1. The fixed cost curve is...
   A. increasing  **B. flat**  C. decreasing

2. The average fixed cost curve is...
   A. increasing  B. flat  **C. decreasing**

3. The average total cost curve is typically...
   A. increasing then decreasing  B. flat  **C. decreasing then increasing**

4. The marginal total cost curve is typically...
   A. increasing then decreasing  B. flat  **C. decreasing then increasing**

5. At the minimum average total cost, marginal cost is ______________ average total cost.
   A. less than  **B. equal to**  C. greater than  D. indeterminate

6. Long run average total cost is ______________ short run average total cost.
   A. less than or equal to  **B. equal to**  C. greater than or equal to  D. indeterminate

7. If a firm has diseconomies of scale, if it doubles its level of production it __________ its costs.
   A. more than doubles  **B. doubles**  C. less than doubles

8. If a firm has economies of scope for producing two goods, the total cost of producing the two goods together is __________ the total cost of producing them separately.
   A. more than  **B. the same as**  C. less than

9. If there are many firms, no product differentiation, and no barriers to entry, then the market structure is...
   A. perfect competition  **B. monopolistic competition**  C. oligopoly  D. monopoly

10. If there are many firms, products within the market are differentiated, and no barriers to entry, then the market structure is...
    A. perfect competition  **B. monopolistic competition**  C. oligopoly  D. monopoly

11. When a firm is maximizing profits, its marginal revenue is ______________ its marginal cost.
    A. more than  **B. the same as**  C. less than

12. In a perfectly competitive market, the demand curve that any individual firm sees is...
    A. the same as the market demand curve  **B. steeper than the market demand curve**  C. flatter than the market demand curve  D. flat

13. In the short run, a firm will continue to produce as long as...
    A. its profits are greater than zero  **B. its revenue is greater than its total costs**  C. its revenue is greater than its variable costs

14. In the long run, a firm will continue to produce as long as...
    A. its profits are greater than zero  **B. its revenue is greater than its total costs**  C. its revenue is greater than its variable costs

15. An individual firm’s supply curve is its...
    A. average total cost curve  **B. average variable cost curve**  C. marginal cost curve

16. The market supply curve is...
    A. The sum of the prices that each firm would sell a given quantity for.  **B. The sum of the quantities that each firm would sell at a given price.**

17. Producer surplus is ______________ profit is.
    A. total revenue - total costs; total revenue - total costs  **B. total revenue - total variable costs; total revenue - total costs**
    C. total revenue - total costs; total revenue - total variable costs  D. total revenue - total variable costs; total revenue - total variable costs