

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

Sr	Questions	Answers Choice
1	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
2	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
3	Cost of a firm on the optimum combination of factors of production is	A. Minimum B. Maximum C. Reasonable D. Positive
4	Wages of temporary labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
5	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
6	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
7	Under monopoly the slopes of AR and MR are:	A. Zero B. Positive C. Negative D. None of three
8	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
9	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter
10	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum D. Zero
11	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
12	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
13	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
14	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
15	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

16	When Ac is rising:	A. AC = MC B. MC > AC C. MC < AC D. Both (b) and (c)
17	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
18	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
19	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
20	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