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| **AP Microeconomics**  Mrs. Shackett  Comparative Advantage | Name |

For each of the following scenarios, answer the questions following the chart.

1. Anna and Barry can grow the following amounts of potatoes and cabbage with a week of labor.

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| --- | --- | --- |
|  | Potatoes per week | Cabbage per week |
| Anna | 100 units | 200 units |
| Barry | 120 units | 150 units |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each producer in making these products?
3. Anna’s OC of producing a unit of potatoes is \_\_\_\_\_\_\_ units of cabbage.
4. Barry’s OC of producing a unit of potatoes is \_\_\_\_\_\_\_ units of cabbage.
5. Anna’s OC of producing a unit of cabbage is \_\_\_\_\_\_\_ units of potatoes.
6. Barry’s OC of producing a unit of cabbage is \_\_\_\_\_\_\_ units of potatoes.
7. Who has the comparative advantage in producing potatoes?
8. Who has the comparative advantage in producing cabbage?
9. Henry and John are fishermen who catch bass and catfish. This chart shows how many of each type of fish they can catch in one day.

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| --- | --- | --- |
|  | Bass | Catfish |
| Henry | 4 bass | 6 catfish |
| John | 24 bass | 12 catfish |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each person in catching these fish?
3. Henry’s OC of catching 1 bass is \_\_\_\_\_\_\_ catfish.
4. John’s OC of catching 1 bass is \_\_\_\_\_\_\_ catfish.
5. Henry’s OC of catching 1 catfish is \_\_\_\_\_\_\_ bass.
6. John’s OC of catching 1 catfish is \_\_\_\_\_\_\_ bass.
7. Who has the comparative advantage in catching bass?
8. Who has the comparative advantage in catching catfish?
9. This chart shows how many days it takes the ABC Corporation and the XYZ Corporation to produce one unit of cars and one unit of planes.

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| --- | --- | --- |
|  | Cars | Planes |
| ABC Corp. | 8 days | 10 days |
| XYZ Corp. | 15 days | 12 days |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each corporation in producing these goods?
3. ABC’s OC of producing a unit of cars is \_\_\_\_\_\_\_ units of planes.
4. XYZ’s OC of producing a unit of cars is \_\_\_\_\_\_\_ units of planes.
5. ABC’s OC of producing a unit of planes is \_\_\_\_\_\_\_ units of cars.
6. XYZ’s OC of producing a unit of planes is \_\_\_\_\_\_\_ units of cars.
7. Who has the comparative advantage in producing cars?
8. Who has the comparative advantage in producing planes?
9. Here of the numbers of acres needed in India and China to produce 100 bushels of corn or 100 bushels of rice each month.

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| --- | --- | --- |
|  | India | China |
| Corn | 9 acres | 8 acres |
| Rice | 3 acres | 2 acres |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each country in producing these goods?
3. India’s OC of growing 100 bushels of corn is \_\_\_\_\_\_\_ bushels of rice.
4. China’s OC of growing 100 bushels of corn is \_\_\_\_\_\_\_ bushels of rice.
5. India’s OC of growing 100 bushels of rice is \_\_\_\_\_\_\_ bushels of corn.
6. China’s OC of growing 100 bushels of rice is \_\_\_\_\_\_\_ bushels of corn.
7. Who has the comparative advantage in growing corn?
8. Who has the comparative advantage in growing rice?
9. This chart shows how many cans of olives and bottles of olive oil can be produced in Zaire and Colombia from one ton of olives.

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| --- | --- | --- |
|  | Zaire | Colombia |
| Olives | 60 cans | 24 cans |
| Olive oil | 10 bottles | 8 bottles |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each country in producing these goods?
3. Zaire’s OC of producing 1 can of olives is \_\_\_\_\_\_\_ bottles of olive oil.
4. Colombia’s OC of producing 1 can of olives is \_\_\_\_\_\_\_ bottles of olive oil.
5. Zaire’s OC of producing 1 bottle of olive oil is \_\_\_\_\_\_\_ cans of olives.
6. Colombia’s OC of producing 1 bottle of olive oil is \_\_\_\_\_\_\_ cans of olives.
7. Who has the comparative advantage in producing olives?
8. Who has the comparative advantage in producing olive oil?
9. Here are the numbers of hours needed in Redland and Blueland to produce a unit of televisions and a unit of computers.

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|  | Televisions | Computers |
| Redland | 18 hours | 6 hours |
| Blueland | 16 hours | 4 hours |

1. Is this an example of an *input* problem or an *output* problem?
2. What is the opportunity cost for each country in producing these goods?
3. Redland’s OC of producing 1 unit of TVs is \_\_\_\_\_\_\_ units of computers.
4. Blueland’s OC of producing 1 unit of TVs is \_\_\_\_\_\_\_ units of computers.
5. Redland’s OC of producing 1 unit of computers is \_\_\_\_\_\_\_ units of TVs.
6. Blueland’s OC of producing 1 unit of computers is \_\_\_\_\_\_\_ units of TVs.
7. Who has the comparative advantage in producing televisions?
8. Who has the comparative advantage in producing computers?