shortage and one trade connection.

PART 1 · READ AND MARK

Circle each factor of production named in the passage, and underline each shortage or unevenly distributed resource. Number the sentences that show how a resource issue in one society affects people or businesses in another society. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How does each of the four factors of production help Kenya's coffee economy?	**Natural resources include rainfall, soil, and sunlight. Labor comes from farmers and pickers. Capital includes washing stations, trucks, storage buildings, and roasting machines. Entrepreneurs organize resources, take risks, and decide how to sell coffee.**
2	What could happen if a Japanese company cannot find enough trained workers or cannot afford machinery? Give two effects.	**The company may produce fewer goods. This can limit jobs and raise prices.**
3	Why do Kenya and Japan trade with other countries, according to the passage?	**Resources are not spread evenly. Kenya sells coffee beans, while Japan imports fuel and may export cars or electronics.**
4	Trace the effect of a drought in Kenya from the coffee harvest to shoppers in other places.	**A drought can reduce Kenya's coffee harvest. There is less coffee for exporters and businesses that roast or sell it, and coffee prices can rise for shoppers far away.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

In Chile, copper mining uses copper deposits and water as natural resources. Miners and engineers provide labor. Drills, trucks, and processing plants are capital. Entrepreneurs organize the mine, workers, equipment, and sales. If water is scarce, mines may produce less copper, so Chile may export less to countries that use copper in wires and electronics.

Accept equivalent examples of the four factors when they match the passage. For the open response, accept any accurate contemporary example that includes all four factors, a plausible shortage effect, and a trade connection.