

7. The price system and the microeconomy (A Level) Starter Quiz · 课前小测

A-Level Economics

Name: _____ Score: _____

1. Total utility from 2 then 3 ice creams is 18 then 24. What is the marginal utility of the 3rd?

2. An indifference curve joins all consumption bundles that give:

- ☐ the same level of satisfaction
- ☐ the same total cost
- ☐ maximum profit
- ☐ zero utility

3. Allocative efficiency occurs where:

- ☐ price = marginal cost
- ☐ price = average cost
- ☐ total revenue is maximised
- ☐ output is zero

4. Marginal social cost (MSC) equals marginal private cost plus the:

- ☐ external cost
- ☐ total revenue
- ☐ fixed cost
- ☐ subsidy

5. Total cost is 120 to make 10 units. What is the average cost per unit?

6. A firm sells 30 units at a price of 5. What is total revenue ($TR = P \times Q$)?

7. In perfect competition, each firm is a:

- ☐ price-taker
- ☐ price-maker
- ☐ monopolist
- ☐ cartel

8. A profit-maximising monopolist sets output where:

☐ $MR = MC$, then prices off the demand curve

☐ price = 0

☐ $AR = AC$

☐ output is maximised

9. Total revenue is 150 and total cost is 100. What is the profit?

10. In long-run perfect competition, firms earn only normal profit.

☐ True ☐ False

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1. **6**

$$MU = \text{change in } TU = 24 - 18 = 6.$$

2. **the same level of satisfaction**

Every point on one indifference curve yields equal utility.

3. **price = marginal cost**

$P = MC$ means the value of the last unit equals its cost — allocatively efficient.

4. **external cost**

$$MSC = MPC + \text{external cost imposed on third parties.}$$

5. **12**

$$AC = TC / Q = 120 / 10 = 12.$$

6. **150**

$$TR = 5 \times 30 = 150.$$

7. **price-taker**

With many firms and an identical product, each must accept the market price.

8. **MR = MC, then prices off the demand curve**

$MR = MC$ gives the profit-maximising quantity; the price comes from demand at that quantity.

9. **50**

$$\text{Profit} = TR - TC = 150 - 100 = 50.$$

10. **True**

Free entry competes away any supernormal profit until $P = AC$ at its minimum.