

Principles of Economics Icom Part 1 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
SI	Questions	
1	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
2	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter
3	According to which economist, some factors are indivisble	A. Adam Smith B. Marshall C. Davenport D. Hobson
4	Under monopoly the slopes of AR and MR are:	A. Zero B. Positive C. Negative D. None of three
5	Marginal productivity theory was presented by	A. Adam Smith and Malthus B. Marshall and J.B Clark C. Robbins and Keyness D. Pigou and Cannon
6	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
7	Marginal revenue product curve is called	A. Demand curve of firm B. Supply curve of firm C. Demand curve of industry D. Supply curve of industry
8	When Ac is rising:	A. AC = MC B. MC > AC C. MC < AC D. Both (b) and (c)
9	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
10	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
11	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
12	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
13	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
14	Amount of money attained by selling marginal product is called	A. Average revenue product B. Marginal revenue product C. Total revenue product D. None of three
15	Production of the last unit of a factor of production is called	A. Total product B. Average product C. Marginal product D. Positive product

16	Under perfect competition:	A. AR > MR B. AR < MR C. AR = MR D. All of three
17	Next best alternative use of resources is known as:	A. Implicit costB. Explicit costC. Opportunity costD. Sunk cost
18	When AC is falling then:	A. MC = AC B. AVC = MC C. MC > AC D. MC < AC
19	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
20	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry D. Supply curve of industry