

Answer on Question#39315 – Economics – Other

Assignment

Someone works on a farm. Which factor of production does he/she represent?

Solution

Someone who works on a farm represents labour (L). In economics labour is a measure of the work done by human beings. It is conventionally contrasted with such other factors of production as land and capital. There are theories which have developed a concept called human capital (referring to the skills that workers possess, not necessarily their actual work), although there are also counter posing macroeconomic system theories that think human capital is a contradiction in terms.