



Class: XI

Time Allowed: 25 minutes

Q1:

MODEL PAPER 2026

SUBJECT: ECONOMICS

SECTION "A" (MULTIPLE CHOICE QUESTIONS)

Marks: 20

Note: Attempt ALL questions from Section 'A'. Each question carries ONE mark.

1. Who is known for the concept of the "invisible hand" in economics?
 A. Adam Smith B. Alfred Marshall C. Loonier Robbins D. John Maynard Keynes
2. What did Loonier Robbins emphasize in his definition of economics?
 A. Wealth creation B. Scarcity of resources C. Division of labor D. Government intervention
3. What is an example of an economic good?
 A. A smart phone. B. Fresh air. C. Sunshine D. Friendship.
4. Which of the following conditions must hold for the Law of Demand to apply?
 A. The good is a luxury good. B. The price change is temporary.
 C. There are no close substitutes for the good. D. The consumer's income is constant.
5. If the price elasticity of demand is 1.5, what type of demand is it?
 A. Inelastic. B. Elastic. C. Unit elastic. D. Perfectly elastic.
6. Which of the following is a characteristic of utility?
 A. Utility is objective. B. Utility is constant. C. Utility is subjective. D. Utility is tangible.
7. What is the primary characteristic of the factor of production "land"?
 A. It is man-made. B. It is homogeneous. C. It is abundant. D. It is immobile.
8. Which of the following formulas is used to calculate average product (AP)?
 A. Total product / Number of inputs. B. Marginal product / Number of inputs.
 C. Total product / Number of outputs. D. Marginal product / Number of outputs.
9. Which of the following is an implication of the law of Equi-marginal Utility?
 A. Consumers spend all their income on one good.
 B. Consumers allocate income to equalize marginal utility from each good.
 C. Consumers save most of their income.
 D. Consumers buy goods randomly.
10. What is the total cost composed of?
 A. Fixed cost only. B. Variable cost only.
 C. Fixed cost and variable cost. D. Sunk cost and opportunity cost.
11. What is the primary factor that determines wages?
 A. Demand for labour. B. Supply of labour.
 C. Government policies. D. Marginal productivity of labour.
12. According to the theory of marginal productivity, what happens to wages as the marginal product increases?
 A. Wages decrease. B. Wages remain constant.
 C. Wages increase. D. Wages become unpredictable.
13. If a firm sells 10 units at Rs. 100 each, what is the total revenue?
 A. Rs. 10 B. Rs. 100 C. Rs. 1000 D. Rs. 10,000.
14. When does a consumer achieve equilibrium according to the Law of Equi-marginal Utility?
 A. When income is fully spent. B. When total utility is maximum.
 C. When the marginal utility from one good is greater than others.
 D. When marginal utility from each good is equal.
15. According to the Ricardian theory of rent, what determines rent?
 A. Supply and demand for land. B. Scarcity of land and its varying fertility.
 C. Location of land. D. Fertility of land.
16. Which of the following would increase the demand for a product?
 A. Increase in price. B. Decrease in consumers' income.
 C. Decrease in price of a substitute good. D. Increase in consumers' income.
17. What determines the price elasticity of demand?
 A. Availability of substitutes. B. Income level. C. Price level. D. Government policies.
18. What does supply refer to in economics?
 A. The quantity of a good that consumers are willing to buy.
 B. The quantity of a good that producers are willing to sell at a given price.
 C. The total quantity of a good available in the market.
 D. The quantity of a good that is in demand.
19. How does an increase in production costs affect the supply curve?
 A. It shifts the supply curve to the right B. It shifts the supply curve to the left
 C. It has no impact on the supply curve D. It makes the supply curve steeper
20. What is the significance of price elasticity of supply in economics?
 A. It helps understand the behavior of consumers
 B. It helps determine the equilibrium price
 C. It helps determine the quantity of a good demanded
 D. It helps understand the responsiveness of quantity supplied to price changes

END OF SECTION A



Class: XI

MODEL PAPER 2026

Time: 2 hours 35 minutes

SUBJECT: ECONOMICS (SECTION "B" AND SECTION "C")
SECTION "B" (SHORT ANSWER QUESTIONS)
Total Marks 80
40 Marks

Note: Attempt any **EIGHT** questions from Section 'B'. Each question carries **FIVE** marks.

- Q.2 Describe the role of economics in resource allocation in a country like Pakistan.
- Q.3 Explain how Loonier Robbins' definition of economics influenced the field of economics.
- Q.4 Explain how unlimited wants and needs lead to scarcity in Pakistan's economy.
- Q.5 Define constrained optimization of utility and explain its significance in consumer decision-making.
- Q.6 Define the concept of economic rent according to David Ricardo and explain its significance in the context of Pakistan's agricultural sector.
- Q.7 Define capital and explain its role in promoting economic growth and development.
- Q.8 Define the Law of Increasing Returns to scale and explain its significance for firms in Pakistan's manufacturing sector.
- Q.9 Define the Law of Demand and explain its significance in understanding consumer behaviour in Pakistan's markets.
- Q.10 Explain how the income elasticity of demand can be used to classify goods into necessities and luxuries.
- Q.11 Describe how changes in production costs, technology, and government policies can affect the supply of a product.
- Q.12 Describe the role of free entry and exit in perfect competition and explain how it affects the profitability of firms in Pakistan.
- Q.13 Explain the concept of optimum level of output under perfect competition.

SECTION "C" (DETAILED ANSWER QUESTIONS)
40 Marks

Note: Attempt any **TWO** questions from Section 'C'. Each question carries **TWENTY** marks.

- Q.14 (a) Contrast the concepts of constrained and unconstrained optimization of utility.
- Q.14 (b) Examine the differences between economic and non-economic goods and provide examples of each in the context of Pakistan's economy.
- Q.15 (a) Analyze the concept of economies of scale and discuss how they can benefit firms in Pakistan's manufacturing sector.
- Q.15 (b) Evaluate the relationship between total revenue, average revenue, and marginal revenue for a firm operating in a perfectly competitive market in Pakistan.
- Q.16 (a) Analyze the impact of a price ceiling on market equilibrium in Pakistan's housing market.
- Q.16 (b) Assess the impact of increasing labor on total product (TP) in the short run.

END OF PAPER



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Answer Key- Sec A
Economics XI Model Examination Paper 2026

S #	Option
1	A
2	B
3	A
4	D
5	B
6	C
7	D
8	A
9	B
10	C
11	D
12	C
13	C
14	D
15	B
16	D
17	A
18	B
19	B
20	D



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Rubric

Model Examination Paper 2026

Class: XI

Subject: Economics

Section: B

Q.2 Describe the role of economics in resource allocation in a country like Pakistan.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none">- Attempts to describe role but vague or incorrect- Shows limited understanding of resource allocation- Lacks specific examples of economics impact- Fails to address the question	<ul style="list-style-type: none">- Describes some roles (scarcity management, decision-making)- Shows some understanding of Pakistan's economic challenges- Provides limited examples of resource allocation issues- Addresses most parts of the question	<ul style="list-style-type: none">- Correctly describes key roles (prioritization, efficient use, development)- Shows clear understanding of Pakistan's context- Provides specific examples of economic strategies- Addresses all parts of the question effectively

Q.3 Explain how Loonier Robbins' definition of economics influenced the field of economics.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Attempts to explain definition but vague or incorrect - Shows limited understanding of Robbins' impact - Lacks specific examples of influence on economics - Fails to address the question 	<ul style="list-style-type: none"> - Explains some aspects of Robbins' definition (scarcity, choice) - Shows some understanding of influence on economics field - Provides limited examples of impact on economic thought - Addresses most parts of the question 	<ul style="list-style-type: none"> - Correctly explains key aspects (means-ends relationship, universal applicability) - Shows clear understanding of Robbins' contribution - Provides specific examples of influence on economic analysis - Addresses all parts of the question effectively

Q.4 Explain how unlimited wants and needs lead to scarcity in Pakistan's economy.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define scarcity. - Does not recognize unlimited wants and needs. - Lacks understanding of resource allocation. - Provides vague information. 	<ul style="list-style-type: none"> - Defines scarcity (e.g., limited resources vs. unlimited wants). - Recognizes impact of unlimited wants and needs (e.g., choices must be made). - Mentions relevance to Pakistan's economy (e.g., resource constraints, prioritization). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly explains how unlimited wants and needs lead to scarcity. - Analyzes specific examples in Pakistan's economy (e.g., water scarcity, energy shortages). - Provides data or examples to support explanation (e.g., resource allocation challenges, economic indicators). - Demonstrates thorough understanding of scarcity's impact on Pakistan's economy.

Q.5 Define constrained optimization of utility and explain its significance in consumer decision- making.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define constrained optimization of utility. - Does not recognize its significance. - Lacks understanding of consumer decision-making. - Provides vague information. 	<ul style="list-style-type: none"> - Defines constrained optimization of utility (e.g., maximizing satisfaction given budget constraints). - Recognizes significance in consumer decision-making (e.g., allocating income efficiently). - Mentions relevance to real-world choices (e.g., budget allocation, prioritization). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly defines constrained optimization of utility. - Thoroughly explains its significance in consumer decision-making (e.g., optimal allocation of resources, maximizing satisfaction). - Provides specific examples or illustrations (e.g., indifference curves, budget lines). - Demonstrates in-depth understanding of how consumers make optimal choices given constraints.

Q.6 Define the concept of economic rent according to David Ricardo and explain its significance in the context of Pakistan's agricultural sector.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define economic rent. - Does not recognize David Ricardo's concept. - Lacks understanding of agricultural sector application. - Provides vague information. 	<ul style="list-style-type: none"> - Defines economic rent (e.g., payment for resource beyond its opportunity cost). - Recognizes David Ricardo's contribution (e.g., land rent theory). - Mentions relevance to Pakistan's agricultural sector (e.g., land productivity, crop yields). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly defines economic rent according to David Ricardo. - Thoroughly explains its significance in Pakistan's agricultural sector (e.g., land allocation, resource efficiency). - Provides specific examples or data (e.g., crop yields, land values). - Demonstrates in-depth understanding of economic rent's role in Pakistan's agriculture.

Q.7 Define capital and explain its role in promoting economic growth and development.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define capital. - Does not recognize its role. - Lacks understanding of economic growth. - Provides vague information. 	<ul style="list-style-type: none"> - Defines capital (e.g., resources used to produce goods and services). - Recognizes role in economic growth (e.g., investment, productivity). - Mentions relevance to development (e.g., infrastructure, technology). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly defines capital and its types (e.g., physical, human, financial). - Thoroughly explains its role in promoting economic growth and development (e.g., increased productivity, job creation). - Provides specific examples or data (e.g., investment in infrastructure, economic indicators). - Demonstrates in-depth understanding of capital's impact on economic development.

Q.8 Define the Law of Increasing Returns to scale and explain its significance for firms in Pakistan's manufacturing sector.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define Law of Increasing Returns to scale. - Does not recognize its significance. - Lacks understanding of manufacturing sector application. - Provides vague information. 	<ul style="list-style-type: none"> - Defines Law of Increasing Returns to scale (e.g., output increases more than proportionally to inputs). - Recognizes significance for firms (e.g., increased efficiency, reduced costs). - Mentions relevance to Pakistan's manufacturing sector (e.g., economies of scale, competitiveness). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly defines Law of Increasing Returns to scale. - Thoroughly explains its significance for firms in Pakistan's manufacturing sector (e.g., improved productivity, increased profitability). - Provides specific examples or data (e.g., industries benefiting from economies of scale, case studies). - Demonstrates in-depth understanding of the Law's impact on Pakistan's manufacturing sector.

Q.9 Define the Law of Demand and explain its significance in understanding consumer behaviour in Pakistan's markets.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define Law of Demand. - Does not recognize its significance. - Lacks understanding of consumer behavior. - Provides vague information. 	<ul style="list-style-type: none"> - Defines Law of Demand (e.g., quantity demanded decreases as price increases). - Recognizes significance in understanding consumer behavior (e.g., demand curve, market trends). - Mentions relevance to Pakistan's markets (e.g., consumer responsiveness to price changes). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly defines Law of Demand. - Thoroughly explains its significance in understanding consumer behavior in Pakistan's markets (e.g., predicting demand, informing business decisions). - Provides specific examples or data (e.g., demand elasticity, market research). - Demonstrates in-depth understanding of the Law's impact on consumer behavior in Pakistan.

Q.10 Explain how the income elasticity of demand can be used to classify goods into necessities and luxuries.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define income elasticity of demand. - Does not recognize its role in classifying goods. - Lacks understanding of necessities and luxuries. - Provides vague information. 	<ul style="list-style-type: none"> - Defines income elasticity of demand (e.g., responsiveness of demand to income changes). - Recognizes classification of goods (e.g., necessities have low elasticity, luxuries have high elasticity). - Mentions basic examples (e.g., food as necessity, jewelry as luxury). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly explains income elasticity of demand. - Thoroughly explains classification of goods into necessities (e.g., elasticity < 1) and luxuries (e.g., elasticity > 1). - Provides specific examples or data (e.g., elasticity coefficients, real-world applications). - Demonstrates in-depth understanding of income elasticity's role in goods classification.

Q.11 Describe how changes in production costs, technology, and government policies can affect the supply of a product, and explain how these changes relate to the Law of Supply.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to describe factors affecting supply. - Does not recognize relationship to Law of Supply. - Lacks understanding of supply determinants. - Provides vague information. 	<ul style="list-style-type: none"> - Describes factors affecting supply (e.g., production costs, technology, government policies). - Recognizes impact on supply curve (e.g., shifts in supply curve). - Mentions basic relationship to Law of Supply (e.g., quantity supplied increases with price). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly describes how changes in production costs (e.g., increased labor costs), technology (e.g., improved efficiency), and government policies (e.g., subsidies or taxes) affect supply. - Thoroughly explains relationship to Law of Supply (e.g., direct relationship between price and quantity supplied). - Provides specific examples or data (e.g., real-world applications, industry trends). - Demonstrates in-depth understanding of supply determinants and Law of Supply.

Q.12 Describe the role of free entry and exit in perfect competition and explain how it affects the profitability of firms in Pakistan

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to describe free entry and exit. - Does not recognize its role in perfect competition. - Lacks understanding of profitability impact. - Provides vague information. 	<ul style="list-style-type: none"> - Describes free entry and exit (e.g., firms can enter or exit market freely). - Recognizes role in perfect competition (e.g., promotes competition, efficiency). - Mentions basic impact on profitability (e.g., firms earn normal profits in long run). - Shows basic understanding. 	<ul style="list-style-type: none"> - Clearly describes role of free entry and exit in perfect competition. - Thoroughly explains impact on profitability (e.g., firms earn normal profits, economic profits eliminated in long run). - Provides specific examples or data (e.g., market trends, industry analysis in Pakistan). - Demonstrates in-depth understanding of free entry and exit's effect on firms' profitability in perfect competition.

Q.13 Explain the concept of optimum level of output under perfect competition.

Level	Unsatisfactory	Marginal	Good	Exemplary
Max. Marks	0	1-2	3-4	5
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Attempts to explain concept but vague or incorrect - Shows limited understanding of perfect competition - Lacks specific examples of output determination - Fails to address the question 	<ul style="list-style-type: none"> - Explains some aspects (MC=MR, profit maximization) - Shows some understanding of optimum output - Provides limited examples of market conditions - Addresses most parts of the question 	<ul style="list-style-type: none"> - Correctly explains key aspects (equilibrium, efficiency) - Shows clear understanding of perfect competition model - Provides specific examples of output determination - Addresses all parts of the question effectively

Rubric

Class: XI

Subject: Economics

Section: C

Q.14 (a) Contrast the concepts of constrained and unconstrained optimization of utility.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Attempts to contrast concepts but vague or incorrect - Shows little understanding of optimization types - Lacks specific examples of utility links - Fails to address the question 	<ul style="list-style-type: none"> - Contrasts some aspects (limited vs unlimited resources) - Shows some understanding of utility optimization - Provides limited examples of decision-making scenarios - Addresses some parts of the question 	<ul style="list-style-type: none"> - Contrasts multiple aspects (budget constraints, preferences) - Shows clear understanding of optimization differences - Provides some examples of real-life applications - Addresses most parts of the question 	<ul style="list-style-type: none"> - Correctly contrasts key concepts of utility optimization - Shows in-depth understanding of constrained decisions - Provides specific, relevant examples of applications - Addresses all parts of the question effectively

Q.14 (b) Examine the differences between economic and non-economic goods and provide examples of each in the context of Pakistan's economy.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define economic and non-economic goods. - Does not recognize differences between them. - Lacks relevant examples. 	<ul style="list-style-type: none"> - Defines economic goods (e.g., scarce, priced) and non-economic goods (e.g., abundant, free). - Recognizes basic differences (e.g., scarcity, price). - Provides limited or vague examples. 	<ul style="list-style-type: none"> - Clearly defines economic and non-economic goods. - Examines differences (e.g., economic goods are scarce and priced, non-economic goods are abundant and free). - Provides relevant examples of each (e.g., economic goods: wheat, cars; non-economic goods: air, sunlight). 	<ul style="list-style-type: none"> - Thoroughly examines differences between economic and non-economic goods. - Provides specific and relevant examples of each in Pakistan's economy (e.g., economic goods: cotton, textiles; non-economic goods: rainwater, public parks). - Demonstrates in-depth understanding of economic and non-economic goods. - Offers insightful analysis of implications for Pakistan's economy.

Q.15 (a) Analyze the concept of economies of scale and discuss how they can benefit firms in Pakistan's manufacturing sector.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define economies of scale. - Does not recognize benefits. - Lacks understanding of manufacturing sector application. 	<ul style="list-style-type: none"> - Defines economies of scale (e.g., cost savings with increased production). - Recognizes some benefits (e.g., reduced costs). - Provides limited examples or context 	<ul style="list-style-type: none"> - Analyzes concept of economies of scale (e.g., internal and external economies). - Discusses benefits for firms (e.g., increased efficiency, competitiveness). - Provides relevant examples from Pakistan's manufacturing sector (e.g., textile industry). 	<ul style="list-style-type: none"> - Thoroughly analyzes concept of economies of scale. - Clearly discusses benefits for firms in Pakistan's manufacturing sector (e.g., improved productivity, increased profitability). - Provides specific and nuanced examples (e.g., case studies, industry trends). - Demonstrates in-depth understanding of economies of scale's impact on firms in Pakistan.

Q.15 (b) Evaluate the relationship between total revenue, average revenue, and marginal revenue for a firm operating in a perfectly competitive market in Pakistan.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define total revenue, average revenue, and marginal revenue. - Does not recognize relationships. - Lacks understanding of perfect competition. 	<ul style="list-style-type: none"> - Defines total revenue, average revenue, and marginal revenue. - Recognizes basic relationships (e.g., $AR = TR/Q$, $MR = \Delta TR/\Delta Q$). - Shows limited understanding of perfect competition. 	<ul style="list-style-type: none"> - Clearly defines and explains relationships (e.g., $TR = P \times Q$, $AR = P$, $MR = P$ in perfect competition). - Evaluates implications for firms (e.g., price-taking behavior). - Provides relevant examples or context. 	<ul style="list-style-type: none"> - Thoroughly evaluates relationships between TR, AR, and MR in perfect competition. - Clearly explains implications for firms in Pakistan (e.g., profit maximization, output decisions). - Provides specific and nuanced examples (e.g., numerical illustrations, graphical analysis). - Demonstrates in-depth understanding of revenue relationships in perfect competition.

Q.16 (a) Analyze the impact of a price ceiling on market equilibrium in Pakistan's housing market.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Fails to define price ceiling. - Does not recognize impact on market equilibrium. - Lacks understanding of housing market application. 	<ul style="list-style-type: none"> - Defines price ceiling (e.g., government-set maximum price). - Recognizes basic impact (e.g., shortage, excess demand). - Shows limited understanding of housing market implications. 	<ul style="list-style-type: none"> - Analyzes impact of price ceiling on market equilibrium (e.g., quantity demanded exceeds quantity supplied). - Discusses effects on housing market (e.g., reduced supply, black markets). - Provides relevant examples or context. 	<ul style="list-style-type: none"> - Thoroughly analyzes impact of price ceiling on market equilibrium in Pakistan's housing market. - Clearly discusses effects (e.g., affordability, allocation inefficiencies). - Provides specific and nuanced examples (e.g., case studies, data analysis). - Demonstrates in-depth understanding of price ceiling's impact on housing market equilibrium.

Q.16 (b) Assess the impact of increasing labor on total product (TP) in the short run.

Level	Unsatisfactory	Marginal	Satisfactory	Good	Exemplary
Max. Marks	0	1-3	4-5	6-7	8-10
Description	Provides no response or provides irrelevant response	<ul style="list-style-type: none"> - Attempts to assess impact but vague or incorrect - Shows little understanding of labor-product relation - Lacks specific examples of TP changes - Fails to address the question 	<ul style="list-style-type: none"> - Assesses some impacts (initial increase, possible decline) - Shows some understanding of short-run production - Provides limited examples of labor effects - Addresses some parts of the question 	<ul style="list-style-type: none"> - Assesses multiple impacts (stages of production, diminishing returns) - Shows clear understanding of TP behavior - Provides some examples of labor-product links - Addresses most parts of the question 	<ul style="list-style-type: none"> - Correctly assesses key impacts on TP in short run - Shows in-depth understanding of production stages - Provides specific, relevant examples of labor effects - Addresses all parts of the question effectively