IC #13  Key (4-13-09)

1. A short run production period is one where:
   a. output is zero (-3)
   ✖ b. at least one input is fixed (-6)
   c. the time period is less than one year (-2)
   d. no fixed costs are incurred (-3)
   e. the quantity of all inputs being used can NOT be altered (-2)

2. To maximize the profit from using a variable labor input in the short run, a firm should keep using more labor up to the point where:
   a. TP is a maximum (-2)
   b. MP is a maximum (-2)
   c. MFC = w (= wage rate) (-3)
   ✖ d. MRP = MFC (-6)
   ✖ e. MRP = 0 (-3)