

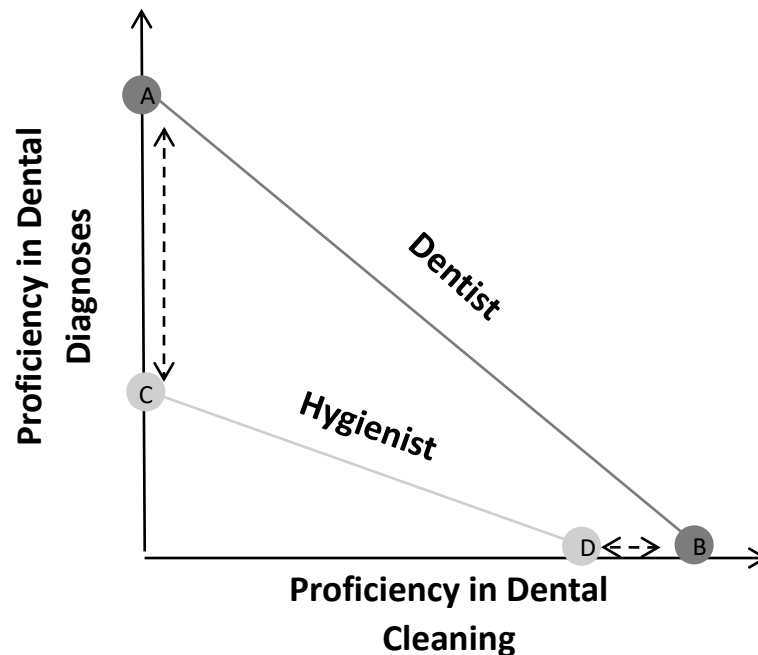
Kaplovitch E, Otremba M, Morgan M, Devine LA. Cost-efficient medical education: an innovative approach to creating educational products. *J Grad Med Educ.* 2019;11(6):713–716.

## Supplemental Material

### FIGURE

#### Absolute Advantage, Comparative Advantage and Opportunity Cost

While a dentist holds an *absolute advantage* in both proficiency of dental diagnoses and proficiency of dental cleaning, he/she holds a *comparative advantage* in the performance of dental diagnoses. There is therefore an *opportunity cost* associated with the dentist performing cleanings; for every cleaning the dentist performs, he/she is missing out on performing a dental diagnosis, an act for which he holds much more relative proficiency. The magnitude of such opportunity cost can be quantified by  $A/B$  for the dentist or  $C/D$  for the hygienist, that is the number of opportunities of dental diagnoses missed per act of dental cleaning. Clearly,  $A/B$  is greater than  $C/D$ , demonstrating that the dentist suffers more of an opportunity cost by performing cleanings, and he/she would be best served specializing in dental diagnoses.



**Absolute advantage:** The ability of a company, individual or country to produce a good or service at a lower cost per unit as compared to another entity producing the same good or service.

**Opportunity cost:** A benefit that a company, individual or company could have received, but gave up, to pursue another course of action.

**Comparative advantage<sup>a</sup>:** The ability of a company, individual or country to produce a good or service at a lower opportunity cost than other economic actors.

<sup>a</sup>The law of comparative advantage is attributed to political economist David Ricardo in his 1817 book “Principles of Political Economy”