考 試 科 目	總體經濟學	系 所 別	經濟學系	考 試 時 間	2 月 18 日(一) 第二節

1. Answer the following questions.

    (1). What are 'comovement' and 'recurrence' related to the business cycle facts? (8%)

    (2). How would R&D and technological innovations affect the steady-state values of capital-labor ratio, output per worker, and real GDP growth rate? (9%)

    (3). What is the central bank credibility? How does the use of inflation targeting improve central bank credibility? (8%)

2. Analyze the effects on a large open economy of a temporary increase in tariff that hits both home and foreign country. Discuss the impact on the home country's national saving, investment, current account balance, and on the world real interest rate. (25%)

3. The Tax Cuts and Jobs Act is the biggest gross tax cuts in American history, cutting over $5.5 trillion in taxes over ten years. President Trump cut the corporate tax rate from 35 percent to 21 percent, the largest percentage point reduction of the top marginal rate in history. Moreover, President Trump's tax cuts include the biggest increase in the child tax credit in history. Should the government reduce taxes on capital? Are there any costs to such a policy? What would be the benefits? What would happen to real interest rates and real output and to investment and the capital stock? (25%)

4. Suppose the monetary policy curve is given by $r = 1 + 2\pi$, and IS curve is given by $Y = 4 - 2r$, where r is the real interest rate, π is the inflation rate, and Y is the real output. Moreover, the Phillips curve is given by $\pi = \pi^e + 0.5(Y - \bar{Y})$, where $\pi^e = 2\%$ is the expected inflation and $\bar{Y} = 2$ is the full-employment output.

    (1). What is the short-run equilibrium values of aggerate output and inflation. (10%)

    (2). Assume now that the monetary policy curve is $r = 1.25 + 2\pi$. Dose the new monetary policy curve represent an autonomous tightening or loosening of monetary policy? (5%)

    (3). What is the sacrifice ratio in this economy? Explain (10%)

備　　　註	一、作答於試題上者，不予計分。 二、試題請隨卷繳交。