

- 編號: 529
- I. A lower east-side cinema charges \$3.00 per ticket for children under 12 years of age and \$5.00 per ticket for anyone 12 years of age or older. The firm has estimated that the price elasticity of demand for tickets by those 12 years of age or older is -1.5. Calculate what the elasticity of demand for tickets must be for children under 12 years of age if prices are optimal (20%).
  - II. Illustrate the basic relations between sectoral balances in an open economy (10%).
  - III. Show the responses of price and real GDP to an increase in transfer payments (10%).
  - IV. **Choose the BEST Answer (60%, 3 points each)**
    1. To determine whether an increase in the price of gasoline results in a consumer spending a larger share of their expenditure on gasoline we need to know
      - A only how much money the consumer spends on gasoline before the price change.
      - B only the change in the price of gasoline.
      - C only the change in the price of gasoline as a percentage of the original price.
      - D only the own price elasticity of demand for gasoline.
    2. For an inferior good, the income and substitution effects
      - A work together.
      - B work against each other.
      - C can work together or in opposition to each other depending upon their relative magnitudes.
      - D always cancel each other.
    3. If an Engel curve has a positive slope
      - A both goods are normal.
      - B the good on the horizontal axis is normal.
      - C as the price of the good on the horizontal axis increases, more of both goods are consumed.
      - D as the price of the good on the vertical axis increases, more of the good on the horizontal axis is consumed.
    4. Indifference curves are convex to the origin because of:
      - A transitivity of consumer preferences.
      - B the assumption of a diminishing marginal rate of substitution.
      - C the assumption that more is preferred to less.
      - D the assumption of completeness.

(背面仍有題目,請繼續作答)

5. Which of the following will not cause a shift to the right in the demand curve for beer?
- A A change in the price of beer.
  - B A health study indicating positive health benefits of moderate beer consumption.
  - C A change in the price of French wine (a substitute).
  - D A change in the price of potato chips (a complement).
6. Which of the following strategies are used by business firms to capture consumer surplus?
- A price discrimination.
  - B bundling.
  - C two-part tariffs.
  - D all of the above.
7. Under which of the following scenarios is it most likely that monopoly power will be exhibited by firms?
- A When there are few firms in the market and the demand curve faced by each firm is highly inelastic.
  - B When there are many firms in the market and the demand curve faced by each firm is highly inelastic.
  - C When there are few firms in the market and the demand curve faced by each firm is highly elastic.
  - D When there are many firms in the market and the demand curve faced by each firm is highly elastic.
8. A variable cost function of the form:  $VC = 23 + Q + 7Q^2$  implies a marginal cost curve that is
- A linear.
  - B downward sloping.
  - C U-shaped.
  - D quadratic.
9. At the current level of output long run marginal cost is \$50 and long run average cost is \$75. This implies that:
- A there are neither economies nor diseconomies of scale.
  - B there are economies of scale.
  - C there are diseconomies of scale.
  - D the cost-output elasticity is greater than one.

10. In a short-run production process, the marginal cost is rising and the average variable cost falling as output is increased. Thus,
- A average fixed cost is constant.
  - B marginal cost is above average variable cost.
  - C marginal cost is below average fixed cost.
  - D marginal cost is below average variable cost.
11. Which of the following is not included in GDP?
- A purchases of goods added to the inventories of firms.
  - B purchases of intermediate goods by households.
  - C purchases of consumption goods by households.
  - D government expenditure on salaries of civil servants.
12. An U.S. firm buys a new industrial sewing machine from a company located in France. Which of the following is true?
- A U.S. net exports decrease.
  - B U.S. exchange rate increases.
  - C U.S. consumption expenditure increases.
  - D U.S. investment decrease.
13. Suppose the economy is experiencing a recessionary gap. In the long run:
- A the price rises.
  - B the money wage rate rises
  - C unemployment rises.
  - D unemployment falls.
14. Which of the following statements is correct?
- A Economic growth is usually defined as the increase in real GDP per person.
  - B The defining feature of economic growth is the more rapid growth of population than output.
  - C Labor productivity increases with increases in labor forces.
  - D If a nation's population grows, then, there can be no economic growth.

15. The component of aggregate expenditure is
- A Government transfer payments.
  - B Taxes.
  - C Imports.
  - D Savings.
16. Which of the following is not considered a purpose of the fiscal budget?
- A To help the economy achieve full employment.
  - B To finance the activities of the government.
  - C To promote sustained economic growth.
  - D To maintain a steady monetary growth rate.
17. Which of the following is not part of the long-run effects of an increase in the quantity of money?
- A Real wage rate remains constant.
  - B An increase in money wage rate.
  - C Real GDP increases.
  - D An increase in price of goods market.
18. When the central bank purchases government securities on the open market
- A bank reserves increase.
  - B interest rates increase.
  - C bank reserves decrease.
  - D the monetary base decrease.
19. Which of the following can occur as a result of unanticipated inflation in the labor market?
- A Employment and unemployment both rise.
  - B Employment and unemployment both fall.
  - C A redistribution of wealth from workers to firms.
  - D Labor turnover because of falling real wages.
20. Which of the following contributed to the collapse of the economy during the Great Depression?
- A A severe decrease in government spending.
  - B A decrease in consumption.
  - C A large decrease in the monetary base.
  - D A decrease in savings.