

## ACTIVITY 6.6

### ASSESSMENT: Which Workers Are More Productive?

**Table A.** Beef And Cheese Production

	Beef	Cheese
Brazil	1	1
France	2	6

The table above shows the number of pounds of beef or cheese a worker in each country can produce in one hour. Given this information, answer Questions 1-4.

1. Which country has an absolute advantage in producing cheese? \_\_\_\_\_

Which country has an absolute advantage in producing beef? \_\_\_\_\_

2. What is the opportunity cost of producing one pound of beef in Brazil?

\_\_\_\_\_

What is the opportunity cost of producing one pound of beef in France?

\_\_\_\_\_

3. Which country has a comparative advantage in producing beef? \_\_\_\_\_

Which country has a comparative advantage in producing cheese? \_\_\_\_\_

4. Which good should Brazilian workers specialize in producing? \_\_\_\_\_

Which good should French workers specialize in producing? \_\_\_\_\_

5. Assume each French worker works only four hours a day. Complete the first two rows of the production possibilities table below.

**Table B.** Production Possibilities

Hours spent producing cheese	4	3	2	1	0
Pounds of cheese					
Pounds of beef (without trade)					
Pounds of beef (with trade)					

6. Assuming workers in each country specialize in producing what they do best and assuming each worker can trade two pounds of cheese for one pound of beef, show in the production possibilities table how this changes the amount of beef the worker can have.

7. Explain why both countries would actually be willing to trade two pounds of cheese for one pound of beef.