

系所組別：財務金融研究所

考試科目：經濟學

考試日期：0220，節次：1

※ 考生請注意：本試題 可 不可 使用計算機

- I. Multiple Choice Questions: 40% (4% for each question)
1. The price elasticity of cars has been reported at 1.5. "L" Car Company decides to raise prices by 5%. What is your most appropriate conclusion?
 - A. Demand is elastic and total revenue will increase.
 - B. Demand is elastic and total revenue will decrease.
 - C. Demand is inelastic and total revenue will increase.
 - D. Demand is inelastic and total revenue will decrease.

 2. If voluntary exchange occurs in a competitive market, which of the following will encourage efficient resource allocation?
 - A. External benefit.
 - B. Price ceiling.
 - C. Private property right.
 - D. Public goods.

 3. When a tax is imposed, which of the following would most likely lead to buyers bearing the cost?
 - A. Elastic demand and elastic supply.
 - B. Elastic demand is and inelastic supply.
 - C. Inelastic demand is and elastic supply.
 - D. Inelastic demand is and inelastic supply.

 4. Which of the following is the least likely effective means of addressing the principal-agent problem?
 - A. Commends
 - B. Multi-year contracts.
 - C. Ownership.
 - D. Pay for performance.

(背面仍有題目,請繼續作答)

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5. If marginal cost per unit is greater than average total cost per unit, increasing output will most likely cause
- A. marginal cost to decrease.
 - B. average fixed cost to increase.
 - C. average variable cost to increase.
 - D. average total cost to decrease.
6. In a perfectly competitive market, the individual firm's demand curve is most likely
- A. vertical.
 - B. horizontal.
 - C. upward sloping.
 - D. downward sloping.
7. Which of the following is the best reason for price discrimination?
- A. Differences in applicable tariffs.
 - B. Differences in effective tax rates.
 - C. Differences in production and transportation costs.
 - D. Differences in consumers' willingness to pay.
8. Branding is most important in which of the following market structure?
- A. Oligopoly.
 - B. Monopoly.
 - C. Perfect competition.
 - D. Monopolistic competition.

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9. All else being equal, according to the income effect and the substitution effect, an increase in the wage rate will most likely have what effect on the supply of labor?

- A. Increase on the income effect; Increase on the substitution effect.
- B. Increase on the income effect; Decrease on the substitution effect.
- C. Decrease on the income effect; Increase on the substitution effect.
- D. Decrease on the income effect; Decrease on the substitution effect.

10. Which of the following is least likely to cause a change in the demand for labor?

- A. An increase in the wage rate.
- B. Other factor prices.
- C. Price of the firm's output.
- D. Technology.

II. Short Answer and Essay Questions: 60% (15% for each question)

Please carefully read the following questions and answer them in English. Your grade in this portion depends on whether your answers hit the points and whether your writing format is clear. You may use graphs or tables in your answers. You are also allowed to make necessary assumptions for making the analyses. However, the graphs or tables must be clearly exhibited and the assumptions must be well defined.

1. The Economic Cooperation Framework Agreement (ECFA) was signed on June 29th, 2010, and went into effect on September 12th, 2010. Based on your knowledge, please briefly (1) describe what the ECFA is, (2) explain the difference between the ECFA and the Free Trade Agreement (FTA), and (3) analyze the possible advantages and disadvantages to Taiwan by signing the ECFA.
2. The following article is abstracted from the website of The Council for Economic Planning and Development (CEPD) issued on July 11th, 2008. Please focus on the bold and underlined sentence and make a short statement based on what you have learned from the macroeconomic theory.

(背面仍有題目,請繼續作答)

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“The government recently announced a “Strengthening of Local Construction and Expansion of Internal Demand” program designed to stimulate domestic economic growth and improve Taiwan’s living environment. The program calls for a total investment of about NT\$103.4 billion, including NT\$66.849 billion for infrastructure construction, NT\$15.1 billion for the acceleration of major infrastructure projects under the Central Government, NT\$20 billion in subsidies for debt repayment by local governments, and NT\$1.47 billion for the improvement of software related to weekend cross-straits charter flights and the opening of Taiwan to tourists from mainland China.

Responding to the slackening of global economic growth caused by soaring oil prices and the U.S. subprime mortgage crisis, the government made a decision to cushion the impact of rising prices and stimulate growth by strengthening local construction work and expanding domestic demand.

Since public construction is intimately related to the lives of the people, to production, and to protection of the environment, this policy of boosting domestic demand will emulate the successful model of economic construction by carrying out public works that directly benefit the people.”

Source: Council for Economic Planning and Development

(<http://www.cepd.gov.tw/encontent/m1.aspx?sNo=0010420&ex=+&ic=>)

3. The financial crisis starting from the end of 2008 severely impacted Taiwan. In order to stabilize the economy, the authorities implemented several monetary and fiscal policies to response. Based on your understanding, please (1) list these policies and (2) explain the possible effects of implementing these policies that the authorities expected to achieve.

4. Please (1) briefly describe how the gross domestic product (GDP) is calculated and (2) make an analysis on the possible problems of using the GDP measure.