

注意：本試卷共有五頁。請考生答題前，務必閱讀每大項的注意事項說明！

第一部份：單選題（每題 3 分，共 60 分）

- (1) 請將答案寫在答案卷第一頁『選擇題作答區』對應題號的空格內（第 1~20 格）。
- (2) 若您覺得有多個答案，請選出最適的答案。
- (3) 每格答對得 3 分，答錯或未作答得 0 分。
- (4) 答題不要求任何計算過程，只依答案格內的答案對錯給分。

1. Economists examine changes in exogenous variables, comparing one equilibrium position to another. This is known as
 

【A】 Comparative statics	【C】 Maximization
【B】 Explanation	【D】 Prediction
2. With positive marginal costs, the equilibrium point in a monopoly occurs where
 

【A】 demand is inelastic.	【C】 demand is unit elastic.
【B】 demand is elastic.	【D】 Cannot tell from information given.
3. Short run total cost **cannot** be less than long run total cost because
 

【A】 minimizing costs in the short run is a constrained version of long-run minimization.
【B】 firms do not minimize costs in the short run.
【C】 all inputs are viable in the short run.
【D】 None of the above.
4. Which of the following statements regarding the long run cost is true?
 

【A】 There are no increasing returns to scale in the long run.
【B】 A linear long run total cost curve indicates increasing returns to scale.
【C】 Increasing returns to scale are associated with long run average cost declining as output increases.
【D】 Decreasing returns to scales are associated with long run average cost declining as output increases.
5. Utility functions provide \_\_\_\_\_ measures of utility. Production functions provide \_\_\_\_\_ measures of output.
 

【A】 ordinal; ordinal	【C】 ordinal; cardinal
【B】 cardinal; cardinal	【D】 cardinal; ordinal

**Game 6.1: Payoffs: (Steven's, Mindy's)**

	Mindy picks Blue	Mindy picks Green
Steve picks Blue	(5,7)	(8,5)
Steve picks Green	(6,6)	(12,10)

6. In Game 6.1, the dominant strategy for Steve is:
 

【A】 to pick Blue	【C】 depends on Mindy's choice
【B】 to pick Green	【D】 there is no dominant strategy

(請翻次頁，繼續作答)

7. The dominant strategy equilibrium in Game 6.1 is:
- 【A】 both pick Blue                      【C】 one picks blue and one picks green  
【B】 both pick Green                    【D】 there is no dominant strategy equilibrium
8. A demand curve is homogenous of degree zero. Which statement is true?
- 【A】 The budget constraint is not affected when both prices and income are multiplied by the same amount.  
【B】 Increasing prices and income by the same percentage creates increased purchasing power.  
【C】 Household demand is affected by pure inflation.  
【D】 Households suffer from money illusions.
9. A Bertrand equilibrium is a \_\_\_\_\_ (Cournot or Nash) equilibrium in which each firm bases its strategy by deciding on \_\_\_\_\_ (output or price).
- 【A】 Cournot; output                      【C】 Cournot; price  
【B】 Nash; output                         【D】 Nash; price
10. General equilibrium in a pure exchange economy occurs when
- 【A】 the individuals choose to stay at the endowment point.  
【B】 the budget constraint holds for the individuals.  
【C】 the price ratio is the same as the marginal rate of substitution.  
【D】 Both B and C are correct.
11. When a firm sells a product out of inventory, investment expenditures \_\_\_\_\_, consumption expenditures \_\_\_\_\_, and GDP \_\_\_\_\_.
- 【A】 increase; decrease; remains unchanged  
【B】 decrease; increase; remains unchanged  
【C】 decrease; remain unchanged; decreases  
【D】 remain unchanged; increase; increases
12. As a result of the recession in 2008, the default risk increased. How did this change affect the world loanable funds market?
- 【A】 There was a movement up along the supply of loanable funds curve.  
【B】 There was a leftward shift in the supply of loanable funds curve.  
【C】 There was a movement down along the demand for loanable funds curve.  
【D】 There was a rightward shift in the supply of loanable funds curve.
13. Consider a market that, with no international trade, is initially in equilibrium with quantity demanded equal to quantity supplied at a price of \$10. If the world price of the good is \$7 and the country opens up to international trade, then in this market
- 【A】 net exports will increase, prices will fall, and quantity supplied by domestic producers will fall.  
【B】 exports will increase, prices will be unchanged, and quantity supplied by domestic producers will increase.  
【C】 imports will increase, prices will decrease, and the domestic supply curve will shift to the left.  
【D】 both total quantity demanded and total quantity supplied will increase, but prices will decrease.

14. If people expect that the Central Bank will conduct an open-market purchase in the future
- 【A】 both the nominal interest rate and the current price level will decrease.
  - 【B】 the nominal interest rate will increase and the current price level will decrease.
  - 【C】 the nominal interest rate will decrease and the current price level will increase.
  - 【D】 both the nominal interest rate and the current price level will increase.
15. In the case of an unanticipated inflation
- 【A】 creditors with an unindexed contract are hurt because they get less than they expected in real terms.
  - 【B】 creditors with an indexed contract gain because they get more than they contracted for in nominal terms.
  - 【C】 debtors with an unindexed contract do not gain because they pay exactly what they contracted for in nominal terms.
  - 【D】 debtors with an indexed contract are hurt because they pay more than they contracted for in nominal terms.
16. Savings is an important factor influencing economic growth because
- 【A】 saving can finance new investment and capital formation.
  - 【B】 saving helps the economy maintain the current level of total expenditures when a recession begins.
  - 【C】 saving provides a fund for wages needed from any unexpected population growth.
  - 【D】 people could consume more of an economy's future output.
17. A new Ph.D. graduate has spent a long time looking for the right job but still ended up being a taxi driver.
- 【A】 This is a typical example of discouraged workers who have jobs that do not match their skills.
  - 【B】 This will make the labor participation rate of the economy rise and its unemployment rate fall.
  - 【C】 This will make the unemployment rate of the economy fall but its labor participation rate remains unchanged.
  - 【D】 This is a situation of frictional unemployment.
18. At the end of last year the Consumer Price Index was equal to 108.1 and at the end of this year it was equal to 117.5. What is the inflation rate over this time period?
- 【A】 8.7 percent
  - 【B】 8.0 percent
  - 【C】 9.4 percent
  - 【D】 17.5 percent
19. During Chinese New Year, the demand for money increases. If the Central Bank keeps the money supply the same, then
- 【A】 in the short run output will rise and in the long run prices will increase.
  - 【B】 in the short run prices will remain unchanged and in the long run output will fall.
  - 【C】 in the short run prices will rise and in the long run output will remain unchanged.
  - 【D】 in the short run output will fall and in the long run prices will fall.
20. A decline in the SEMI book-to-bill ratio is typically an indicator of a future \_\_\_\_\_ in economic production, and a narrowing of the interest rate spread between the 10-year Treasury note and 3-month Treasury bill is typically an indicator of a future \_\_\_\_\_ in economic production.
- 【A】 increase; slowdown
  - 【B】 increase; increase
  - 【C】 slowdown; increase
  - 【D】 slowdown; slowdown

第二部份：填充題（每格 4 分，共 40 分）

(1) 請於作答區第一頁『選擇題作答區』下方的空白處，『自行製作』第 21 ~ 30 格填充題作答區。參考

格式如下：

填充題作答區：

第 21 格	第 22 格	第 23 格	第 24 格	第 25 格
	a: b:	a: b:		
第 26 格	第 27 格	第 28 格	第 29 格	第 30 格

(2) 每格答對得 4 分，答錯或未作答 0 分。

(3) 答題不要求任何計算過程，只依答案格內的答案對錯給分。

(4) 如果沒有特別指示，請將答案約分至最簡分數表示。

1. If your cross-price elasticity of coffee demand with respect to the price of milk is 0.5, then coffee and milk are (21) to you. An increase of 4% in the price of milk would cause your quantity demanded of coffee to (22a) (decrease, increase, or stay put) by (22b) %, *ceteris paribus*.
2. Consider a firm's production function:  $Q = 5 \cdot \left(\frac{1}{2} \cdot L^{-4} + \frac{1}{2} \cdot K^{-4}\right)^{-1/4}$ , where  $Q$  indicates the output, and  $L$  and  $K$  are labor and capital, respectively. This is called the (23a) production function which indicates (23b) (constant, decreasing, or increasing) returns to scale. The elasticity of substitution is (24).
3. Suppose a public good (street lighting system) can be provided at a constant marginal cost of \$13. Consider only two persons (say Ma and Wu) and their demands for the public good are  $SL = 20 - p$  and  $SL = 16 - 2p$ , respectively, where  $SL$  is the quantity demanded and  $p$  is the price per unit. The Pareto-efficient level of the public good will be (25).
4. A commercial bank with \$100 million in deposits has \$15 million of cash in the bank, \$10 million in deposits with the Central Bank, and \$15 million in government securities in its vault. Its total reserves equal (26).
5. Why did the European Central Bank fail to play an active role in the Greek sovereign-debt crisis during 2010-2013?  
(27)

(請翻次頁，繼續作答)

6. In classical macroeconomic theory, the concept of monetary neutrality means that changes in the money supply do not influence real variables. Briefly explain why. (28)
7. To lower the excess level of government budget deficit, the Congress and the President plan to reduce welfare and subsidy payments. Suppose payments were cut by \$100 billion per year and the marginal propensity to consume is 0.75. Use the Simple Keynesian Model to determine its long-run effect on real GDP. (29)
8. A Big Mac costs 4.2 USD (US. dollar) in the United State and costs 15 CNY (Chinese Yuan) in China. Given that 6 CNY trades for 1 USD, if purchasing-power parity (PPP) held, then what is the PPP-implied CNY/USD exchange rate? (30)