Comparative Advantage Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Worksheet Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Period\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

In each example below indicate who has the absolute advantage and comparative advantage for each item. Show work for Comparative Advantage.

**Radios Installed Speakers Installed**

|  |  |  |
| --- | --- | --- |
| **Mark** | 6 | 2 |
| **Doreen** | 10 | 5 |

**Absolute Advantage**—Radios\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Speakers\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Comparative Advantage**-- Radios\_\_\_\_\_\_\_\_\_\_\_\_, Speakers\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Cars Computers**

|  |  |  |
| --- | --- | --- |
| **United States** | 12 | 4 |
| **Japan** | 10 | 6 |

**Absolute Advantage**—Cars\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Computers\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Comparative Advantage**—Cars\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Computers\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Potatoes Cabbage**

|  |  |  |
| --- | --- | --- |
| **Anna** | 4 | 6 |
| **Barry** | 24 | 12 |

**Absolute Advantage**—Potatoes\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Cabbage\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Comparative Advantage**—Potatoes\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Cabbage\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**Comparative Advantage Continued…**

**Part A:**  You are given the following information about Andy and Hannah and the time it takes each of them to clean an office and clean a jail cell.

|  |  |  |
| --- | --- | --- |
|  | **Andy** | **Hannah** |
| **Cleaning Offices** | 60 Minutes | 20 Minutes |
| **Cleaning Jail Cells** | 30 Minutes | 15 Minutes |

1. Who has the **absolute advantage** in cleaning offices? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. Who has the **absolute advantage** in cleaning jail cells? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. Who has the **comparative advantage** in cleaning offices? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. Who has the **comparative advantage** in cleaning jail cells? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Part B:** Consider the following two countries. Assume they produce only these two goods. The information is based on how many of each they can produce in **one hour**.

|  |  |  |
| --- | --- | --- |
|  | **United States** | **Japan** |
| **Cars** | 10 | 12 |
| **Computers** | 4 | 6 |

5. Which country has the **absolute advantage** in cars? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

6. Which country has the **absolute advantage** in computers? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

7. Which country has the **comparative advantage** in cars? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

8. Which country has the **comparative advantage** in computers? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Part C:** You’re given the following information about a newlywed couple and the time it takes each of them to do two different chores: vacuuming a room or washing a load of dishes.

|  |  |  |
| --- | --- | --- |
|  | **Mike** | **Debbie** |
| **Time to Vacuum a room** | 60 minutes | 45 Minutes |
| **Time to Wash a load of dishes** | 30 Minutes | 45 Minutes |

9. Which country has the **absolute advantage** in vacuuming? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

10. Which country has the **absolute advantage in** washing dishes? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

11. Which country has the **comparative advantage** in vacuuming? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

12. Which country has the **comparative advantage** in washing dishes? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_