

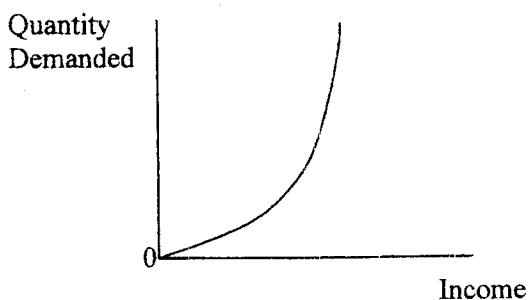
「說明部分」請將答案依照下列格式，作答於答案卷上。

壹、單選題（作答時每行 5 小題，其格式如下：）

- |         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 1. ( )  | 2. ( )  | 3. ( )  | 4. ( )  | 5. ( )  |
| 6. ( )  | 7. ( )  | 8. ( )  | 9. ( )  | 10. ( ) |
| 11. ( ) | 12. ( ) | 13. ( ) | 14. ( ) | 15. ( ) |
| 16. ( ) | 17. ( ) | 18. ( ) | 19. ( ) | 20. ( ) |
| 21. ( ) | 22. ( ) | 23. ( ) | 24. ( ) | 25. ( ) |
| 26. ( ) | 27. ( ) | 28. ( ) | 29. ( ) | 30. ( ) |
| 31. ( ) | 32. ( ) | 33. ( ) | 34. ( ) | 35. ( ) |
| 36. ( ) | 37. ( ) | 38. ( ) | 39. ( ) | 40. ( ) |

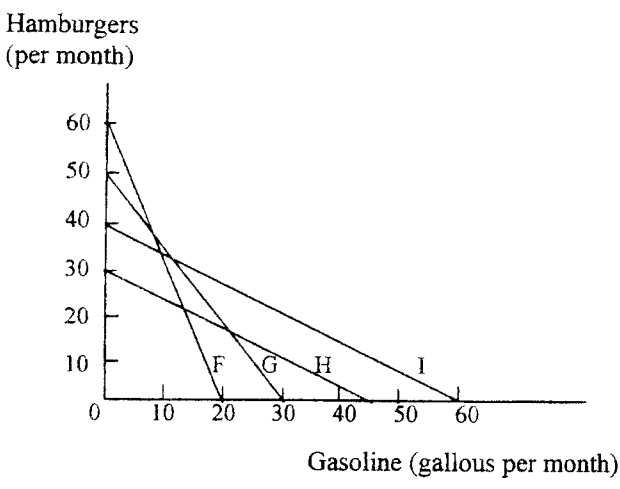
「試題部分」單選題（選擇最適答案）

每題 2.5 分



1. The above figure shows the relationship between income and quantity demanded for a new good. Based on this figure, we can conclude that the new good is
- A) an inferior good.
  - B) an income elastic normal good.
  - C) an income inelastic normal good.
  - D) None of the above answer is correct.

（背面仍有題目，請繼續作答）



2. In the above figure, if income is \$45.00, the price of hamburgers is \$1.50, and the price of gasoline is \$1.00, then which is the correct budget line?
- A) F
  - B) G
  - C) H
  - D) I

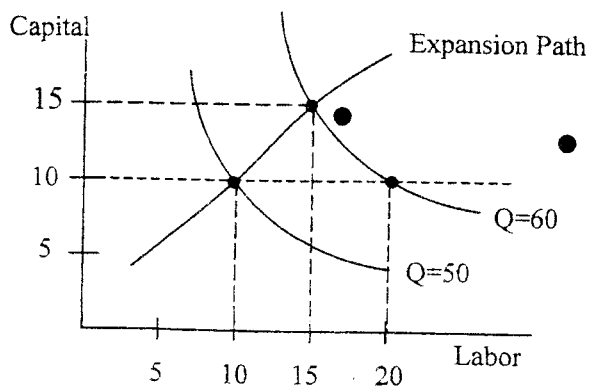
Quantity of magazines	Marginal utility from magazines	Quantity of gummy bears	Marginal utility from gummy bears
0		0	
1	100	1	200
2	75	2	180
3	50	3	160
4	25	4	140
5	5	5	120

3. Kelly's marginal utilities for magazines and packages of gummy bears are listed in the table above. For Kelly, what is the total utility received from consuming 5 magazines?
- A) 5
  - B) 20
  - C) 25
  - D) 255

4. If the price of a good falls, all else equal, the marginal utility per dollar of that good
- A) decreases.
  - B) increases.
  - C) might either increase or decrease depending on whether the good is a substitute or a complement.
  - D) More information is needed to determine the answer.
5. When a consumer spends all of his or her income and consumes a bundle of goods such that the marginal utility per dollar spend is equal for all goods, then the
- A) consumer's total utility is maximized.
  - B) consumer is in his or her consumption equilibrium.
  - C) marginal utilities for *each* good are maximized.
  - D) Both answers A and B are correct.
6. The more closely substitutable are two goods, the
- A) more normal looking is the indifference curve for the two items.
  - B) more closely the indifference curve for these two items approximates a straight line.
  - C) more tightly curved is the indifference curve for these items.
  - D) None of the above answers is correct.
7. The change in consumption that results from a change in the relative price of goods while staying on the same indifference curve is the
- A) income effect.
  - B) substitution effect.
  - C) indifference effect.
  - D) price effect.
8. Which of the following leads a good to have a high elasticity of supply?
- I. The good that must be produced using unique resources.
  - II. The good that is produced using commonly available resources.
- A) I only
  - B) II only
  - C) I and II
  - D) Neither I nor II.

9. Kathy is trying to decide how much time she should spend at work and how much time she should devote to leisure. Her best affordable point is determined by where
- the wage rate is equal to \$15.
  - the opportunity cost of an hour of leisure is equal to the wage rate.
  - the marginal rate of substitution is equal to the wage rate.
  - the income effect is equal to the substitution effect for a wage change.
10. Sam can spend an hour of his time either working or staying home and watching his favorite television show, "Gilligan's Island." If Sam's wage rate increases, the
- substitution effect would induce Sam to work less and spend more time watching "Gilligan's Island."
  - income effect would induce Sam to work less and spend more time watching "Gilligan's Island."
  - income effect would induce Sam to work more and spend less time watching "Gilligan's Island."
  - Both answers A and C are correct.
11. Diminishing marginal returns to labor imply that
- fixed costs will remain constant as the firm's output increases.
  - the firm's short-run marginal cost curve will be upward sloping.
  - the firm enjoys increasing returns to scale in the long run.
  - the firm will be unable to earn short-run economic profit.
12. The marginal cost curve crosses
- only the average variable cost curve at its bottom.
  - both the average cost curve and the average variable cost curve at their bottoms.
  - only the average cost curve at its bottom.
  - the marginal product curve at its maximum.

Questions 14-16 refer to the following diagram. The wage rate is assumed to be \$12 per hour, the rental rate is assumed to be \$6 per hour, and capital is assumed to be fixed in the short run at 10 hours.



13. The short-run average cost of producing 60 units of output per week is
- A) \$3 per unit.
  - B) \$4.50 per unit.
  - C) \$5 per unit.
  - D) \$9 per unit.
14. The long-run total cost of producing 60 units of output per week is
- A) \$180.
  - B) \$270.
  - C) \$300.
  - D) \$900.
15. By comparing the two points on the expansion path, we can conclude that this technology exhibits
- A) decreasing returns to scale.
  - B) constant returns to scale.
  - C) increasing returns to scale.
  - D) zero returns to scale.
16. A firm will shut down in the short run if its revenues fail to cover its
- A) fixed costs.
  - B) variable costs.
  - C) total costs.
  - D) sunk costs.
17. Costs that are independent of the firm's level of output are called
- A) fixed costs.
  - B) marginal costs.
  - C) opportunity costs.
  - D) sunk costs.
18. Consider a firm that produces peanut butter. An increase in the price of peanuts will cause the firm to lower its output because
- A) fixed costs will rise.
  - B) marginal cost will rise.
  - C) the price of peanut butter will rise.
  - D) marginal revenue will fall.

19. If an economy's production possibilities frontier shifted to the right, this would illustrate
- A) increasing opportunity cost.
  - B) decreasing opportunity cost.
  - C) a fall in resource utilization.
  - D) economic growth.
20. In a perfectly competitive market,
- A) there can be few or many buyers and sellers.
  - B) the price can be driven upward by suppliers holding back on goods and services.
  - C) each participant is too small to affect the market price.
  - D) government intervention is needed to ensure that prices are fair for consumers.
21. Other things being equal, a higher price induces
- A) buyers to reduce the amount they want to buy and sellers to reduce the amount they are willing to sell.
  - B) buyers to increase the amount they want to buy and sellers to increase the amount they are willing to sell.
  - C) buyers to increase the amount they want to buy and sellers to reduce the amount they are willing to sell.
  - D) buyers to reduce the amount they want to buy and sellers to increase the amount they are willing to sell.
22. Under which one of the following situations would you be better off?
- A) You have paid \$500 for a \$1,000 U.S. savings bond that matures in 10 years, and unanticipated inflation is 10 percent per year.
  - B) You have \$10,000 in your savings account paying 5 percent per year, and unanticipated inflation is 8 percent per year.
  - C) You lend a friend \$1,000 at 6 percent to be repaid in one year, and unanticipated inflation is 7 percent during the year.
  - D) You borrowed \$2,500 at 7 percent to pay for this year's college expenses, and unanticipated inflation is 12 percent during the year.
23. The demand curve for a monopolistic competitor is
- A) the same as the industry demand curve.
  - B) horizontal.
  - C) less elastic than the demand curve of the perfectly competitive firm.
  - D) more elastic than the demand curve of the perfectly competitive firm.

24. When a change in the price level causes a change in the purchasing power of currency, which then changes the desired rate of consumption at all income levels, it is called
- A) the substitution effect.
  - B) the real-balance effect.
  - C) the interest rate effect.
  - D) the open-economy effect.
25. The interest rate effect is considered to have
- A) an indirect effect because higher prices lead to lower interest rates.
  - B) an indirect effect because price level increases cause borrowing to increase, which raises interest rates and reduces quantity demanded for goods and services.
  - C) a direct effect because interest rates move in the same direction as changes in quantity demanded.
  - D) a direct effect because increases in the price level lead to increases in interest rates.
26. The long-run aggregate supply curve is vertical at \$5 trillion but the short-run aggregate supply curve intersects the aggregate demand curve at \$6 trillion. From this, we know that
- A) the price level is too high. The only way long-run equilibrium can be restored is to lower the price level.
  - B) adjustments will have to occur so that the short-run aggregate supply intersects the aggregate demand curve at \$5 trillion.
  - C) the economy is operating below full capacity in the short run, and will have to adjust by hiring more workers, thus reducing unemployment.
  - D) adjustments will have to occur so that the long-run aggregate supply equals \$6 trillion.
27. Given the utility-optimizing rule and the presence of diminishing marginal utility for a good,
- A) there will not be a well defined demand curve.
  - B) the demand curve for the good will be negatively sloped.
  - C) there will not be a substitution effect.
  - D) the demand curve for the good will be vertical.
28. An individual who is suffering from money illusion is more concerned with
- A) nominal prices than with real prices.
  - B) real prices than with nominal prices.
  - C) relative prices than with real prices.
  - D) relative prices than with nominal prices.

(背面仍有題目,請繼續作答)

29. The government increases spending by \$100. This can be financed by
- A) permitting \$100 of interest payments to be deductible on income taxes.
  - B) taking a one hundred dollar bill out of circulation.
  - C) the sale of a \$100 bond to the private sector.
  - D) the purchase of a \$100 bond by the government.
30. If the level of consumption is \$100 billion and disposable income is \$125 billion, then the
- A)  $APC = .8$  and savings are negative.
  - B)  $APC = .8$  and savings are positive.
  - C)  $APC = .6$  and savings are positive.
  - D)  $APC = .6$  and savings are negative.
31. When the economy is at a point on its short-run aggregate supply (SAS) curve that is above potential GDP, the real wage rate is \_\_\_\_\_ the full-employment equilibrium real wage rate.
- A) equal to
  - B) less than
  - C) greater than
  - D) not comparable to
32. If more unemployed workers stop looking for work, the unemployment rate will:
- A) not changed.
  - B) fall.
  - C) rise.
  - D) probably change, but in an unpredictable direction.
33. Which of the following leads to a rightward shift in the short-run Phillips curve?
- I. a reduction in inflationary expectations.
  - II. an increase in the natural rate of unemployment.
- A) I only.
  - B) II only.
  - C) I and II.
  - D) Neither I nor I.
34. In the real business cycle theory, shown on an AD-AS model, there is no
- A) *SAS* curve.
  - B) *AD* curve.
  - C) *LAS* curve.
  - D) price level.



35. An assumption of neoclassical growth theory is that
- A) technological change is random.
  - B) technological change can be influenced by savings.
  - C) more growth encourages more technological change.
  - D) None of the above answers are correct.
36. 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.
37. In the long run, a decrease in the quantity of money will
- A) increase real GDP.
  - B) have no lasting impact on real GDP.
  - C) increase the price level.
  - D) increase nominal GDP.
38. The structural deficit is the deficit
- A) during a recession.
  - B) during a recovery.
  - C) that would occur at full employment.
  - D) caused by the business cycle.
39. In general, the steeper the aggregate expenditure curve, the
- A) greater autonomous expenditure.
  - B) lower the marginal propensity to consume.
  - C) larger the multiplier.
  - D) smaller the multiplier.
40. A fall in the foreign exchange rate of the New Taiwan dollar
- A) increases aggregate demand.
  - B) increases the aggregate quantity demanded.
  - C) decreases the aggregate quantity demanded.
  - D) decreases aggregate demand.