

**Quiz 6**

Microeconomics - EC 2106

Fall Semester 1999

Instructor: Robert McNab

Name: \_\_\_\_\_

Score: \_\_\_\_\_

**INSTRUCTIONS:** Read each question carefully before answering the question. For multiple choice and true/false questions, please choose the most accurate answer. For questions requiring you to show your work, ensure to include sufficient detail to receive full or partial credit. You will have 10 minutes to complete this 10 point quiz. Each question is worth 2 points.

1. When the marginal cost curve is above the average cost curve, the average cost curve is:
  - a. At a minimum
  - b. Rising
  - c. Falling
  - d. Horizontal
  
2. Write the definition and formula for the marginal physical product of labor.

Use the following information to answer questions 3 and 4:

Number of Workers	Total Output
0	0
1	30
2	68
3	110
4	140
5	135

3. When the firm employs four workers, what is the marginal physical product of labor?
  - a. 1
  - b. 2
  - c. 3
  - d. 4
  
4. How many workers will be employed when marginal physical product of labor is at its maximum?
  - a. 1
  - b. 2
  - c. 3
  - d. 4

5. When total output is increasing:
- a. Fixed cost must be increasing
  - b. Marginal physical product of labor must be positive
  - c. Variable cost must be declining
  - d. Marginal physical product of labor must be negative

Answers

- 1. Falling
- 2. Marginal physical product of labor is equal to the change in total product divided by the change in input labor.
- 3. 30
- 4. 3 workers
- 5. Marginal physical product of labor must be positive