

The economy of the United States depends on resources and markets around the world for the production and sale of goods. Total world production is greater when nations specialize in products they can produce most efficiently. Voluntary trade benefits all parties involved.

Resources are distributed unequally.

Trade provides economies with items in which they do not possess absolute advantage.

Economies benefit when they produce those products in which they have a comparative advantage and trade for other items.

Some economies can produce certain products more efficiently than other economies, thus having an absolute advantage in the production of that product.

When an economy is more efficient than other economies in producing a product, it has a comparative advantage in that product.

United States businesses have become multinational in their quest for productive resources, markets, and profits.

The student will demonstrate knowledge of the United States market economy by  
f) analyzing global economic trends, with emphasis on the impact of technological innovations.