

## 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 of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
2	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
3	The rate change in total cost is:	A. TR B. MC C. MR D. TC
4	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
5	Production of the last unit of a factor of production is called	A. Total product B. Average product C. Marginal product D. Positive product
6	According to which economist, it is difficult to find marginal product	A. Robbins and Keynes B. Marshall and pigou C. Adam Smith and Mathlus D. Taussing and Davenport
7	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
8	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
9	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
10	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
11	Cost of a firm on the optimum combination of factors of production is	A. Minimum B. Maximum C. Reasonable D. Positive
12	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
13	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
14	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
15	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

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16 MPP stand is

A. Marginal price product  
B. Marginal Physical Product  
C. Marginal Physical Price  
D. Marginal Perfect Price

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17 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

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18 Wages of temporary labourers are:

A. Fixed cost  
B. Marginal cost  
C. Total cost  
D. Variable cost

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19 According to which economist, some factors are indivisible

A. Adam Smith  
B. Marshall  
C. Davenport  
D. Hobson

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20 Next best alternative use of resources is known as:

A. Implicit cost  
B. Explicit cost  
C. Opportunity cost  
D. Sunk cost

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