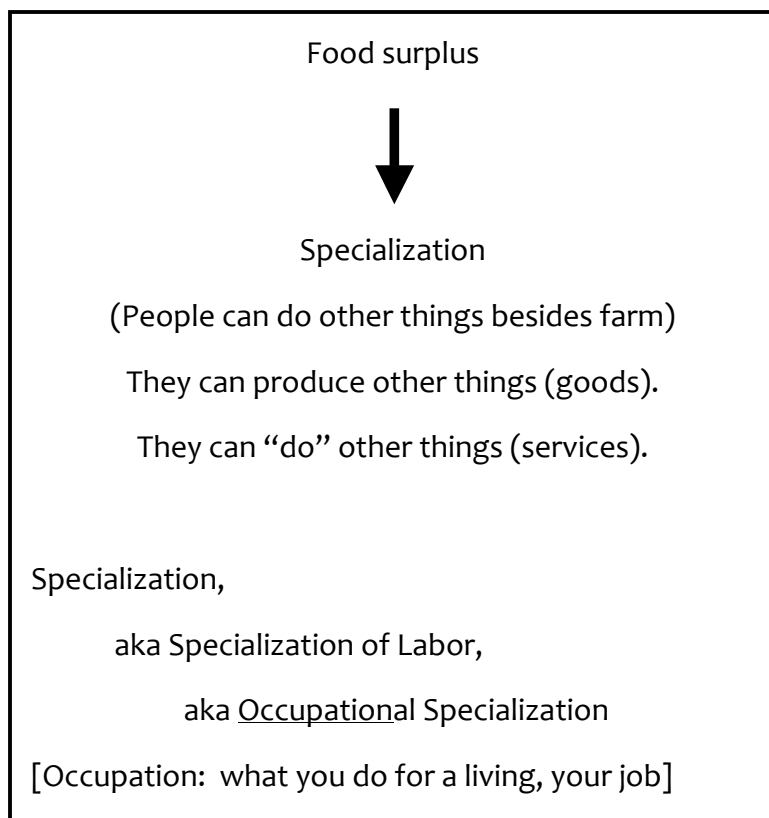


Specialization/Standard of Living Notes

Measurement topic: Explains why occupational specialization improves standards of living



Standard of Living:

The quality and quantity of goods and services available to people

Quality: The “good”ness of something, degree of excellence

Quantity: How much of something there is

<u>Goods</u>	<u>Services</u>
Material, tangible, products	Performance-based, intangible acts of benefit to another
<ul style="list-style-type: none">• fishing pole• flashdrive• shoes• stylus• desk	<ul style="list-style-type: none">• dentistry• haircut• teaching• carwash• cable TV

The greater the quality and quantity of goods and services available to people, the higher the standard of living.

The lower the quality and quantity of goods and services available to people, the lower the standard of living.

When people specialize, they:

- make more goods & services (increases quantity)
- make better goods & services (increases quality)
- create new goods & services (increases quality)
- produce enough to trade which brings in ideas for new goods & services (increases quality & quantity)

1. Specialists can make better and new types of products and services (improved quality).
2. Specialists have higher productivity (how many products one person can make) because they are good (and fast) at what they do (improved quantity). Usually, the more products that are available, the less they cost so more people can have them (improved quantity).
3. Specialization can lead to increased trade and promotes economic growth (e.g., new jobs).
4. Goods and services can make our lives more enjoyable and fulfilled.
5. More trade = more interaction with other people = new ideas (improved quality).
6. Offers more choices for occupations.
7. Specialists can improve the quality of life directly. For example, medical specialists (e.g., doctors and researchers) improve our health and longevity.
8. Government leaders/officials/workers (they are specialists, too!) can protect (e.g., police, army), and provide order and other services.

Illustrate this concept. Prepare to share with others.