Unit 5.1 Introduction to Factor Markets

AP Microeconomics Homework — Past Exam Questions Only — 4 Questions

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MCQ — Past Exam Questions

1. 2022 AP Micro MCQ Q27

For a firm operating in perfectly competitive product and factor markets, the marginal revenue product of labor is equal to the

(A) marginal product of labor

(B) price of labor multiplied by the marginal product of labor

(C) price of labor multiplied by the price of the output

(D) price of the output divided by the price of labor

(E) price of the output multiplied by the marginal product of labor

2. 2023 AP Micro MCQ Q38

Which of the following is an example of physical capital?

(A) Earnings from a job

(B) Fish in the ocean

(C) Money in a person's wallet

(D) An unskilled worker

(E) A tractor used in farming

3. 2025 AP Micro MCQ Q30

A firm hires labor and rents machines as variable inputs from perfectly competitive factor markets to produce Good X. The firm also requires land, as a fixed input, for its operation. The firm's short-run profit-maximizing quantity of output would not be affected by a change in which of the following?

(A) The price of land

(B) The price of Good X

(C) The marginal product of labor

(D) The marginal product of machines

(E) The wage rate

FRQ — Past Exam Questions

4. 2023 AP Micro FRQ Q1(d)

Context: RKB is a profit-maximizing monopoly that produces a new, patented electronic device. RKB is earning positive economic profit.

(d) Assume that RKB hires workers in a perfectly competitive labor market.

(i) Draw a correctly labeled graph for the labor market, showing the equilibrium wage and quantity of labor, labeled W_E and Q_E, respectively.