## MGT610 BUSINESS ETHICS MCQS WITH ANSWERS

**Agency problem**Liquidity problem
Regulatory problem
Diversification problem

A shift to judgments based on rules or norms of a group to which the individual belongs is characteristic of which level of moral development?

Post-formal
Pre-conventional
**Conventional**
Post-conventional

Commodities that are considered valuable only because they lead to other good things are called:

**Instrumental goods**Instrumental values
Intrinsic goods
Intrinsic values

The desire for a good or service best represents:

Need
**Want**Desire
None of the given

Which of the following choices does NOT describe a situation that is covered by the concept of rights?

The absence of prohibitions against an activity
The authorization to do something to secure one’s interests
**The necessity of doing something required by authority**The existence of prohibitions on others to enable individuals to pursue an activity

Which of the following holds that all public offices and employment should be made available to everyone?

The principle of equal liberty
The difference principle
**The principle of equal opportunity**The principles of ethics

Which of the following is FALSE of Nozick’s theory of justice?

**Theory is redistributive**None of the above options
Theory is historical
The theory is not patterned

Which of the following does NOT describe virtue?

The traits that everyone needs for a good life
An excellence that is admired in a person
A disposition to act in a multidimensional way
**A specific state of character**

Who presented the theory of absolute advantage?

**Adam Smith**Friedrich A. Hike
Murray Roth bard
Eric Mack

John Maynard Keynes argues that the aggregate demand for goods and services is the sum of the demand of which of the following factor(s)?

Households
Businesses
Government
**All of the given options**

Which of the following is the price that just covers the costs of producing the commodity including the going rate of profit obtainable in other markets?

**Natural price**Selling price
Price flexibility
Market price

Which of the following rights is embodied by perfectly competitive free markets?

**Negative right of freedom from coercion**Positive right of freedom from coercion
Moral right of freedom from coercion
Ethical right of freedom from coercion

Which of the following refers to the undesirable and unintended contamination of the environment by the manufacture or use of commodities?

Toxic substance
**Pollution**Acid rain
Airborne toxic

Which of the following is a public policy view that holds that large firms should not be broken up into smaller units but subjected to substantial governmental restraint and controls?

The Chicago School view
The do-nothing view
The anti-trust view
**The regulation view**

Which of the following public policy views claims that the power of oligopolies is not as large as it appears?

**The Chicago School view**The do-nothing view
The anti-trust view
The regulation view