

COMPARATIVE AND ABSOLUTE

ADVANTAGE PT. 2

By: Carter Greene

KICKOFF

- ❖ Pick up a handout on the way in and complete it INDIVIDUALLY for your KO
 - Front and back
- ❖ **Roll Call:** Speed up time, stop time, or go back in time?



ANNOUNCEMENTS:

- ❖ **9/16**– Unit 1 Test
 - 30–40 MC Questions
 - No FRQ
- ❖ Knight Time next week
- ❖ Rough night for the Panthers
- ❖ Have a great weekend



ATTACKING ABSOLUTE
AND COMPARATIVE
ADVANTAGE
QUESTIONS

STEP 1: MAKE A TABLE WITH THE GIVEN INFORMATION

A professor hires two aides, assigning them the tasks of reading student papers and of typing lecture notes on a computer. One of the aides, Ben, can read 1 page of a student paper per minute **or** type 50 words of lecture notes per minute, and the other aide, Ann, can read 3 pages of a student paper per minute **or** type 60 words of lecture notes per minute.

	<u>Pages Read</u>	<u>Words Typed</u>
<u>Ben</u>	1	50
<u>Ann</u>	3	60

STEP 2: MAKE A TABLE OF OPPORTUNITY COST

	<u>Pages Read</u>	<u>Words Typed</u>
<u>Ben</u>	1	50
<u>Ann</u>	3	60

	<u>OC of each page read</u>	<u>OC of each word typed</u>
<u>Ben</u>	50 words typed	1/50 a page read
<u>Ann</u>	20 words typed	1/20 a page read

STEP 3: CIRCLE ABSOLUTE AND COMPARATIVE ADVANTAGES

	<u>Pages Read</u>	<u>Words Typed</u>
<u>Ben</u>	1	50
<u>Ann</u>	3	60

	<u>OC of each page read</u>	<u>OC of each word typed</u>
<u>Ben</u>	50 words typed	1/50 a page read
<u>Ann</u>	20 words typed	1/20 a page read

STEP 5: WHO SHOULD SPECIALIZE IN EACH?

	<u>OC of each page read</u>	<u>OC of each word typed</u>
<u>Ben</u>	50 words typed	1/50 a page read
<u>Ann</u>	20 words typed	1/20 a page read

- ❖ Ben should specialize in:
 - Typing lecture notes → he has a comp. adv.
- ❖ Ann should specialize in:
 - Reading student papers → she has a comp. adv.

COMPARATIVE ADVANTAGE WORKSHEET (1 PARTNER)

- ❖ When you are done and have checked it do this on the back:
- ❖ Pick 2 countries
- ❖ Choose two agricultural products they each produce
- ❖ Find ABOUT how much of each product they each produce per year
- ❖ Make a chart displaying this information
- ❖ Make a chart showing the OC of each
- ❖ Tell me who has the absolute and comparative advantages for each product
- ❖ Write one paragraph detailing how these two countries should trade.

AP CENTRAL PRE-TEST

MYAP.COLLEGEBOARD.ORG

CLOSURE

HELPFUL HINTS: