

\*請在試卷【答案卷】內作答

一、單選題 (30%, 3% for each)

1. The consumer price index measures:

- (a) how much more it costs the consumer to purchase a fixed quantity of every possible good and service today than it did in the base year.
- (b) how much more it costs all consumers to purchase all goods and services today than it did in the base year.
- (c) how much more the basket of goods that represents goods purchased by average households costs today than it did in the base year.
- (d) how much a fixed income buys today as compared with some previous time period.
- (e) how much it costs the average family to live today relative to some previous time period.

2. To an economist full employment means:

- (a) the total working population has a job.
- (b) the money wage rate equals the real wage rate.
- (c) every worker willing to work can find a job.
- (d) every worker willing to work at the market wage can find a job.
- (e) the money wage is sufficiently high to ensure that all workers earn a fair wage.

3. Which of the following does not support the hypothesis that firms benefit from paying higher wages?

- (a) Wages affect the quality of the work force.
- (b) Each time the price level increases, firms lower their real wage offers.
- (c) Wages affect the level of effort.
- (d) Wages affect the rate of labor turnover.
- (e) High wages allow the firm to retain the most productive workers.

4. As a general rule, the change in the equilibrium level of national income that results from a given change in the level of investment will be larger the:

- (a) larger the marginal propensity to save.
- (b) smaller the initial level of national income.
- (c) larger the marginal propensity to consume.
- (d) larger the initial level of aggregate expenditures.
- (e) larger the price change.

5. According to the life-cycle and permanent income theories of consumption, consumption is related to current income and:

- (a) wealth.
- (b) saving.
- (c) national income.
- (d) disposable income.
- (e) relative income.

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6. When the NT dollar depreciates:
- (a) Taiwan will buy more in foreign countries.
  - (b) both imports and exports increase.
  - (c) both imports and exports decrease.
  - (d) imports decrease and exports increase.
  - (e) imports increase and exports decrease.
7. According to the rational expectations theory, the upward-sloping short-run aggregate supply curve occurs because:
- (a) of the law of supply.
  - (b) revisions are based completely on past information.
  - (c) revisions are made with a lag.
  - (d) price changes are not anticipated.
  - (e) price changes are anticipated.
8. The larger the required reserve ratio:
- (a) the larger the money multiplier.
  - (b) the more money the banking system can create.
  - (c) the smaller the money multiplier.
  - (d) the less the bank must keep as required reserves.
  - (e) the more loans the bank can make.
9. The effectiveness of monetary policy will be determined by all of the following except:
- (a) the elasticity of the demand for money with respect to the interest rate.
  - (b) the interest rate elasticity of investment.
  - (c) the shape of the money supply curve.
  - (d) the slope of the demand for money curve.
  - (e) the slope of the investment demand curve.
10. Economic growth is generally associated with:
- (a) leftward shifts in the short-run aggregate supply curve.
  - (b) movements down along the long-run aggregate supply curve.
  - (c) leftward shifts in the long-run aggregate supply curve.
  - (d) rightward shifts in the long-run aggregate supply curve.
  - (e) movements up along a stationary long-run aggregate supply curve.

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## 二、問答題

- For each of the following case, use supply and demand analysis to show the effect on the exchange rate for NT dollars.
  - U.S. interest rates rise. (5%)
  - Foreign demand for Taiwan's high-tech products increases. (5%)
- Suppose the economy is in deep recession along the flat portion of the aggregate supply curve. Use aggregate demand and supply to show the effects on output and the price level in each of the following situations.
  - Real interest rates fall. (5%)
  - Loose monetary policies increase the availability of credit. (5%)
- There is a perfectly competitive market for apples. There are 100 identical farms in this industry and your farm is one of them. The industry's demand function is  $Q_d = 20000 - 5000P$ . Your farm has a total cost curve of  $TC = 0.01q^2 + q + 100$ , where  $q$  is pounds of apples your farm produces and sells daily.
  - What is the short run market equilibrium price? (5%)
  - What quantity you should produce for maximum profit? (5%)
  - What is this profit? (5%)
  - What is the long run equilibrium price and how many firms will stay in this industry in the long run. (10%)
- You are the programming director for the only television station in Hsinchu, which is run by the government. You are trying to decide between two programs for the 8 PM time slot on Thursday night: a rerun of "Friends", which you can purchase for \$20 million, or a rerun of "Nanny", which you can purchase for \$12 million. In either case, you have a choice between financing the program by using pay-per-view or by selling advertising space. The market demand curves for Friends and Nanny are given by  $P = 40 - 4Q$  and  $P = 12 - (2/5)Q$ , respectively, where  $P$  is price in dollars and  $Q$  is millions of viewers. If you use the pay-per-view option, you must charge the same price to all buyers. If you use the advertising option, the program chosen will be free to viewers and your total revenue from selling advertising slot will be equal to one dollar per viewer.
  - If your goal is to maximize profit for the government, which program will you choose and which way will you finance it? Explain. (13%)
  - If your goal is to maximize the country economic surplus, which program will you choose and which way will you finance it? (Assume that you want to maximize firm's profit plus total consumer surplus) (12%)