

WHAT ARE THE FACTORS OF PRODUCTION?

The factors of production are land, labor, capital, and entrepreneurship.



Land includes the "gifts of nature", or natural resources not created by human efforts. This includes things like sunlight, minerals, animals, and everything animals produce like milk and eggs.

Capital includes the tools, equipment, and factories that are used in production.



Labor includes people with all their efforts and abilities.

Entrepreneurs are individuals who start a new business or bring a product to market.

