Trade-Off Detectives

Sort two ways a nation can have an advantage in trade.

E.C.11 "Analyze how international trade affects the economies of nations. Explain how trade among individuals, regions, and nations reflects voluntary exchange and specialization..."

NAME _____ DATE _____

ABSOLUTE ADVANTAGE

A producer has an absolute advantage when it makes more of a good with the same resources than another producer. Compare how much each can make.

In one hour, Mira weaves 9 mats while Jo weaves 6 mats.

COMPARATIVE ADVANTAGE

A producer has a comparative advantage when making a good means giving up less of another good than another producer gives up. Compare what each must give up.

To make one necklace, Ana gives up 2 bracelets she could have made, while Dev gives up 3 bracelets.

1 SORT

8 items

Treat each named place as a nation, circle OUTPUT or TRADEOFF for each item, then choose one item from each category and explain how you knew in Part 2.

1.	With one worker in one day, Orin makes 16 desks; Tavi makes 11 desks.	OUTPUT	TRADEOFF
2.	With one machine in one hour, Laro makes 24 cans; Seno makes 18 cans.	OUTPUT	TRADEOFF
3.	To make one tent, Rima gives up 3 flags; Daro gives up 5 flags.	OUTPUT	TRADEOFF
4.	Using one hectare for one season, Sela grows 8 tons of wheat; Miko grows 5 tons.	OUTPUT	TRADEOFF
5.	To make one bottle, Noro gives up 2 cups; Pavo gives up 6 cups.	OUTPUT	TRADEOFF
6.	To produce one jacket, Nelo gives up 4 shirts; Kora gives up 7 shirts.	OUTPUT	TRADEOFF
7.	In one workday, Fera builds 9 stools; Bena builds 6 stools.	OUTPUT	TRADEOFF
8.	With one printer in one hour, Varo prints 40 posters; Suri prints 30 posters.	OUTPUT	TRADEOFF

2 PROVE IT

Explain your thinking

Pick two items from Part 1. For each one, tell how you knew where it belonged.

ITEM # _____ **HOW I KNEW** _____

ITEM # _____ **HOW I KNEW** _____

3 MAKE YOUR OWN

One of each

Write one new example of an absolute advantage and one new example of a comparative advantage. In each example, compare two nations.

OUTPUT _____

TRADEOFF _____

CHALLENGE

Eastport and Westhaven can each use one worker for one day. Eastport can make either 12 lamps or 6 rugs; Westhaven can make either 8 lamps or 2 rugs. Which nation has the absolute advantage in lamps, and which has the comparative advantage in lamps? Explain using numbers.

Trade-Off Detectives

PART 1 · SORT

#	ITEM	CATEGORY	WHY
1	With one worker in one day, Orin makes 16 desks; Tavi makes 11 desks.	**OUTPUT**	Orin makes more desks with the same amount of labor.
2	With one machine in one hour, Laro makes 24 cans; Seno makes 18 cans.	**OUTPUT**	Laro makes more cans with the same machine time.
3	To make one tent, Rima gives up 3 flags; Daro gives up 5 flags.	**TRADEOFF**	Rima gives up fewer flags per tent.
4	Using one hectare for one season, Sela grows 8 tons of wheat; Miko grows 5 tons.	**OUTPUT**	Sela grows more wheat with the same land and time.
5	To make one bottle, Noro gives up 2 cups; Pavo gives up 6 cups.	**TRADEOFF**	Noro gives up fewer cups per bottle.
6	To produce one jacket, Nelo gives up 4 shirts; Kora gives up 7 shirts.	**TRADEOFF**	Nelo gives up fewer shirts per jacket.
7	In one workday, Fera builds 9 stools; Bena builds 6 stools.	**OUTPUT**	Fera builds more stools in the same work time.
8	With one printer in one hour, Varo prints 40 posters; Suri prints 30 posters.	**OUTPUT**	Varo prints more posters with the same equipment and time.

PART 2 · PROVE IT

Accept any explanation that names the deciding feature from the rule box for the chosen item.

PART 3 · MAKE YOUR OWN (SAMPLE ANSWERS)

- **OUTPUT**: With one worker in one day, Alder makes 20 clocks while Brin makes 15 clocks.
- **TRADEOFF**: To make one blanket, Cora gives up 2 pillows while Dalen gives up 4 pillows.

Challenge: Eastport has the absolute advantage in lamps because it makes 12 per day, compared with Westhaven's 8. Westhaven has the comparative advantage in lamps because it gives up 1/4 rug per lamp, while Eastport gives up 1/2 rug per lamp.

For Part 2, look for a comparison of output using equal resources for OUTPUT and a comparison of what is given up per unit for TRADEOFF. A nation can have an absolute advantage without having a comparative advantage in the same good.