

一、單選題 (40%)

1. If a sales tax on cigarettes is imposed, and demand for cigarettes is inelastic but supply is elastic, then
  - (a) cigarette manufacturers will increase cigarette prices by the full amount of the tax.
  - (b) cigarette smokers will not have to pay any of the tax; the manufacturers will have to pay all of it.
  - (c) cigarette smokers will have to pay more of the tax than cigarette manufacturers will.
  - (d) cigarette smokers will not have to pay as much of the tax as cigarette manufacturers will.
  - (e) the government will use that information in deciding whether the demanders or the suppliers should pay the tax.
  
2. Which of the following statements about monetary targets is correct?
  - (a) The monetarist approach suggests that monetary authorities should worry about interest rates; the Keynesian approach suggests that monetary authorities should worry about the money supply.
  - (b) Both the Keynesian approach and the monetarist approach suggest that monetary authorities should worry about interest rates.
  - (c) Both the Keynesian approach and the monetarist approach suggest that monetary authorities should worry about the money supply.
  - (d) The Keynesian approach suggests that monetary authorities should worry about interest rates; the monetarist approach suggests that monetary authorities should worry about the money supply.
  - (e) Neither the Keynesian approach nor the monetarist approach suggests that monetary authorities should worry about interest rates.
  
3. An increase in the U.S. demand for foreign exchange will
  - (a) cause an increase in the price of foreign exchange, which is a depreciation of the U.S. dollar, making foreign goods cheaper to U.S. residents.
  - (b) cause an increase in the price of foreign exchange, which is a depreciation of the U.S. dollar, making foreign goods more expensive to U.S. residents.
  - (c) cause an increase in the price of the U.S. dollar, which is an appreciation of the U.S. dollar.
  - (d) cause an increase in the price of foreign exchange, which is an appreciation of the U.S. dollar.
  - (e) cause a decrease in the price of foreign exchange, which is an appreciation of the U.S. dollar.
  
4. Suppose the government reduces its budget deficit at the same time that energy prices rise sharply. Which of the following must happen?
  - (a) The price level must rise, since higher energy prices increase the cost of production.
  - (b) The level of aggregate output must fall, since both events will tend to cause an economic contraction.
  - (c) The price level must fall, because aggregate demand has moved leftward.
  - (d) The level of aggregate output rises; with less government spending, there are more opportunities for the private sector.
  - (e) Both the price level and the level of aggregate output fall.
  
5. As price falls along a given demand curve,
  - (a) quantity demanded, total utility, marginal utility, and consumer surplus increase; consumer expenditure decreases.
  - (b) quantity demanded, total utility, and consumer surplus increase; marginal utility and consumer expenditure decrease.
  - (c) quantity demanded, total utility, consumer surplus, and consumer expenditure increase; marginal utility decreases.
  - (d) quantity demanded, total utility, and consumer surplus increase; marginal utility decreases; consumer expenditure might increase, decrease, or remain constant.
  - (e) quantity demanded, total utility, marginal utility, consumer surplus, and consumer expenditure all increase.

6. Suppose a monopolist operates at an output level where marginal revenue is \$5 and marginal cost is \$4.10. Which of the following is true?
- (a) The monopolist is earning negative profits and should increase production to increase profits.
  - (b) The monopolist is earning negative profits and should decrease production to increase profits.
  - (c) The monopolist is earning the maximum possible profit.
  - (d) Profits would probably increase if output were increased, but it is impossible to determine the current level of profit.
  - (e) Profits would probably increase if output were decreased, but it is impossible to determine the current level of profit.
7. Which of the following is true about the consumption function and the 45-degree line?
- (a) The consumption function has a steeper slope.
  - (b) They intersect when saving is zero.
  - (c) When the consumption function is below the 45-degree line, dissaving occurs.
  - (d) The consumption function has no intercept on the vertical axis.
  - (e) The vertical distance between the consumption function and the 45-degree line tends to narrow at very high levels of disposable income.
8. One of the following statements about the kinked demand curve theory is incorrect. Which one?
- (a) The theory explains why a change in marginal cost may not lead to a change in price.
  - (b) The theory assumes that a firm's competitors follow a price increase but ignore a price decrease.
  - (c) The theory is one of several theories of oligopoly behavior in economics.
  - (d) The theory predicts that oligopoly prices will tend to be rigid.
  - (e) The theory incorporates a marginal revenue curve with a gap at the firm's currently produced output level.
9. Suppose  $C = \$6000 + 0.75(Y - T)$ ,  $I = \$4000$ ,  $G = \$2000$ , and  $T = 0.2Y$ . at the equilibrium level of real GNP demanded,
- (a) the government's budget is balanced.
  - (b) the government is running a deficit of \$2000.
  - (c) the government is running a deficit of \$6000.
  - (d) the government is running a surplus of \$2000.
  - (e) the government is running a surplus of \$4000.
10. For a monopolist
- (a) the supply curve is the marginal cost curve.
  - (b) there is no supply curve, because the monopolist does not maximize profit.
  - (c) there is no supply curve, because the quantity supplied is independent of marginal cost.
  - (d) there is no supply curve, because the quantity supplied is independent of demand.
  - (e) there is no supply curve, because price does not equal marginal revenue.
11. Crowding-out effect refers to which of the following situations?
- (a) Investment falls when increased government spending raises the demand for money.
  - (b) Investment rises when increase government spending raises the demand for money.
  - (c) Investment falls when increased government spending raises the supply of money.
  - (d) Investment rises when increased government spending raises the supply of money.
  - (e) Investment falls when increased government spending lowers the supply of money..

12. The law of diminishing returns says that
- (a) because firms hire the best individuals first, the quality of new employees declines as the employment rate increases.
  - (b) because of structural unemployment, it is more difficult to decrease unemployment from 4 percent to 3 percent than it is to decrease it from 10 percent to 9 percent.
  - (c) because the supply curve for labor slopes upward, each new employee will be less profitable to the firm.
  - (d) because a new employee must share existing plant and equipment with other employees, each worker's ability to increase production is diminished.
  - (e) because a new employee will be less experienced than existing workers, her or his output will be less than theirs.
13. Externalities are examples of market failure
- (a) because all of the costs and benefits of producing a good are reflected in the market price.
  - (b) only if they are negative; positive externalities are not market failures
  - (c) because profits are not maximized.
  - (d) because losses are minimized.
  - (e) because some of the costs and benefits of producing a good are not reflected in the market price.
14. Suppose you have a choice of working during the summer or going to summer school. Summer tuition and books are \$1000. If you worked, you could make \$5000. Your rent is \$2000 for the summer, regardless of your choice. The opportunity cost of going to summer school is therefore
- (a) \$1000
  - (b) \$5000
  - (c) \$6000
  - (d) \$7000
  - (e) \$8000
15. If the CPI for last year was 140 and in the preceding year it was 131. What do we know about the inflation rate?
- (a) It was positive.
  - (b) It was negative.
  - (c) It has decreased since the previous year.
  - (d) It has increased since the previous year.
  - (e) It is the same as in the previous year.
16. The negative slope of an isoquant implies that output will
- (a) remain constant if the quantity of both resources increases.
  - (b) increase only if the quantity of both resources increase.
  - (c) remain constant only if the quantity of one resource increases and the quantity of the other resource decreases.
  - (d) increase only if the quantity of both resources decreases.
  - (e) increase only if the quantity of one resource increases and the quantity of the other resource decreases.
17. Which of the following is a difference between John M. Keynes and the classical economists?
- (a) Keynes did not believe that unemployment was a serious problem; the classical economists did.
  - (b) Keynes did not believe that the economy was always in equilibrium; the classical economists did.
  - (c) Keynes believed that saving and investment were done for the same reasons by largely the same groups of people; the classical economists did not.
  - (d) Keynes did not believe that the economy necessarily settled at full employment; the classical economists did.
  - (e) Keynes believed that general glut of output was a good thing for the economy; the classical economists did not believe a glut was possible in an economy in equilibrium.

18. When the supply and demand for money are included in the Keynesian model, the spending multiplier is
- unaffected.
  - smaller than when the money market is not included, because rising interest rates increase investment.
  - larger than when the money market is not included, because rising interest rates increase investment.
  - larger than when the money market is not included, because rising interest rates decrease investment.
  - smaller than when the money market is not included, because rising interest rates decrease investment.
19. A key difference between perfect competition and all other types of market structure is that
- in a perfectly competitive industry, firms are smaller.
  - only firms that are not in perfect competition can maximize profit.
  - a perfectly competitive firm faces a horizontal demand curve; all other firms face downward-sloping demand curves.
  - perfectly competitive firms will produce where price equals marginal cost, not where marginal revenue equals marginal cost.
  - only perfectly competitive firms are held to zero long-run profit.
20. Suppose that a firm in monopolistic competition is in long-run equilibrium. The firm's demand curve is tangent to its average cost curve at  $Q=50$ . Average cost is minimized at  $Q=70$ , where average cost is \$100. Which of the following is true?
- This firm maximizes profit at an output level of 50 units.
  - This firm maximizes profit at an output level of 70 units.
  - This firm maximizes profit at an output level less than 50 units.
  - This firm maximizes profit at an output level greater than 70 units.
  - There is not enough information to find the firm's profit-maximizing level of output.

二、是非題 (30%) 請回答“是”或“非”，並加以解釋，得分視解釋而定。

- When foreign citizens increase their ownership of U.S. assets, this contributes to a deficit in the U.S. current account.
- Since the industry supply curve in perfect competition is horizontal summation of individual firm supply curves, individual firm supply curves must be horizontal.
- The quantity theory of money states that since velocity is reasonably stable, one can predict the effect of an increase in government purchase on interest rates.
- Whenever demand is elastic, an increase in price leads to a decrease in total revenue.
- If the short-run Phillips curve held true in the long run as well, policy makers could combat unemployment and inflation simultaneously.
- Monetarists are so called because they, unlike the Keynesians, think that changing the money supply can have real effects in the economy.
- When the Central Bank buys government securities from a commercial bank, the commercial bank's excess reserves and required reserves increase but total reserves decrease.
- Assuming the same cost curves would exist in perfect competition and monopoly, consumer surplus would be lower under monopoly.
- For inferior goods, a decrease in price causes a negative income and substitution effects.
- Suppose that the  $MPC=0.5$  and the income tax rate,  $t=0.4$ . In the first round of new consumption spending resulting from a \$1000 increase in government purchases, consumption increases by \$600.

三、計算及問答 (30%)

1. (a) 你認為廠商(如日本廠商)到先進國家(如美、英等國)投資,以及到較落後國家(如大陸、東南亞)投資設廠,這兩類國際間資本的移動各是基於那些考慮因素?

(b) 你認為台商到大陸及東南亞投資對台灣產業及金融情勢會造成那些正面或負面的影響?(8%)

2. 假設某一廠商其生產函數如下,  $Q = AK^{\frac{1}{4}}L^{\frac{3}{4}}$ , 其中A為常數, Q為產量, K為資本量, L為勞動量, 其所面對之需求曲線為  $Q^d = 200 - P$ , 其中  $Q^d$  為需求量, P 為產品之售價。如果已知資本, 及勞動的價格分別為 30 及 10。

(a) 求最低成本下, 資本量及勞動量之投入比例?

(b) 此生產函數是規模報酬遞增? 遞減? 或固定? 為什麼?(6%)

3. (a) 何謂邊際報酬遞減(diminishing marginal return)?

(b) 何謂規模報酬遞減(decreasing return to scale)?

(c) 這兩者是否代表同樣的意義?(6%)

4. (a) 何謂貨幣政策?

(b) 中央銀行常用來採行貨幣政策之工具有三, 請簡要說明之?

(c) 証管會擬擴大開放外資進入股市, 而央行則認為宜採取較審慎的態度, 你認為央行所持的理由為何?(10%)