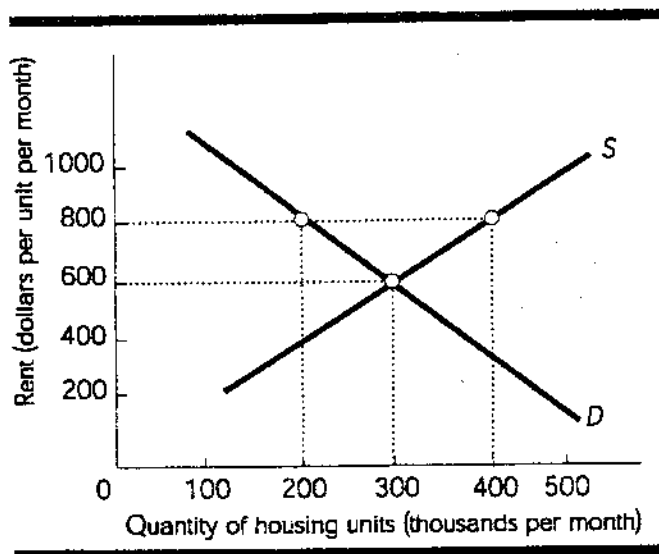


單選題(每題2.5分,共100分,不倒扣)

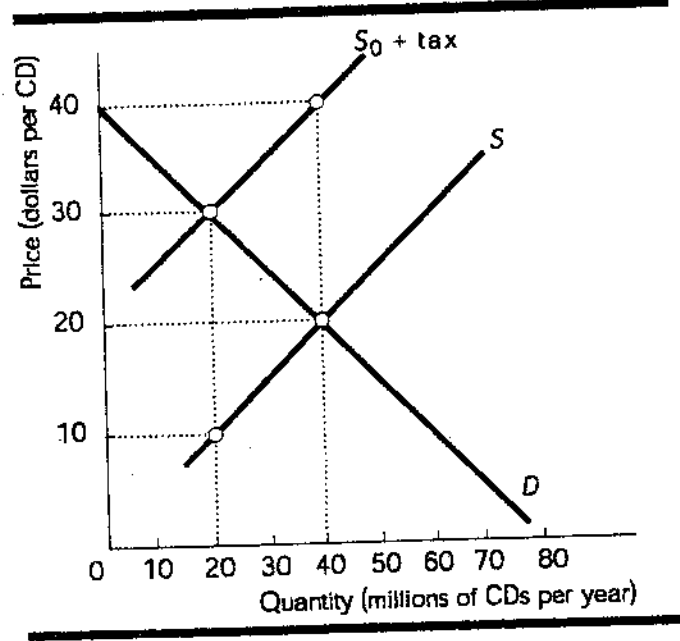
- When the price of oranges increases from \$4 to \$6 per bag, the quantity demanded of oranges decreases from 800 to 700. The price elasticity of demand over this price range is equal to
 A) $1/3$ or 0.3333 B) $1/4$ or 0.25 C) $3/7$ or 0.4286 D) 3
- For many goods, the price elasticity of demand increases over time after a price hike because
 A) consumer incomes tend to increase over time.
 B) the ability to find good substitutes for the product whose price rose increases over time.
 C) inflation causes all prices and incomes to increase over time.
 D) All of the above answers are correct.
- Joe likes peanut butter and jelly sandwiches for lunch. We can conclude that for Joe
 A) the cross elasticity of demand for peanut butter with respect to jelly is positive because jelly and peanut butter are complements.
 B) the cross elasticity of demand for peanut butter with respect to jelly is positive because jelly and peanut butter are substitutes.
 C) the cross elasticity of demand for peanut butter with respect to jelly is negative because jelly and peanut butter are substitutes.
 D) the cross elasticity of demand for peanut butter with respect to jelly is negative because jelly and peanut butter are complements.



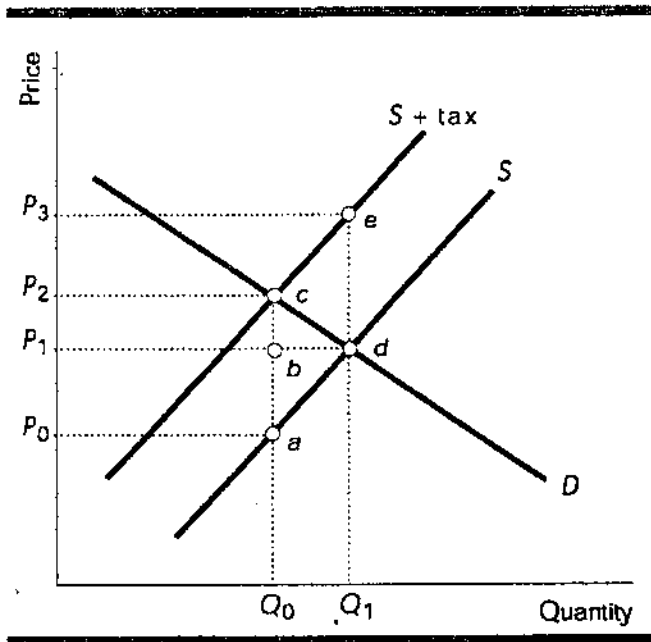
- A hurricane sweeps through New Orleans and destroys a substantial portion of available housing. The pre-hurricane housing market for New Orleans is illustrated in the above figure. Assume that the housing market in New Orleans has a rent ceiling in place at \$600 per unit. In the short-run, the post-hurricane quantity of housing may be
 A) 400,000 units. B) 500,000 units. C) 300,000 units. D) 200,000 units.

(書面仍有題目,請繼續作答)

- 5) A hurricane sweeps through New Orleans and destroys a substantial portion of available housing. The pre-hurricane housing market for New Orleans is illustrated in the above figure. Assume that the housing market in New Orleans has a rent ceiling in place at \$600 per unit. A maximum black market rent of \$800 could be charged for which of the following quantities?
- A) 300,000 units B) 200,00 units C) 500,000 units D) 400,000 units

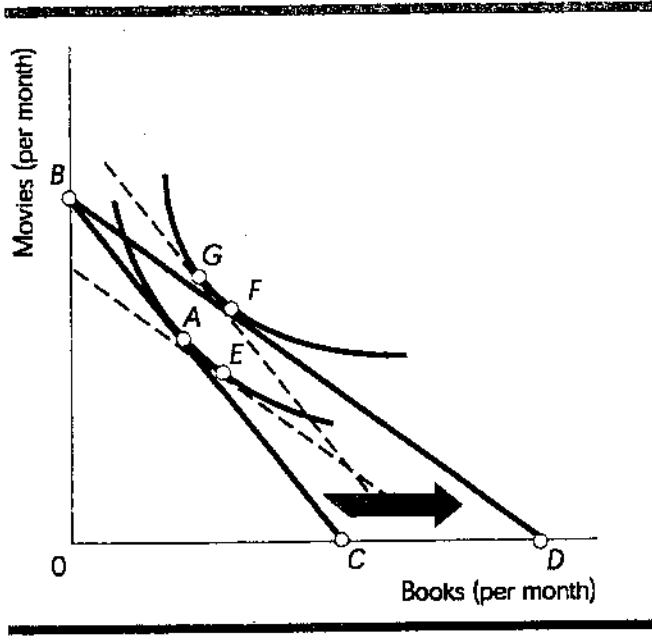


- 6) In the above figure, the price received by the seller before the tax is _____ per compact disc, and the price received and kept by the seller after the tax is _____ per compact disc.
- A) \$30; \$10 B) \$20; \$10 C) \$20; \$20 D) \$30; \$20
- 7) In the above figure., what is the amount of the total tax revenue collected by the government?
- A) \$200 million B) \$40 million C) \$400 million D) \$20 million

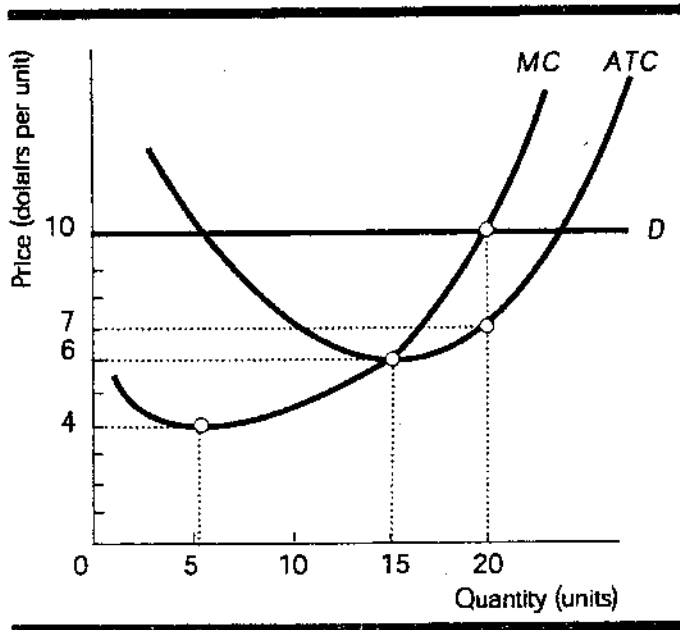


- 8) To help pay for the cost of sport related injuries, the government imposes an excise tax on all sports equipment. Using the above figure, how much consumer surplus is lost from this excise tax on sports equipment?
- A) bcd B) ced C) P_2P_3ec D) P_1P_2cd
- 9) To help pay for the cost of sport related injuries, the government imposes an excise tax on all sports equipment. The deadweight loss created by this excise tax would be greater than shown in the figure above if
- A) the demand were more elastic. B) the supply were more elastic.
C) Neither of the above D) Both of the above
- 10) To help pay for the cost of sport related injuries, the government imposes an excise tax on all sports equipment. Referring to the above figure, how much tax revenue does the government raise from this excise tax on sports equipment?
- A) ecd B) P_1P_2cb C) P_0P_2ca D) P_1P_3ed
- 11) The paradox of value
- A) is explained by the fact that the total utility of diamonds exceeds the marginal utility of water.
B) is explained by the fact that the marginal utility of diamonds exceeds the total utility of water.
C) is explained by the fact that the total utility of diamonds exceeds the total utility of water.
D) is explained by the fact that the marginal utility of diamonds exceeds the marginal utility of water.

(背面仍有題目,請繼續作答)



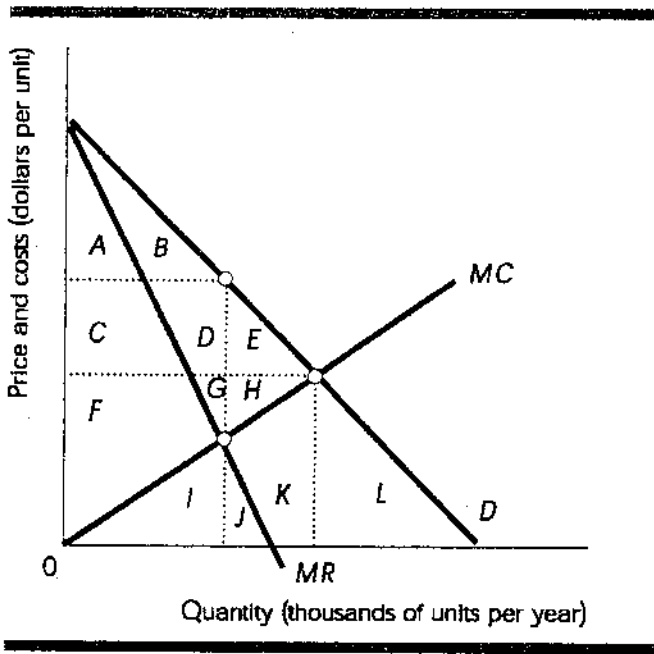
- 12) Consider the change in the price of a book depicted in the above figure. The original budget line is BC. The new budget line is BD. As a result of this price change, the substitution effect can be represented by a movement from
- A) point A to point E. B) point A to point G. C) point A to point F. D) point F to point G.
- 13) Consider the change in the price of a book depicted in the above figure. The original budget line is BC. The new budget line is BD. As a result of this price change, the income effect can be represented by a movement from
- A) point G to point F. B) point E to point F. C) point G to point A. D) point A to point F.



- 14) In the above figure, the firm will produce
- A) 0 units. B) 15 units C) 5 units. D) 20 units.

15) In the above figure, the firm's total economic profit is equal to

- A) \$150. B) \$50. C) $MR - MC$. D) \$200.



16) Which area(s) in the above figure indicates consumer surplus at the price and quantity that would be attained if the industry were perfectly competitive?

- A) $A + B + C + D + E + F + G + H$ B) $F + G + H$
C) $A + B + C + D$ D) $A + B + C + D + E$

17) Which area(s) in the above figure indicates consumer surplus at the price and quantity that would be set by a single-price monopoly?

- A) $A + B + C + D + E$ B) $C + D + E + F + G + H$
C) $C + D$ D) $A + B$

18) Which area(s) in the above figure indicates producer surplus at the price and quantity that would be set by a single-price monopoly?

- A) $C + D + F + G + I$ B) $C + D + E$ C) $C + D + F + G$ D) $C + D$

19) In the above figure, which area is the deadweight loss from a single-price monopoly?

- A) $E + H + K + J$ B) E C) $E + H + K$ D) $E + H$

20) In the long-run equilibrium, a firm in monopolistic competition produces at an output level where

- A) $P > ATC$ but $MR = MC$. B) $P > ATC$ and $MR > MC$.
C) $P = ATC$ but $MR > MC$. D) $P = ATC$ and $MR = MC$.

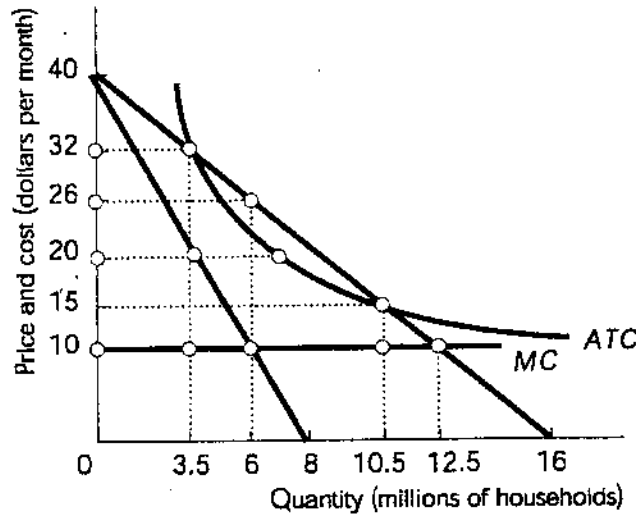
(背面仍有題目,請繼續作答)

		Firm A	
		R&D	No R&D
Firm B	R&D	A: \$25 B: \$15	A: -\$3 B: \$60
	No R&D	A: \$60 B: -\$3	A: \$50 B: \$35

- 21) Firms A and B can conduct research and development (R&D) or not conduct it. R&D is costly but can increase the quality of the product and thus possibly increase sales. The payoff matrix is the economic profits of the two firms and is given above, where the numbers are millions of dollars. The Nash equilibrium occurs when
- A) both A and B conduct R&D.
 - B) neither A nor B conduct R&D.
 - C) only A conducts R&D.
 - D) only B conducts R&D.

		Disney	
		Thanksgiving release	Christmas release
Fox	Thanksgiving release	D: \$100 F: \$80	D: \$105 F: \$95
	Christmas release	D: \$110 F: \$100	D: \$95 F: \$85

- 22) Disney and Fox must decide when to release their next films. The revenues received by each studio depends on when the other studio releases its film. Each studio can release its film at Thanksgiving or at Christmas. The revenues received by each studio, in millions of dollars, are depicted in the payoff matrix above. Which of the following statements correctly describes Disney's strategy given what Fox's release choice may be?
- A) If Fox chooses a Christmas release, Disney should choose a Thanksgiving release.
 - B) If Fox chooses a Thanksgiving release, Disney should choose a Christmas release.
 - C) Disney should release on Thanksgiving regardless of what Fox does.
 - D) Both answers A and B are correct.



- 23) Consider the market for cable television, a natural monopoly, shown in the figure above. If the regulator were to impose the marginal cost pricing rule, the firm would provide service to
- A) 10.5 million households. B) 12.5 million households.
C) 3.5 million households. D) 6 million households.
- 24) Consider the market for cable television, a natural monopoly, shown in the figure above. If the regulator were to impose the average cost pricing rule, deadweight loss is equal to the area
- A) *bcj*. B) *bck*. C) *beg*. D) *cef*.
- 25) Japan was accused of dumping in the steel industry within the United States when it
- A) negotiated a illegal trade deal with Canada.
B) prohibited imports of U.S. steel into Japan.
C) sold steel at a price below its cost within the United States.
D) negotiated an illegal cartel with U.S. steel industries.
- 26) Which of the following expenditures is an intermediate good?
- A) The government buys new tires for its military vehicles.
B) You buy new tires for your used car.
C) A U.S. tire firm sells new tires to Canada.
D) General Motors buys new tires to put on the cars it's building.

(背面仍有題目,請繼續作答)

Component	Amount (dollars)
Net taxes	10
Personal consumption expenditure	50
Depreciation	8
Government purchases	20
Gross investment	26
Net exports	-10
Compensation of employees	65

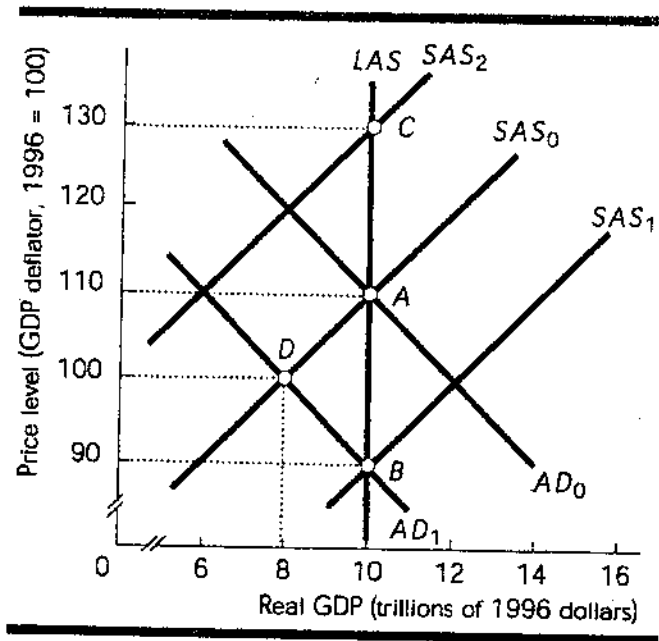
- 27) Using the information in the table above, calculate gross domestic product.
 A) \$86 B) \$78 C) \$118 D) \$108
- 28) Using the information in the table above, calculate national saving.
 A) 16 B) 10 C) 26 D) 18
- 29) If the number of people unemployed is 100, the number of people employed is 1000, and the working-age population is 1400, then the unemployment rate is
 A) 10 percent. B) 6.6 percent. C) 7.1 percent. D) 9.1 percent.
- 30) Which statement correctly describes "structural unemployment?"
 A) The amount of structural unemployment depends on normal labor turnover.
 B) Structural unemployment occurs mainly during recessions.
 C) Structural unemployment occurs even when the economy is at the natural rate of unemployment.
 D) Structural unemployment is also called "frictional unemployment."
- 31) If the CPI is 120, this means that
 A) nominal GDP will be less than real GDP.
 B) prices are 0.12 times higher than in the reference base period.
 C) prices are 20 percent higher than in the reference base period.
 D) prices are 120 percent higher than in the reference base period.

Item	Quantity	2002 Price	2003 Price
Movie tickets	4	\$5.00	\$7.50
Bags of popcorn	2	\$3.00	\$3.00
Drinks of soda	4	\$1.00	\$1.50

- 32) The information in the table above gives the 2002 reference base period market basket and prices used to construct the CPI for a small nation. It also has the 2003 prices. What is the value of the CPI for 2003?
 A) 100 B) 140 C) 133 D) 75
- 33) If the CPI for December 2002 is 220 and the CPI for December 2003 is 215, the inflation rate for 2003 is
 A) just over 2 percent. B) 10 percent. C) 5 percent. D) just over 5 percent.

Real GDP	C	I	G	X	M
100	75	25	95	10	1
200	150	25	95	10	2
300	225	25	95	10	3
400	225	25	95	10	4
500	375	25	95	10	5
600	450	25	95	10	6
700	525	25	95	10	7
800	600	25	95	10	8
900	675	25	95	10	9
1000	750	25	95	10	10

- 34) In the above table, C is consumption expenditure, I is investment, G is government purchases, X is exports, and M is imports. All entries are in dollars. What is the marginal propensity to consume?
A) 0.25 B) 0.75 C) 0.20 D) 0.80
- 35) In the above table, C is consumption expenditure, I is investment, G is government purchases, X is exports, and M is imports. All entries are in dollars. What is the unplanned inventory change when GDP is equal to \$400?
A) \$26 B) -\$5 C) \$5 D) -\$26
- 36) In the above table, C is consumption expenditure, I is investment, G is government purchases, X is exports, and M is imports. All entries are in dollars. If investment were to increase by \$26 to a level of \$51 then equilibrium expenditure will
A) increase by \$100. B) decrease by \$50. C) decrease by \$100. D) increase by \$25.
- 37) The tax cuts passed by Congress in 2001 to help move the economy out of a recession are an example of
A) discretionary fiscal policy. B) automatic fiscal policy.
C) contractionary fiscal policy. D) lump-sum taxes.
- 38) In a simple economy, the consumption function is given by $C=100+0.8(Y-T)$, where Y is aggregate income and $T=100$ is lump-sum taxes. The levels of investment and government purchases are fixed and there is no foreign sector. If lump-sum taxes increase by 10 then real GDP
A) decreases by 50. B) increases by 10. C) decreases by 10. D) decreases by 40.
- 39) The quantity theory of money argues that, in the long run, the percentage change in money will equal the percentage change in
A) potential GDP. B) the price level. C) velocity. D) real GDP.



40) In the above figure, the economy is initially at point A. Which point best represents the long-run response to a decrease in the growth rate of the quantity of money, according to the monetarists, and assuming no further changes?

- A) A B) B C) C D) D