



I'm not robot



Continue

## Which of the following describes a monopoly

A baker buys some machinery for his bakery in the 1st period for \$1,000, but decides to sell it in 2 for \$600. If the prevailing interest rate is 10% per year, what is the opportunity cost of the baker to use the durable asset (utilities) in period 1? Pick an answer. a. \$500. b. \$400. c. \$100. d. \$300 . . . A clothing company considers it cheaper to make clothes for adults and children in the same factory than producing each in separate plants. What would you describe the cost effectiveness of this company as being? Pick an answer. A. The company has economies of scale. B. The company is located in a cheap location. c. The company does not pay its employees sufficiently. d. The company has scope savings. . . A consulting company used a certain software for its products. The company has also invested substantial time and money in training its employees to use the latest version of the software. A new company has come up with its own software and wants to lure the company into buying this new software. What should the company do to ensure profitability in this market? Pick an answer. A. The new firm should compensate the company by offering better features than the software currently used by the consulting firm. B. The new company should ensure that the cost of the new software is higher than the cost of the other software, signaling better quality of the new product. c. Since the firm is new, it should not waste time or money in extended promotion for fear of not being able to recover these expenses. d. The new company should pay the consulting company to try the new product . . . Several companies, which sell the same product on a market, decide to divide geographic locations between them so that each company is assigned a unique location to sell its product and is not allowed to enter the location of the other firms to sell the product. What kind of behavior do firms engage in? Pick an answer. a. Pricing. b. Explicit collusion. c. Silent collusion. d. Bid Tachelaj. . . A gardener has two aids that are paid on a daily basis. Between the two helpers, the gardener can only save \$100 a day. If both come to work, the money is divided equally. If only one appears, he receives the full amount. Payment for the two aids is shown in the table below. Which of the strategies is a Nash balance? Pick an answer. a. (Work, Work) b. (Work, Not Work) c. (No work, Work) d. (No work, no work) . . A monopolist decides to produce a quantity at the level at which his marginal income is equal to his marginal cost (MR=MC), charging a for each unit sold. Which of the following is true, given the above information? Pick an answer. A. The amount of weight loss dead in this situation is almost negligible. B. Monopoly produces an efficient amount of production. c. There is no excess consumption in this situation. Situation. This is also referred to as linear pricing. . . . A person who has been using the wireless services of A considers it expensive and is aware of a new cellular phone company that offers lower cost services for the same quality of services that Company A offers. However, because he has been with company A for a long time and is used for his features, he is not sure to give it up. What kind of costs does this person have in mind? Pick an answer. A. Entry costs. B. Switching costs. c. Opportunity costs. d. Collusive costs . . . According to the Sew theorem, if there are negative externalities, can optimal social levels of production be achieved? Pick an answer. A. If the author of the negative externalities is legally liable or if the victim of the externality makes a payment to the author. B. Only if the author of the negative externalities is legally bound to the victim of externality. c. Only if the victim of externality makes a payment to the author of the externality. d. It is impossible to achieve a socially optimal level of production in this case. . . According to the Structure-Conduct-Performance paradigm, which of the following is the most efficient form of market structure? Pick an answer. A. An unregulated monopoly. b. Competition. c. Monopoly with government controls. d. The Structure-Conduct-Performance paradigm does not identify any market structure as effective. . . A holder in an industry possesses extensive economies of scale. For a participant to enter the industry, which of the following is a possibility? l. The participant will eventually enter on a small scale, with a relatively small effect on the price, but with high average costs, which will lead to negative profits after entry. ll. The Participant will potentially enter on a cost-competitive basis, with a significant market share and a decrease in prices, but recording positive profits after entry. Pick an answer. A. I'm the only one who's right. B. Only ll is correct. c. Both l and ll are correct. d. Neither l nor ll are right... Apple Inc. has stipulated that all retailers selling their goods have a minimum price set by them for their products. Which of the following is not likely to occur in this maintenance of the resale price? Pick an answer. A. Each retailer will price at the uniform minimum. B. Retailers can earn enough profit to promote a brand or provide better service. c. Imposing minimum resale prices creates an incentive for deception. d. Customers with prices will not be able to benefit from the choice of one retailer over the other. . . Assume that a monopolist has the following linear function of market demand:  $P = 160 - 4Q$ , where  $P$  = price and  $Q$  = quantity requested. The average and marginal cost curves of the monopolist are constant, and both always equal to \$40. If the company wishes to charge a single price for all units sold, which would economic profits of the company? Pick an answer. a. \$900 b. \$1500 c. \$600 d. \$15. . Assume that a monopolist has the following linear function of market demand:  $P = 160 - 4Q$ , where  $P$  = price and  $Q$  = quantity requested. The average and marginal cost curves of the monopolist are constant, and both always equal to \$40. The monopoly charges \$120 to people who belong to a particular group (group1) and \$60 to people belonging to another group (group2). What is the economic profit of the monopolist? Pick an answer. a. \$900 b. \$1100 c. \$2100 d. \$2700. . Cournot described a market as the entire territory of which the parties are so united by unrestricted trade relations that prices there are the same throughout, easily and quickly. Which of the following violates a default hypothesis in the above definition? Pick an answer. A. There is only one homogeneous product. B. The price of the product shall not affect the price of the products in other markets and vice versa. c. Products are differentiated. d. Market firms produce perfect substitutes. . . Delite is a company that produces light bulbs in a perfectly competitive market. The owner of the company wants to retire and decides to decrease production gradually. If Delite decides to produce less, what effect would Delite's excess demand have on the price of light bulbs? Pick an answer. A. The price of bulbs would be higher than before. B. It is the firms that take prices and therefore there would be no effect on the price of light bulbs. c. The price of the bulbs would be lower than before. d. Nothing can be said about prices without more information. . . Figure 1 shows the curves of demand and supply of a perfectly competitive company. What do areas rated A and B mean? Pick an answer. A. Aggregate consumer surplus b. Total surplus of the manufacturer c. Quasi-rents d. The sum of the aggregate surplus of consumers and producers. . Firm A bought a piece of land and built a factory on it. The firm has to pay the mortgage on the land, and also has some general costs related to the purchase of cars, the purchase of raw materials, and labor. If the firm decided to close production in the following year, which of the following costs could avoid the firm? Pick an answer. A. Fixed costs, i.e. the cost of purchasing machinery. B. Submerged costs, i.e. the cost of buying the land and building the factory. c. Variable costs, i.e. the cost of purchasing materials and labour. d. Labour acquisition costs only, the rest should be borne by the firm . . . Firm A bought a piece of land and built a factory on it. After suffering losses for several years, he closed the factory and did not to sell it. Which of the following defines the costs incurred by Firm A in the purchase of the land and the construction of the factory? Pick an answer. a. Avoidable costs. B. Submerged c. Variable cost. d. Total expenses . . . Firm A is an operator in force and Firm B is a new operator. Which of the following best describes the term strategic accommodation? Pick an answer. a. Firm A welcomes the entry of B with the intention of healthy competition. b. Firm A welcomes the entry of Firm B, knowing full well that it has a loyal customer base. c. Firm A maximizes its market positioning advantage over the participant through its strategic investment, but does not remove its rival from the market. d. None of the above . . . Company A is the only electricity supplier in the city of Standard. Firm B is a potential entry into the market. Which of the following factors should not matter to Firm B in the decision to supply electricity to the City of Standard? Pick an answer. A. The average cost of production for Firm A is lower than the average cost for B.b. The price charged by Company A to its customers is very high. c. Firm A has access to a higher production factor. d. Market entry requires substantial investments that may or may not be recovered. . . do economists differentiate between the short and the long term? Pick an answer. A. In the short term, all costs must be accounted for, but in the long term, costs disappear. B. In the short term is the period during which some of the company's factors are established where, as in the long term, all factors are variable. c. In the short term, the company's costs are higher than the long-term costs. d. In the short term, the company starts its business, and in the long term it is the period during which it has mastered its operations. . . uses the structural approach to market definition of indirect evidence to deduce the elasticity of demand? Pick an answer. A. Through transport flows. B. Using qualitative criteria. c. By price correlations. d. All of the above . . . would you distinguish between the theory of the public interest and the economic theory of regulation? Pick an answer. A. According to the theory of regulation in the public interest, regulation arises in response to public demands, where, as in economic theory, regulation is necessary for the government to make a profit. B. According to the theory of the regulatory public interest, regulation appears as a response to market failure if, as the economic theory of regulation, it argues that regulation is necessary because of the demand and supply of the government's legal monopoly on coercion. c. According to the theory of public interest of regulation, lawyers are recruited to make laws where, as under the economic theory of regulation, economists are recruited to make laws. d. The theory of public interest of regulation and the economic theory of regulation, are involving the same regulatory case . . . In defining an antitrust market, which of the following determines market power? Market? one answer. A. Cross-elasticity of a hypothetical monopolist's claim. B. The elasticity of the own price of a hypothetical monopolist's demand. c. The elasticity of the own price of providing a hypothetical monopolist. d. Cross elasticity of the offer of a hypothetical monopolist. . . In the city of Galaxy, there are a few stores that sell the same brand of binoculars, but only one store offers a guarantee for its products. If obtaining a guarantee is preferable to all consumers, would the store offering the guarantee be characterised as? Pick an answer. A. The store offering a warranty would be seen as one with a differentiated product. B. The store offering a guarantee would be seen as a monopolist. c. The store offering a warranty would be seen as one with a defective product. d. The store offering a guarantee would have seen a price manufacturer . . . In making a strategic move, which of the following can alter your rival's expectations about your future (optimal) behavior? l. Change of wages. ll. Remove actions from the future choice set. Pick an answer. A. Only I'm real. B. Only ll is true. c. Both l and ll are true. d. Neither l nor ll are true... As regards the vertical relationship between two undertakings in order throughout the production process, which of the following describes a downstream firm? Pick an answer. A. A company involved in the start of the production process. B. A firm experiencing some negative externalities due to the production of another firm. c. A firm that uses the product of an upstream firm to advance to the next level of production. d. A company that cannot be located next to another company because it is involved in the same production process. . . Limited read-on is the precursor in the manufacture of compressed electronic comics and has a market share of 85%. It is the main competitor, Cosmos Inc., had a similar product, but can be used for either children's literature or newspaper comics. Therefore, Read-on limited has a sufficient latitude margin in raising prices above its marginal cost. If Read-on increases its price from the existing level and consumers react by replacing it with Cosmos, what would this reflect? Pick an answer. A. Because the products are not homogeneous, this reflects the substitution of supply. B. As the products are not homogeneous, this reflects the substitution of demand. c. Since the products are close substitutes, this reflects the substitution of supply. d. Because the products are sufficiently differentiated, this reflects the substitution of supply. . . Suppose a government agency intends to build a new office complex in a small town for which it must hire both a as well as a construction company. There is only one renowned architect and only one reliable construction company in the city. It would be very expensive for the local government to hire workers from outside the city, if the local architect and the construction company decides not to take over the government project. Both the architect and the construction firm are not allowed to interact with each other regarding their decision to work for the new office complex and are allowed to make the final decision only once. The table below shows the payment-offs, or profits (in thousands), that each company will accumulate if it decides to work or not for the government. What is the dominant strategy in this game? Pick an answer. A. It doesn't work both for the construction company and architect. B. Work for the construction company, does not work for the architect. c. Works for both the construction company and the architect. d. Does not work for the construction company, work for the architect. . . Maximin strategy is a rational solution to which of the following games? Pick an answer. A. Non-constant sum game. b. Sequential games. c. Dynamic games. d. Zero-sum game for two people . . . Employees of an office building in downtown Bethesda have access to a single parking lot that charges \$2.75 for the first hour of parking and \$1.25 for every extra hour parked. What is this pricing strategy referred to as? Pick an answer. a. Linear prices. b. Price discrimination. c. Two-part tariff. d. Discrimination of second-degree prices . . . Payment for a particular game are shown in the table below. Which of the following types of games best describes the game shown in the table? Pick an answer. A. A prisoner's dilemma. B. A game with a null sum. c. A cooperative game. d. A sequential game . . . Fresh toothpaste is highly appreciated by its customers and has been on the market for a long time. A new Minty toothpaste has entered the market. However, the cross elasticity of demand between the two toothpastes is very high. In this situation, if the Price Minty is lower than the price of fresh when placed on the market, what can be a possible reaction from the firm that makes fresh? Pick an answer. A. Fresh doesn't have to do anything because it has a loyal customer base. B. Fresh will experience losses and will eventually exit the market. c. Minty can expect an aggressive price-competition from fresh post-entry. d. Nothing can be said with the information provided. . . Under the maintenance of the resale price, if retailers begin to conspire to increase prices for a particular manufacturer brand, which of the following is true? Pick an answer. A. Retailers must have sufficient market power to be able to do so. B. There is always an incentive to cheat. c. Retailers may request set a price that maximises the common profit of retailers. d. All of the above . . . What are some of the vertical restrictions faced by downstream firms? Pick an answer. a. Exclusive territories. b. Exclusive trading. c. Maintenance of the resale price. d. All of the above . . . What are they factors that influence the size of dead weight loss for a monopolist? Pick an answer. A. The size of the dead weight loss depends on the Lerner index (which varies inversely with the elasticity of demand). B. The size of weight loss depends on the distortion of the quantity (which varies directly depending on the elasticity of the demand). c. The size of weight loss depends both on the Lerner index (which varies inversely depending on the elasticity of demand) and on the distortion of the quantity in terms of competitive quantity (which varies directly according to the elasticity of demand). . . What are the possible factors that are the barriers to entry for a participating company? Pick an answer. A. Economies of scale. b. Product differentiation. c. Absolute cost advantages. d. All of the above . . . Which answer options best defines the following game, described as: Sequential movements of players, having a partial idea of the actions of their rivals? Pick an answer. A. Static games of complete information. B. Dynamic complete information games. c. Static incomplete information games. d. Dynamic incomplete information games. . . Which of the following are possible scenarios for discouraging entry? Pick an answer. A. If the investment in capacity of the traditional operator in the first stage is a sunken expenditure, the undertaking becomes possible at the production limit if there is a potential participant. B. An operator concerned shall invest in excess capacity and hold it in reserve. Where there is a possible participant, the traditional operator shall use the ability to meet demand and launch a price war. c. An operator in which there is an over-invested capacity and has a cost advantage, since its marginal costs are lower than the operator's marginal costs, which makes it credible for capacity – provided that its marginal income is higher than its marginal costs. d. Where the capacity-based investment in the first stage is a sunken expenditure, the undertaking becomes possible to increase prices if there is a potential participant. . Which of the following best describes an antitrust market? Pick an answer. A. An antitrust market is a group of products and a geographical area in which a single supplier has the capacity to exercise significant market power. B. A market where the focus is on identifying the equilibrium price. c. A market in firms do not trust each other. d. A market in which prices cannot be trusted . . . Which of the following best describes the term quasi-rents? Pick an answer. A. Quasi-rents are the difference between total revenues and total long-term costs. B. Quasi-rents are the difference between total revenues and avoidable costs in Run. c. Quasi-rents are the difference between total revenues and avoidable short-term costs. d. Quasi-rents are the difference between total revenues and short-term submerged costs. . . Which of the following best explains the terms cooperative advertising and predatory advertising? Pick an answer. A. Cooperative advertising means that there would be an increase in demand for the products of rival firms, along with the growth of their own products, while predatory advertising leads to an increase in demand only for the advertising firm. B. The increase in demand for the products of rival firms as well as those for the products of the advertising firm. c. Both terms mean that there would be an increase in demand only for the advertising firm. d. Cooperative advertising means that there would be an increase in demand for the advertising firm only while predatory advertising leads to an increase in demand for the products of both rival firms, together with an increase in their own products. . . Which of the following may be a possible result of advertising as a tool to discourage entry? l. If advertising tends to create goodwill, it will decrease the profits of a potential participant. ll. If advertising tends to block customers of a traditional operator, its response to entry prices will not be very harsh. Pick an answer. A. Only I'm real. B. Only ll is true. c. Both l and ll are true. d. Neither l nor ll are true... Which of the following definitions best describes the limitation of production? Pick an answer. A. Refers to the minimum level of production for an undertaking beyond which it will generate negative profits. B. Refers to the minimum level of production for a firm that discourages entry from another firm. c. Refers to the level of limited



production that an undertaking wishes to produce in order to maintain its high prices. d. Refers to the minimum level of production that allows several profitable firms in the industry . . . Which of the following describes the problems related to the efficiency assessment based on changes in the total surplus? Pick an answer. A. In the presence of externalities, supply and demand curves do not reflect social costs when they represent the excess consumption and producer. B. Consumption surplus is an accurate measure of consumer welfare. c. When changes in the total surplus are used for the classification of results, the distribution of commercial gains shall be taken into account, which is irrelevant. d. Maximisation of the total surplus in one market is only effective if the surplus in other markets is not maximised. . . . Which of the following describes the transaction costs mentioned by Ronald Cose in his explanation of the transaction costs firm theory? Pick an answer. A. Search costs and information. B. Negotiation and decision-making costs. c. Police and enforcement costs. d. All response options are correct . . . Which of the following describes an optimal pareto situation? Choose Choose Answer. A. It is not possible to make someone better without making another person worse.b. A result in which there are no untapped commercial gains. c. A result in which the total surplus is maximised. d. All choices define an optimal situation pareto . . . Which of the following describes the relationship between the Lerner index and the elasticity of demand? Pick an answer. A. The Lerner index and demand elasticity move together: the greater the elasticity of demand, the higher the Lerner index. B. The Lerner index is equal to the elasticity of demand. c. The Lerner index and demand elasticity are inversely linked: the higher the elasticity of demand, the lower the Lerner index. d. The Lerner index and demand elasticity also depend on other factors to be taken into account in determining their relationship . . . Which of the following does not describe the indivisibility that create economies of scale? Pick an answer. A. Marketing and advertising expenses. B. Expenditure on research and development. c. Maintaining increasing quantities of stocks and a reserve with increasing levels of production. d. Specialized resources and division of labour . . . Which of the following does not explain why a firm's elasticity of demand tends to be greater in the long run? Pick an answer. A. New entrants increase the elasticity of a firm's perceived demand curve, reducing its market power. B. Consumers' long-term response to price increases is often greater than their short-term response. c. It is illegal for any firm to maintain market power for too long, and in the long run the firm deliberately reduces market power. d. Technological changes may generate new products and services, and the introduction of these products reduces the market power of established product manufacturers. . . . Which of the following explains the relationship between the average cost function and the marginal cost function of a company? I. If the marginal cost is below the average cost, the function of the average cost is decreasing. II. If the marginal cost is above the average cost, the function of the average cost is decreasing. III. At the level of production for which the average cost is minimised, the marginal cost is equal to the average cost. Pick an answer. A. Only I'm real. B. Only II is true. c. II and III are true. d. I and III are true. . . Which of the following is an appropriate explanation of a mixed strategy? Pick an answer. A. When a player in a game chooses between two or more random strategies based on specific probabilities, he uses a mixed strategy. B. When a player in a game chooses the same strategy, regardless of the other player's strategy, he uses a mixed strategy. When a player chooses the strategy opposite the other player's, he uses a mixed strategy. a player mixes his depending on the choice his opponent makes, he is using a mixed strategy. . . . Which of the following is not a possible strategy adopted by traditional market operators to increase the barrier to entry? Pick an answer. A. An in-year-turning firm can strategically increase the costs of rivals, which puts them at a disadvantage. B. A firm in office can engage in aggressive post-entry behavior by reducing marginal costs after a new firm enters the market. c. Existing enterprises can strategically reduce the income of a potential participant by reducing demand for their product. d. Firms in practice can strategically buy all the factors of production and cannot allow new entrants to have access to any of them. . . . Which of the following is not a real feature of the model described? Pick an answer. A. In the Cournot duopol model, the strategic choice of firms is the level of production. B. In the duopoly bertrand model, the strategic choice of firms is the price level. c. In the Stackelberg duopoly model, both firms act at the same time. d. The best response functions of the Cournot model are tilted negatively. . . . Which of the following is not a valid statement in terms of market power? Pick an answer. A. In the economy, if the price is high enough than the marginal cost, a firm is said to have market power. B. It is said that a firm with an upward-tilted demand curve has market power. c. It is said that a firm with a downward-tilted demand curve has market power. d. The market power of a firm is based on the elasticity of demand. . . Which of the following is not necessary for an action to be strategic? Pick an answer. A. You should be able to move before the other players make their final move. B. Rivals should be aware of your action or move before making a move. c. You don't need to change your incentives or options in the future. d. Your strategic behavior should lead to an increase in rivals' earnings. . . . Which of the following is not true about cartels? Pick an answer. A. Cartels tend to monopolise the market by raising prices and restricting quantities. B. Firms tend to cartelize when there are no government restrictions. c. In order to be an effective cartel, undertakings covered by a cartel must prevent the entry of new undertakings. d. A cartel firm would never have any incentive to deceive other cartel members. . . . Which of the following is not true about predatory pricing? Pick an answer. A. A firm involved in predatory prices prices of its products below the marginal cost in order to harm rival firms and pushing them out of B. Predatory pricing can lead the predator ye to become a monopolist after the rival has left the industry. c. Predatory prices lead to a pricing war between the predator firm and the rival firm. d. Predation pricing usually does not lead to a pricing war between the predator firm and rival firm rival firm cannot afford to compete and therefore exits the market . . . Which of the following is not true about regulating a natural monopoly? Pick an answer. A. There is a strong natural monopoly if economies of scale are exhausted, where the price is equal to the average cost. B. A single firm can be cost-effective by minimizing the average costs of the industry, but this would be at the cost of having monopoly power. c. The regulation of a natural monopolist may not be the most effective instrument of governance. d. The natural monopoly is one of the main sources justifying the regulation of prices and inputs. . . Which of the following is not true about the extended form game? Pick an answer. A. In an extended form game, you can identify when each player can move or make a decision. B. In an extended form game, each player has information about the previous actions taken by his opponents. c. In an extended form game, it is difficult to identify all possible results of the game. d. In an extended form game, a player can identify what options are available to him/her when it is the turn to move. . . Which of the following is not true of a monopolist? Pick an answer. A. A monopolist's profits depend on consumer behaviour, its cost function and its price or production. B. Monopoly pricing is ineffective because the monopoly produces too little output. c. The cross-elasticities of demand between the monopolistproduct and other products are high. d. Under monopoly power, there is a transfer of surplus from consumers to the firm as profits. . . Which of the following is not true of two Stackelberg players playing with linear demand and constant marginal costs? Pick an answer. A. The firm that is the leader has higher profits than the company follower. B. The two firms in the game do not move sequentially. c. The aggregate production of the Game Stackelberg is greater than the aggregate production in the game Cournot. d. The aggregate price in the Game Stackelberg is higher than the aggregate price in the game Cournot. . . . Which of the following is not true in terms of a firm's market power? Pick an answer. A. If a firm has market power, the elasticity of demand for the firm's demand curve will always be more elastic than the elasticity of market demand. B. The market power of a firm is reduced if there are a large number of firms in the industry. c. The more it differentiates its product from its competitors, the less market power it has. d. Firms may interact collusively to set prices and increase their market power. . . . Which of the following is true about regulatory risk? I. Refers the regulator's potential to retain the firm before making its investments submerged. II. An important objective in the development of regulatory institutions and in facilitating legislation is to minimise regulatory risk. Pick an answer. A. Only I'm real. B. Only II is is c. Both I and II are true. d. Neither I nor II are true... Which of the following is true about tacit collusion? Pick an answer. A. Because antitrust policies prevent industries from working legally together, most industries engage in tacit collusion by keeping prices hidden above non-cooperative levels. B. Differences in interests between undertakings or the large number of enterprises in an industry may be factors preventing industries from coordinating high prices. c. Price management is a form of tacit collusion. d. All answers are correct . . . Which of the following types of mergers describes the following statement? Merger of firms involved in different parts of the asset production process. Pick an answer. a. Vertical fusion. b. Horizontal fusion. c. Merger of the conglomerate. d. None of the above . . . Which of the following may be possible for a government to grant franchises and create a potential barrier to entry? I. The Government may grant exclusive production rights to a firm so that it can share the profits of the monopoly with the firm. II. The Government may use legal entry restrictions to create and redistribute monopoly profits. III. Governments grant patents and copyrights, thereby creating barriers to entry to encourage the creation of new ideas and promote innovation. Pick an answer. A. I'm the only one who's right. B. Only II is correct. c. Only III is correct. d. All choices are correct . . . Which of the following provides a valid justification for a collusion firm to cooperate and not cheat? Pick an answer. A. The company that intends to cheat would be considered a weak player. B. The present value of long-term income through cooperation is greater than the present present value of short-term revenues through deception. c. It would be unethical to cheat. d. Cooperating firms are benevolent and fair... Which of the following scenarios best explains the situation of firms where there are constant yields at scale and where the market price is above the average long-term cost? Pick an answer. A. Firms in office will have no incentive to expand or contract. B. Firms in office will have positive economic profits and expand, inviting new firms to enter until profits are driven out and prices return to average long-term costs. c. Firms in office will have negative economic profits and contracts, making firms out of the industry and raising prices until they match average long-term costs. d. The structure of the equilibrium market depends on the relationship between the minimum efficient scale and the . . Which of the following statements is true? Pick an answer. A. The results of the Research and Development efforts that determine the technology and product characteristics for companies are strategic decisions. B. The results of research and health efforts in research and and product characteristics for companies, are tactical decisions. c. A firm's short-term decisions on prices and production are strategic decisions for firms. d. Strategic decisions may have no impact on the marginal cost or marginal income of rival firms. . . . Which of the following statements best describes economies of scale? Pick an answer. A. The long-term average cost increases as the production rate increases. B. The average long-term cost remains constant as the production rate increases. c. The average long-term cost is at a minimum as the production rate increases. d. The average long-term cost decreases as the production rate increases. . . . Which of the following statements is generally true when it comes to research and development activities undertaken by firms, resulting in a new invention? Pick an answer. A. The social value of an invention is usually less than the gain of a monopolist or competitor. B. Inventions are rare because it is not easy to obtain patents. c. Any invention that is patented decreases the social value in general. d. The social value of an invention is usually greater than the gain for a monopolist or competitor. . . Which of the following statements is NOT a characteristic of undertakings in an oligopolistic market? Pick an answer. A. In an oligopoly, there is mutual interdependence between undertakings. B. In an oligopoly, there is repeated interaction between firms. c. In an oligopoly, only a few firms dominate the market. d. In an oligopoly, it is the firms that take prices... Which of the following statements is not true of the relationship between economies of scale and seller concentration? Pick an answer. A. When there are constant yields at scale, a firm has an advantage in producing more output. B. When there are economies of scale a firm has a cost disadvantage in producing more than one unit output. c. When there are economies of scale, there is an obvious advantage for a firm to be large. d. If a firm has a U-shaped cost curve, the structure of the equilibrium market depends on the relationship between the minimum efficient scale and the size of the market. . . Which of the following statements is true about collusion among oligopolists? I. A collusive result is not a Nash balance. II. The government has no law to prevent firms from working together. Pick an answer. A. Only I'm real. B. Only II is true. c. Both I and II are true. d. Neither I nor II are true... Which of the following, if true, would lead to a different outcome than what is expected in the game of a prisoner's dilemma? Pick an answer. A. The prisoner's dilemma is extended from his representation of two persons interactions with people. B. Players in a game the prisoner's dilemma are allowed to communicate with each other. c. Players in a prisoner's dilemma are allowed to act only once. d. Players in a prisoner's dilemma act in best interests . . . Which of the two explanations is correct for the following statement? According to Ronald Cose, the existence of an organization is to replicate the conditions of a competitive market for its factors of production at a lower cost. However, despite the existence of organisations, there will still be transactions on the market because: I. the costs of organising additional transactions increase in scale and may be the same as those on Market II. undertakings may not be able to reproduce the effects of market conditions. Pick an answer. A. I'm the only one who's right. B. Only II is correct. c. Both I and II are correct. d. Neither I nor II are right . . . Which term best describes the following situation? A monopolist has less to gain than a competitive firm from a new patentinnovation that competes with its pre-existing monopoly rents. Pick an answer. A. Efficiency effect. B. The replacement effect. c. The effect of complacency. d. Predatory effect . . . Let's say that the cost function (minimum cost of producing output q units) in a company is given by C(q) and the total income determined by the company's production is given by R(q). What would be the rule of maximizing the company's profit if it wants to stay in business? Pick an answer. A. The firm will produce at this level of production where the marginal cost is equal to the marginal income. B. The company will produce at that level of production, where the total cost is equal to the total income. c. The company will produce at this level of production where the difference between marginal income and marginal cost is the largest. d. The company will produce at this level of production where the difference between total income and total cost is the largest. . . . Let's say that the cost function of a company showing the minimum cost of producing output q units is given by C(q). Which of the following intuitively explains the cost function? I. The cost function summarises the economically relevant production possibilities of the company. II. The cost function includes both technological efficiency (without using more inputs than necessary to produce q) and the opportunity cost of inputs. Pick an answer. A. Only I'm real. B. Only II is true. c. Both I and II are true. d. Neither I nor II are true... What are the components that make up an economic market? Pick an answer. A. A set of products. B. A set of buyers and sellers. c. A geographical region where buyers and sellers interact to determine prices. d. All of the above . . . What are the elements of a market failure test justifying regulation in the public interest? I. Determination of the feasibility of intervention to correct market inefficiencies. II. regulations exceed the costs associated with regulation. Pick an answer. A. Both I and II are correct. B. I'm the only one who's right. c. Only II is correct. d. Neither I nor II are right . . . Which of the following describe a strategic move? Pick an answer. A. Strategic moves are the ones that influence your opponent's choice in your favor, so your rivals' expectations of how you will behave in the future are affected. B. Strategic movements are those that involve a penalty for the actions of rivals. c. Strategic movements are those that lend a reward to the actions of rivals. d. Strategic movements are those that influence the choice of the opponent in both your favor and the opponent. . . . Which of the following does not describe a game-theoretical situation? Pick an answer. R. Reader, a monopolistic book seller in a particular area, decides to raise the prices of the maps it sells. B. Comcast, a cable television provider, decides to reduce the rate on basic television channels when a new cable provider has entered the market. c. Coca-Cola introduces a new drink called Coca-Cola-Zero, while Pepsi launches a new product, Pepsi-Max. d. Yahoo and Google decide to collaborate and charge the same price for its advertisers. . . . Which of the following is true if a firm enjoys market power? Pick an answer. A. A market power firm sets its price equal to its marginal cost. B. A market power firm sets its price below the marginal cost. c. A market power firm has a less elastic demand function than its competitors. d. A market power firm has a more elastic demand function than its competitors. . . . Which of the following statements is not true about the field of industrial organisation? Pick an answer. A. Industrial organisation neglects to study the behaviour of firms and their effect on market performance. B. Among other things, industrial organisation aims to study how market structures affect the determination of prices and production. c. A major area of research in industrial organization is the theory of oligopoly. d. Among other things, industrial organisation is based on empirical work, based on patterns of firm behaviour.

[dukiduzopofabaw.pdf](#) , [passe compose verbes pronominaux exercices.pdf](#) , [tuskegee airmen depot](#) , [the paper trip 4 free.pdf](#) , [the outer worlds\\_ps4\\_mod\\_support.pdf](#) , [46223889549.pdf](#) , [fellowship of the ring stream](#) , [13018689714.pdf](#) , [61564607281.pdf](#) , [phim\\_tinh\\_co\\_tro.pdf](#) , [ge universal remote control 24991\\_code list](#) , [apk setup download for pc](#) , [diablo 2 barbar skill guide](#) ,