

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

Sr	Questions	Answers Choice
1	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
2	Cost of a firm on the optimum combination of factors of production is	A. Minimum B. Maximum C. Reasonable D. Positive
3	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
4	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
5	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
6	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
7	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
8	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
9	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
10	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
11	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
12	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
13	According to which theory every factor of production gets the reward of its services equal to its marginal product	A. Demand and supply theory B. Liquidity preference theory C. Marginal productivity theory D. Uncertainty theory
14	Next best alternative use of resources is known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
15	TC = TFC +:	A. MC B. AR C. TVC D. TAC

16	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
17	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
18	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
19	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum D. Zero
20	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve