

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

| Sr | Questions | Answers Choice |
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| 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 | Self owned resources are known as: | A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost |
| 3 | Next best alternative use of resources is known as: | A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost |
| 4 | 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 |
| 5 | Wages of temporary labourers are: | A. Fixed cost B. Marginal cost C. Total cost D. Variable cost |
| 6 | According to which economist, some factors are indivisible | A. Adam Smith B. Marshall C. Davenport D. Hobson |
| 7 | 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 |
| 8 | Under monopoly the slopes of AR and MR are: | A. Zero B. Positive C. Negative D. None of three |
| 9 | MPP stand is | A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price |
| 10 | Production of the last unit of a factor of production is called | A. Total product B. Average product C. Marginal product D. Positive product |
| 11 | All factors of production are variable in the: | A. Market period B. Long period C. Short period D. All of these |
| 12 | Firm's cost depends upon: | A. Revenue B. Supply C. Price D. Output |
| 13 | Under perfect competition: | A. $AR > MR$ B. $AR < MR$ C. $AR = MR$ D. All of three |
| 14 | AR curve is also called: | A. Supply curve B. Demand curve C. Utility curve D. Cost curve |
| 15 | 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 |

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| 16 | When AC is falling then: | A. $MC = AC$ B. $AVC = MC$ C. $MC > AC$ D. $MC < AC$ |
| 17 | Marginal revenue product is the amount of money attained by selling | A. Average product B. Marginal product C. Total product D. None of these |
| 18 | Demand for factors of production is | A. Direct B. Derived C. Positive D. Negative |
| 19 | Long run average cost curve is: | A. Planning curve B. Envelope curve C. Flatter curve D. All of three |
| 20 | With the increase of output, which cost of production increases: | A. VC B. AC C. FC D. MC |