

## 1.1 Definition and classification of resources and resource conservation

- Natural resources are factors of production.
- Natural resources is employed with labour and capital to produce goods and services.
- Resources is the interaction between the physical environment and society.
- Resources have a technological and social condition that have to be met in order to it be considered valuable in production
- Mineral resources have a technology context to their value this is because it helped removed alumina and later uranium. A change in cultural context is because of the impact on the environment and public health. This lead to a decrease in the value of uranium.
- Social context effects the recognition of non-mineral resources  
E.g. wetlands was first considered a source of water disease but today its used for water purification systems.
- Once natural resources is recognized as a factor of production it is characterised by supply characteristics which is divided into:
  1. **Exhaustible:** A natural resource that cannot be increased by the natural forces of the environment is called exhaustible natural resources.  
Completely consumed if current rates of use continue.  
E.g. oil and coal
  2. **Renewable:** is a substance of economic value that can be replaced or replenished in the same or less amount of time as it takes to draw the supply down. They are not fixed e.g. solar energy, wide energy etc.
- The amount of stock of a resource is classified according to a series of components:
  1. Cumulative production: amount of resources that has been already used and is no longer available.
  2. Reserves: amount of resources available using current technology and current prices.
  3. Potential supply: effective estimate of future reserve. The amount of resources that will be available if reasonable expectations technology advanced are achieved and prices increase.
  4. Recoverable recourses is a combination of reserves and potential supply.