STUDY FOR WEEKS 7 AND 8 REFFONOMICS.COM QUIZ

Here are some topics which will show up on your exam:

- Fixed costs (do not change with output) and variable costs (change with output).
- Total costs and marginal costs (per-unit/additional costs).
- Specialization and division of labor as synonymous terms.
- The law of diminishing marginal returns is an inefficiency which results from producing beyond the efficient capacity of a firm's fixed resources.
- The law of diminishing marginal returns and the concept of increasing output at a decreasing rate....when something is increasing, though by less per unit.
- Firms should continue to hire more workers as long as the additional (per-unit) revenue is greater than (or at least equal to) the cost of hiring that additional worker.
- Total revenue (P X Q) and marginal revenue.
- REVENUE DOES NOT EQUAL ________________ ?
- Management strategies and risk levels.
- The purpose of being in business is NOT just to make money. It is to maximize _______?
- Be able to identify specific fixed and variable costs.
- identify four market structures in the product market of the circular flow diagram; 1. perfect competition 2. monopolistic competition 3. oligopoly 4. monopoly
- Identify the various types of investments and identify if they are aggressive, conservative, growth, or balanced (etc.) investments.