

Conservation Economics: Assignment 9

The correct answer is in **bold**

1	<p>"costs that have already been committed and cannot be recovered" are</p> <p>(a) fixed costs</p> <p>(b) variable costs</p> <p>(c) marginal costs</p> <p>(d) sunk costs</p>
2	<p>"total revenue minus total cost, including both explicit and implicit costs" is a definition of</p> <p>(a) economic profit</p> <p>(b) accounting profit</p> <p>(c) profit</p> <p>(d) loss</p>
3	<p>"the increase in total cost that arises from an extra unit of production" are</p> <p>(a) fixed costs</p> <p>(b) variable costs</p> <p>(c) marginal costs</p> <p>(d) sunk costs</p>
4	<p>A monopolist firm's profit is given by</p> <p>(a) (Price - ATC) × Q</p> <p>(b) (Price - Q) × ATC</p> <p>(c) (ATC - Q) × Price</p> <p>(d) Price × Q - ATC</p>
5	<p>Which of the following is true for a competitive firm?</p> <p>(a) $P > MR$</p> <p>(b) $P > MC$</p> <p>(c) $MR > MC$</p> <p>(d) $MR = MC$</p>
6	<p>"the amount a firm receives for the sale of its output" is a definition of</p> <p>(a) total revenue</p> <p>(b) total cost</p> <p>(c) profit</p> <p>(d) loss</p>
7	<p>When the cost of production for a single firm is much lesser than the cost of production for competitive firms, we have a / an</p> <p>(a) natural monopoly</p> <p>(b) artificial monopoly</p> <p>(c) oligopoly</p> <p>(d) duopoly</p>
8	<p>"costs that do not vary with the quantity of output produced" are</p> <p>(a) fixed costs</p> <p>(b) variable costs</p> <p>(c) marginal costs</p> <p>(d) sunk costs</p>
9	<p>"costs that vary with the quantity of output produced" are</p> <p>(a) fixed costs</p> <p>(b) variable costs</p> <p>(c) marginal costs</p> <p>(d) sunk costs</p>
10	<p>"the increase in output that arises from an additional unit of input" is</p> <p>(a) marginal product</p> <p>(b) marginal profit</p> <p>(c) marginal loss</p> <p>(d) marginal cost</p>