

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

Sr	Questions	Answers Choice
1	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
2	Wages of temporary labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
3	Self owned resources are known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
4	Under perfect competition:	A. $AR > MR$ B. $AR < MR$ C. $AR = MR$ D. All of three
5	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
6	Under monopoly the slopes of AR and MR are:	A. Zero B. Positive C. Negative D. None of three
7	Next best alternative use of resources is known as:	A. Implicit cost B. Explicit cost C. Opportunity cost D. Sunk cost
8	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
9	Long run average cost curve is:	A. Planning curve B. Envelope curve C. Flatter curve D. All of three
10	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter
11	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
12	When Ac is rising:	A. $AC = MC$ B. $MC > AC$ C. $MC < AC$ D. Both (b) and (c)
13	When AC is falling then:	A. $MC = AC$ B. $AVC = MC$ C. $MC > AC$ D. $MC < AC$
14	The rate change in total cost is:	A. TR B. MC C. MR D. TC
15	$TC = TFC +$:	A. MC B. AR C. TVC D. TAC

