

# Warm-Up

## Resources and Scarcity



### Lesson Question



### Lesson Goals

Learn about the basics of resources and scarcity.

Describe the different  of resources used in an economy.

Examine the effects of  on how resources are used.



### Words to Know

Fill in this table as you work through the lesson. You may also use the glossary to help you.

allocate	to <input type="text"/> something among those who need or want it
value	the <input type="text"/> of an item in consideration with goods, services, or money
nonrenewable resource	a <input type="text"/> that, once used, is no longer available
renewable resource	a resource that can be <input type="text"/> after use
scarcity	the idea that all resources are <input type="text"/> and insufficient to meet unlimited wants and needs



### Making Choices

To raise money for your softball team, you are selling snacks at the basketball game.

- You have a budget of \$200.
- You only have enough space to sell one product.
- You can sell either pizza or juice.

A business has to decide what to sell based on various factors, including which product costs them the  and which one will net the  money when they sell it. They also must consider which product customers will  the most.

## Instruction

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**Resources**

Resources are things people use to make  and .

- The metal that is used to make a car
- The computer that is used to create a website
- The work that a carpenter does building a house

**Types of Resources**

: Things found in nature, such as minerals and water

: The effort and skills of people

: Machinery and equipment used to make products

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**Renewable Resources**

Some resources are **renewable**, meaning they can be  after use.

Examples include:

- solar energy.
- trees.
- crops.
- .

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**Nonrenewable Resources**

Some resources are **nonrenewable**, meaning they  be replaced after use.

Examples include:

- crude oil, or petroleum.
- .
- natural gas.
- many other minerals taken from the ground.

**Categorizing**

Categorizing involves two steps.

1. Looking for  qualities that objects have in common
2.  objects together based upon their common qualities

Water

Iron

Gold

Lumber

Solar energy

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### The Move toward Renewable Energy

The United States has been  from nonrenewable to renewable resources.

- Renewable energy use is .
- Renewable energy makes up about 9 percent of energy used.

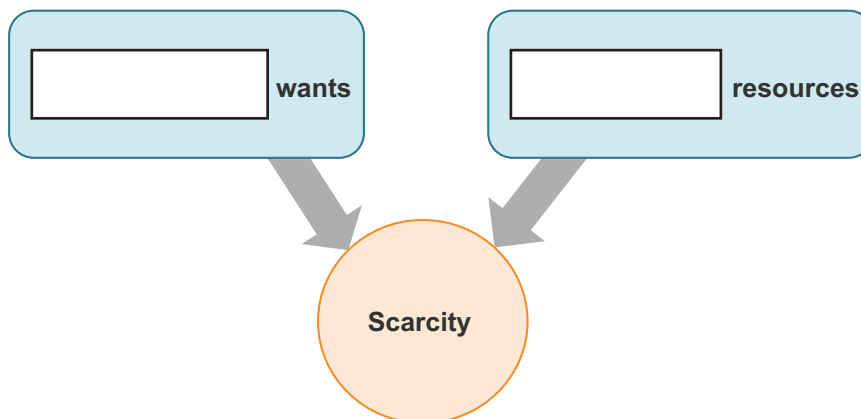
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### Scarcity

**Scarcity** is the idea that all resources are .

- Resources cannot fulfill unlimited wants and needs.
- Scarcity explains why a resource has  and people are willing to pay for it.

### The Concept of Scarcity



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**What Scarcity Means**

Scarcity affects individuals and economies around the world.

- Individuals must make .
- Economies must decide how to , or distribute, .

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**Scarcity and Value**

Scarcity affects the value of a resource.

- The  scarce a resource, the more consumers are willing to pay for it.
- The  scarce the resource, the less consumers are willing to pay for it.

**Scarcity and Resource Decisions**

Resources that are scarce are:

- .
- often used only where they are required.

Resources that are less scarce are:

- less costly.
- often used to make  goods.

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**How Scarcity Affects Resource Decisions**

**Company A** makes uniforms for athletes who need high-performance equipment.

- It wants to charge a  price for the uniforms.
- It uses more , more costly, high-performance fabrics.

**How Scarcity Affects Resource Decisions**

**Company A** makes uniforms for athletes who need high-performance equipment.

- It wants to charge a  price for the uniforms.
- It uses more scarce, more , high-performance fabrics.

**Company B** makes clothes for a wide audience that wants low-cost clothing.

- It wants to charge a  price for its clothes.
- It uses less scarce, less  fabrics.

## Summary

## Resources and Scarcity

**Lesson Question**

How does scarcity affect the value of resources?

**Answer**

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**Review: Resources**

Resources are things people use to make goods or services.

- Basic types of resources include land, labor, and .
- There are renewable resources and  resources.

**Review: The Effect of Scarcity**

Scarcity happens because wants and needs are without limit, but resources are limited.

- Scarcity means that we all must make  about what needs and wants to meet.
- Resources must be .





# Summary

## Resources and Scarcity

*Use this space to write any questions or thoughts about this lesson.*

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