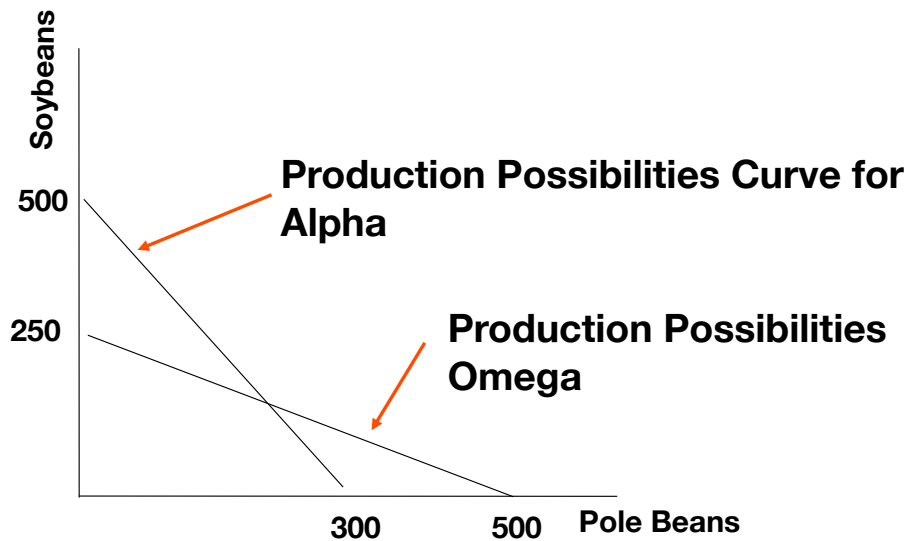


Comparative Advantage Quiz II B



Alpha can produce 500 tons of soybeans or 300 tons of pole beans. On the other hand, Omega can produce 250 tons of soybeans or 500 tons of pole beans using the same amount of resources.

- Which country has an absolute advantage in soybean production? Why? Which country has an absolute advantage in pole bean production? Why?
- Which country has a comparative advantage in soybean production and which has a comparative advantage in pole bean production? Explain.
- Which country should import soybeans? Why?