

系所組別：經濟、交管、會計系

考試科目：經濟學

考試日期：0710，節次：4

※ 考生請注意：本試題 可 不可 使用計算機

單選題，共 40 題，每題 2.5 分，總分 100 分。

請於答案卷上依序標示題號並填寫答案，每一列作答 4 題。

1. Which of the following would increase the net export component of U.S. GDP?

- A) A bottle of California wine is purchased in London.
- B) A car produced in Japan is purchased in California.
- C) A bottle of French wine is purchased in New York.
- D) A car produced in Michigan is purchased in Louisiana.

2. Which of the following would increase the government purchases component of U.S. GDP?

- A) The U.S. federal government pays \$3 billion in pensions to government workers.
- B) The U.S. federal government pays \$3 billion in interest on the national debt.
- C) The U.S. federal government pays \$3 billion in salaries to soldiers in the military.
- D) The U.S. federal government pays \$3 billion in interest to foreign holders of U.S. government bonds.

3. A CPI that equals 1.34 in 2005 (when 2000 is the base year) means that:

- A) prices in 2005 are 34 percent higher than in 2004.
- B) the CPI equals \$1.34 in 2005.
- C) the inflation rate in 2005 is 134 percent.
- D) the average level of prices is 34 percent higher in 2005 than in the base year.

4. Two groups of workers not counted as unemployed in the official unemployment statistics are _____ workers.

- A) chronically unemployed and short-term unemployed
- B) chronically-unemployed and discouraged
- C) chronically unemployed and involuntary part-time
- D) discouraged and involuntary part-time

(背面仍有題目,請繼續作答)

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5. Nick can purchase each milkshake for \$2. For the first milkshake purchased Nick is willing to pay \$4, for the second milkshake \$3, for the third milkshake \$2 and for the fourth milkshake \$1. What is the value of Nick's consumer surplus?

- A) \$3
- B) \$9
- C) \$2
- D) \$10

6. A used car was recently priced at \$20,000. Seeing the car, Bobby thought, "It's nice, but if I have to pay more than \$19,500 for this car, then I would rather do without it." After negotiations, Bobby purchased the car for \$19,250. His consumer surplus was equal to

- A) \$19,500
- B) \$250
- C) \$1,750
- D) \$0

7. If a price increase of 5 percent increases the quantity demanded of another good by 2 percent, the goods must be _____ and the cross elasticity of demand equals _____.

- A) substitutes; 0.40.
- B) substitutes; 2.5.
- C) complements; 0.40.
- D) complements; 2.5.

8. "Last October, due to an early frost, the average price for a pumpkin increased by 10 percent compared to the average pumpkin price in previous Halloween seasons. As a result, the quantity demanded county-wide decreased from 2 million to 1.5 million." Based on this statement, the

- A) demand for pumpkins is elastic.
- B) demand for pumpkins is inelastic.
- C) demand for pumpkins is unit elastic.
- D) demand curve for pumpkins shifted rightward.

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9. The demand for labor in a certain industry is $ND = 45 - 5w$, where ND is the number of workers employers want to hire and w is the real wage measured in dollars per hour. The supply of labor in the same industry is $NS = 10 + 5w$, where NS is the number of people willing to work. If the minimum wage is \$5 per hour, how many workers will be unemployed?

- A) 5
- B) 10
- C) 15
- D) 20

10. In order to promote growth through increased quantities of physical capital, governments must promote:

- A) a better educational system.
- B) job training programs.
- C) high rates of saving and investing.
- D) funding for basic science.

11. The marginal propensity to consume is the:

- A) amount by which disposable income increases when consumption increases by \$1.
- B) amount by which consumption increases when disposable income increases by \$1.
- C) percentage by which consumption increases when disposable income increases by \$1.
- D) percentage by which disposable income increases when consumption increases by \$1.

12. A college graduate in 1972 found a job paying \$7,200. The CPI was 0.418 in 1972. A college graduate in 2000 found a job paying \$30,000. The CPI was 1.68 in 2005. The 1972 graduate's job paid _____ in nominal terms and _____ in real terms than the 2005 graduate's job.

- A) more; less
- B) more; more
- C) less; the same
- D) less, less

(背面仍有題目,請繼續作答)

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13. When demand increases and supply decreases, the

- A) equilibrium price falls, and the equilibrium quantity might increase, decrease, or remain constant.
- B) equilibrium quantity decreases, and the equilibrium price might rise, fall, or remain constant.
- C) equilibrium quantity increases, and the equilibrium price might rise, fall, or remain constant.
- D) equilibrium price rises, and the equilibrium quantity might increase, decrease, or remain constant.

14. Suppose the local government places a sales tax on hotel rooms and that the demand for these rooms is elastic while the supply is perfectly inelastic. The tax incidence is such that the tax will be paid by

- A) the consumer only.
- B) equally by the consumer and the producer.
- C) the producer only.
- D) the taxpayer.

15. A decrease in the supply of a factor normally

- A) decreases both its equilibrium price and its equilibrium quantity.
- B) increases both its equilibrium price and its equilibrium quantity.
- C) lowers its equilibrium price and increases its equilibrium quantity.
- D) raises its equilibrium price and decreases its equilibrium quantity.

16. For a given budget, when you chose to buy the second cup of coffee instead of the third bagel, which of the following is necessarily correct?

- A) The second coffee will give you higher marginal utility.
- B) The second coffee is cheaper than the third bagel.
- C) The marginal utility per dollar from the third bagel is less than the marginal utility per dollar from the second coffee.
- D) Both answers A and C are correct.

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17. In the basic Keynesian model a tax increase:

- A) reduces short-run equilibrium output.
- B) increases short-run equilibrium output.
- C) reduces potential output.
- D) increases potential output.

18. If the Federal Reserve wants to decrease the money supply, it should:

- A) decrease reserve requirements.
- B) decrease the discount rate.
- C) conduct open-market purchases.
- D) conduct open-market sales.

19. The _____ is the interest rate commercial banks pay to the Fed; the _____ is the interest rate commercial banks charge each other for short-term loans.

- A) federal funds rate; discount rate
- B) discount rate; federal funds rate
- C) nominal interest rate; real interest rate
- D) nominal interest rate; prime rate of interest

20. Any value of the money supply chosen by the Federal Reserve implies a specific value for _____.

- A) potential output
- B) the nominal interest rate
- C) government purchases
- D) the budget deficit

(背面仍有題目,請繼續作答)

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21. Bobby consumes only chocolate and vanilla ice cream and he is spending all of his income. His marginal utility of chocolate is 100 and his marginal utility of vanilla is 200, and the price of chocolate is \$1.00 per scoop and the price of vanilla is \$2.00 per scoop. To maximize his utility, Bobby should

- A) buy more chocolate and less vanilla.
- B) not change his purchases between chocolate and vanilla.
- C) buy more vanilla and less chocolate.
- D) buy no chocolate.

22. Tara, a pharmacist, is planning on opening her own pharmacy. Tara currently earns \$50,000 a year at her job. She has calculated that it will cost her \$6,000 in rent and utilities and \$25,000 for an assistant per year to run her pharmacy. What is the amount of implicit cost that Tara incurs in opening her own pharmacy?

- A) \$31,000
- B) \$50,000
- C) \$25,000
- D) \$81,000

23. The marginal product of labor is the increase in total product from a

- A) one unit increase in the quantity of labor, while holding the quantity of capital constant.
- B) one unit increase in the quantity of labor, while also increasing the quantity of capital by one unit.
- C) one dollar increase in the wage rate, while holding the price of capital constant.
- D) one percent increase in the wage rate, while also increasing the price of capital by one percent.

24. The vertical distance between a firm's total cost (TC) and its total variable cost (TVC) curves

- A) decreases as output decreases.
- B) is equal to the average variable cost, AVC.
- C) is equal to the marginal cost, MC.
- D) is equal to the total fixed cost, TFC.

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25. If the Fed's monetary policy rule does not change, then when inflation decreases the Fed responds by _____ the real interest rate, which _____ consumption and investment spending, which _____ output.

- A) increasing; increases; increases
- B) increasing; increases; decreases
- C) increasing; decreases; decreases
- D) decreasing; increases; increases

26. Starting from long-term equilibrium, increases in the rate of inflation may be the result of any of the following EXCEPT:

- A) an unfavorable inflation shock.
- B) a favorable aggregate supply shock.
- C) an increase in government purchases.
- D) monetary easing.

27. The development of new cost-saving technology would:

- A) increase autonomous consumption spending and, thus, shift the aggregate demand curve to the right.
- B) increase autonomous consumption spending and, thus, shift the aggregate demand curve to the left.
- C) increase autonomous investment spending and, thus, shift the aggregate demand curve to the right.
- D) increase autonomous investment spending and, thus, shift the aggregate demand curve to the left.

28. In order to maintain stable inflation and output in the event of a permanent decrease in exogenous spending, the Federal Reserve must decrease its target real interest rate to the level at which:

- A) the real rate of interest equals the target rate of inflation.
- B) potential output has increased.
- C) saving equals investment in the long run.
- D) the real interest rate equals the nominal interest rate.

(背面仍有題目,請繼續作答)

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29. A perfectly competitive firm's marginal cost exceeds its marginal revenue at its current output. To increase its profit, the firm will

- A) decrease its output.
- B) raise its price.
- C) lower its price.
- D) increase its output.

30. A textbook publisher is in monopolistic competition. If the firm spends nothing on advertising, it can sell no books at \$100 a book, but for each \$10 cut in price, the quantity of books it can sell increases by 20 books a day. The firm's total fixed cost is \$2,400 a day. Its average variable cost and marginal cost is a constant \$20 per book. If the firm spends \$1,200 a day on advertising, it can increase the quantity of books sold at each price by 50 percent. If the publisher advertises, its profit maximizing price is

- A) \$40.
- B) \$50.
- C) \$60.
- D) \$70.

31. The free-rider problem with a public good leads to

- A) inefficiency if the good is provided by only private markets with no government action.
- B) overproduction if the good is provided by private markets.
- C) underproduction if the good is provided by the government.
- D) None of the above answers is correct.

32. Under which conditions is profit maximized?

- I. Marginal revenue product is maximized.
 - II. Marginal revenue equals marginal cost.
 - III. Marginal revenue product equals the wage rate.
- A) I and II.
 - B) I and III.
 - C) II and III.
 - D) I, II and III.

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33. Which of the following transactions adds to U.S. GDP for 2006?

- A) In 2006, Ashley sells a car that she bought in 2002 to William for \$5,000.
- B) An American management consultant works in Mexico during the summer of 2006 and earns the equivalent of \$30,000 during that time.
- C) When John and Jennifer were both single, they lived in separate apartments and each paid \$750 in rent. John and Jennifer got married in 2006 and they bought a house that, according to reliable estimates, could be rented for \$1,600 per month.
- D) None of the above transactions adds to GDP for 2006.

34. If banks desire to hold no excess reserves, the reserve ratio is 10 percent, and a bank that was previously just meeting its reserve requirement receives a new deposit of \$400, then initially the bank has a

- A) \$400 increase in excess reserves and no increase in required reserves.
- B) \$400 increase in required reserves and no increase in excess reserves.
- C) \$360 increase in excess reserves and \$40 increase in required reserves.
- D) \$40 increase in excess reserves and \$360 increase in required reserves.

35. For the purpose of calculating GDP, investment is spending on

- A) stocks, bonds, and other financial assets.
- B) real estate and financial assets.
- C) new capital equipment, inventories, and structures, including new housing.
- D) capital equipment, inventories, and structures, excluding household purchases of new housing.

36. If a central bank attempts to lower the inflation rate but the public doesn't believe the inflation rate will fall as far as the central bank says, then in the short run unemployment

- A) rises. As inflation expectations adjust, the short-run Phillips curve shifts right.
- B) rises. As inflation expectations adjust, the short-run Phillips curve shifts left.
- C) falls. As inflation expectations adjust, the short-run Phillips curve shifts right.
- D) falls. As inflation expectations adjust, the short-run Phillips curve shifts left.

(背面仍有題目,請繼續作答)

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37. Suppose the demand for labor is elastic. If there is an increase in the supply of labor, the wage rate ____ and labor income ____.

- A) rises; increases
- B) rises; decreases
- C) falls; decreases
- D) falls; increases

38. For a single-price monopoly, marginal revenue is ____ when demand is elastic and is ____ when demand is inelastic.

- A) positive; negative
- B) negative; positive
- C) negative; negative
- D) positive; positive

39. Firms in monopolistic competition can achieve product differentiation by

- A) expanding plant size.
- B) advertising special characteristics.
- C) exploiting economies of scale in production.
- D) setting the price equal to average revenue.

40. Let MC be the marginal private cost per megawatt hour (Mwh) of producing electricity using coal. Let MSC be the marginal social cost per Mwh and T be the tax per Mwh. To achieve efficiency, the tax should be set so that

- A) $MC = MSC + T$.
- B) $MSC = MC + T$.
- C) $MC + MSC = T$
- D) $MC = T$.