

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

Sr	Questions	Answers Choice
1	According to which economist, it is difficult to find marginal product	A. Robbins and Keynes B. Marshall and pigou C. Adam Smith and Mathuls D. Taussing and Davenport
2	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
3	When AC is falling then:	A. $MC = AC$ B. $AVC = MC$ C. $MC > AC$ D. $MC < AC$
4	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
5	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
6	Under perfect competition:	A. $AR > MR$ B. $AR < MR$ C. $AR = MR$ D. All of three
7	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
8	Marginal productivity theory was presented by	A. Adam Smith and Malthus B. Marshall and J.B Clark C. Robbins and Keynes D. Pigou and Cannon
9	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
10	$TC = TFC +:$	A. MC B. AR C. TVC D. TAC
11	When Ac is rising:	A. $AC = MC$ B. $MC > AC$ C. $MC < AC$ D. Both (b) and (c)
12	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
13	Next best alternative use of resources is known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
14	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
15	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter

16	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
17	According to which economist, some factors are indivisible	A. Adam Smith B. Marshall C. Davenport D. Hobson
18	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
19	Which law is applicable on production process under marginal productivity theory	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost
20	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
