

Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	Firms earn abnormal profit when:	A. $AR = AC$ B. $AR < AC$ C. $AR > AC$ D. $AC = AR$
2	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
3	Under monopoly, the slope of MR curve is:	A. Twice the slope of AR curve B. Less than the slope of AR curve C. Greater than the slope of AR curve D. Half the slope of AR curve
4	If $MC=MR=AR=AC=P$, then a firms gains:	A. Super profit B. Normal profit C. Normal loss D. Abnormal loss
5	In the long run monopolist earns profit:	A. Normal B. Abnormal C. Super normal D. Both b and c
6	Under Monopoly, a firm is in equilibrium position when E_d is:	A. Equal to unity B. Less than unity C. Greater than unity D. Both b and c
7	Price discrimination policy refers to:	A. Single price B. Two prices C. Multiple prices D. None of these
8	In the long run firms mostly earn normal profit in:	A. Perfect competition B. Oligopoly C. Monopoly D. Duopoly
9	The term "Price Taker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
10	The term "Price Maker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
11	Oligopoly means:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
12	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
13	Monopoly refers to:	A. Single buyer B. Single seller C. Single producer D. Both b and c
14	Difference between total revenue and total cost presents:	A. Price B. Profit C. Production D. Loss
15	At shut down position:	A. $AC = AR$ B. $AVC = AR$ C. $AVC < AR$ D. $AVC > AR$

