

## Product Possibilities Curve Worksheet

Name: \_\_\_\_\_

Here is the production possibilities table for war goods and civilian goods:

Types of Production	Production Alternative				
	A	B	C	D	E
Automobiles	0	2	4	6	8
Missiles	30	27	21	12	0

- Draw a production possibilities curve for automobiles and missiles using the data above.
- Label the points where the economy would be efficient (A), underutilized (B) and unattainable (C).
- What is the opportunity cost of moving from point A to point B?
- What is the opportunity cost of moving from point B to point C?
- What is the opportunity cost of moving from point D to point E?

Types of Production	Production Alternative				
	A	B	C	D	E
Butter	0	10	12	14	16
Guns	50	40	30	20	0

- a. Draw a production possibilities curve for butter and guns using the data above.
- b. Label the points where the economy would be efficient (A), underutilized (B) and unattainable (C).
- c. What is the opportunity cost of moving from point A to point B?
- d. What is the opportunity cost of moving from point B to point C?
- e. What is the opportunity cost of moving from point D to point E?

Here is the production possibilities table for war goods and civilian goods:

Types of Production	Production Alternative				
	A	B	C	D	E
Robots	0	250	450	650	850
Wheat	130	117	109	89	0

- a. Draw a production possibilities curve for robots and wheat using the data above.
- b. Label the points where the economy would be efficient (A), underutilized (B) and unattainable (C).
- c. What is the opportunity cost of moving from point A to point B?
- d. What is the opportunity cost of moving from point B to point C?
- e. What is the opportunity cost of moving from point D to point E?

Here is the production possibilities table for war goods and civilian goods:

<b>Types of Production</b>	<b>Production Alternative</b>				
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
Tanks	0	10	20	30	40
Bread	75	68	54	47	0

- a. Draw a production possibilities curve for tanks and bread using the data above.
- b. Label the points where the economy would be efficient (A), underutilized (B) and unattainable (C).
- c. What is the opportunity cost of moving from point A to point B?
- d. What is the opportunity cost of moving from point B to point C?
- e. What is the opportunity cost of moving from point D to point E?