

考試科目	經濟學	系所別	財政學系	考試時間	2月5日(一)第二節
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I. 選擇題 (40分 · 一題2分)

1. Gains from trade can only occur when
  - A) marginal rates of substitutions differ across people.
  - B) marginal rates of substitution are equal across people.
  - C) indifference curves are convex.
  - D) people find themselves on the contract curve.
  
2. Why is the supply of oil more price elastic in the long run?
  - A) New deposits are found.
  - B) Better extraction technology is developed.
  - C) Firms have the ability to change the amount of all inputs.
  - D) All of the above.
  
3. The principle that "More is better" results in indifference curves
  - A) sloping down.
  - B) not intersecting.
  - C) reflecting greater preferences the further they are from the origin.
  - D) All of the above.
  
4. For a monopoly, marginal revenue is less than price because
  - A) the firm is a price taker.
  - B) the firm must lower price if it wishes to sell more output.
  - C) the firm can sell all of its output at any price.
  - D) the demand for the firm's output is perfectly elastic.
  
5. Which of the following conditions must be true so that a firm can price discriminate?
  - A) There are no other firms in the market.
  - B) The good is a non-durable.
  - C) The good cannot be easily resold.
  - D) All of the above.
  
6. The term *prisoners' dilemma* refers to a game in which
  - A) there are no Nash equilibria.
  - B) there are no dominant strategies.

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- C) the payoff from playing the dominant strategy is the same for each player.  
D) the payoff from playing the dominant strategy is not the highest payoff possible.
7. You purchased two stocks that are perfectly negatively correlated.  
A) Your portfolio is well diversified, so you should face no risk whatsoever.  
B) Even though you diversified the idiosyncratic risk away, your portfolio is still affected by systemic risks like a stock market crash.  
C) Even though you diversified the systemic risk away, your portfolio is still affected by idiosyncratic risks like a stock market crash.  
D) Your portfolio is not diversified; thus you face no systemic risk.
8. Adverse selection can occur when  
A) all persons involved in a transaction have full information.  
B) one person has information not available to others.  
C) post-agreement incentives result in workers shirking.  
D) nobody has any information about a particular product.
9. A zero pollution level is not achievable because  
A) corporations would lobby against it.  
B) it implies no production and no consumption.  
C) it implies an output level larger than that from a competitive market equilibrium.  
D) consumption would be larger than production.
10. In the presence of asymmetric information,  
A) all contracts are efficient.  
B) efficiency in risk bearing cannot be achieved.  
C) a trade-off exists between risk-bearing efficiency and production efficiency.  
D) no contracting will take place.
11. Suppose the consumption equation is represented by the following:  $C = 250 + .75YD$ . The multiplier in this economy is  
A) .25.  
B) .75.  
C) 1.  
D) 4.

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12. Suppose investment spending is *not* very sensitive to the interest rate. Given this information, we know that
- A) the IS curve should be relatively flat.
  - B) the IS curve should be relatively steep.
  - C) the LM curve should be relatively flat.
  - D) the LM curve should be relatively steep.
13. As the unemployment rate falls,
- A) the proportion of the unemployed finding a job increases.
  - B) the separation rate increases.
  - C) the young and unskilled experience larger-than-average decreases in unemployment.
  - D) both A and C.
  - E) all of the above
14. In the Phillips curve equation, which of the following will cause a reduction in the current inflation rate?
- A) a reduction in the expected inflation rate
  - B) an increase in the unemployment rate
  - C) a reduction in the markup,  $m$
  - D) all of the above
  - E) none of the above
15. Which of the following generally occurs when a central bank pursues contractionary monetary policy?
- A) the central bank purchases bonds and the interest rate increases.
  - B) the central bank purchases bonds and the interest rate decreases.
  - C) the central bank sells bonds and the interest rate increases.
  - D) the central bank sells bonds and the interest rate decreases.
16. Suppose there is a reduction in the saving rate. This decrease in the saving rate will cause a reduction in which of the following once the economy reaches its new steady state equilibrium?
- A) growth rate of output
  - B) growth rate of capital
  - C) growth rate of capital per worker
  - D) all of the above
  - E) none of the above

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17. Policy coordination is difficult because each country

- A) prefers to be the one to increase demand.
- B) prefers to be the one to appreciate its currency.
- C) prefers that other countries increase their demand.
- D) prefers to be the one to increase taxes.
- E) prefers that other countries increase taxes.

18. If the exchange rate between two countries is expected to remain fixed at its current rate, then

- A) output growth rates must be equal in the two countries.
- B) price levels must be equal in the two countries.
- C) inflation rates must be equal in the two countries.
- D) nominal interest rates must be equal in the two countries.
- E) none of the above

19. The primary deficit is

- A) government spending minus interest on the debt.
- B) government spending minus net tax revenues.
- C) government spending plus interest on the debt minus net tax revenues.
- D) government spending plus net tax revenues minus interest on the debt.
- E) interest on the debt minus net tax revenues.

20. To deal with the time inconsistency problem associated with monetary policy, some have suggested that

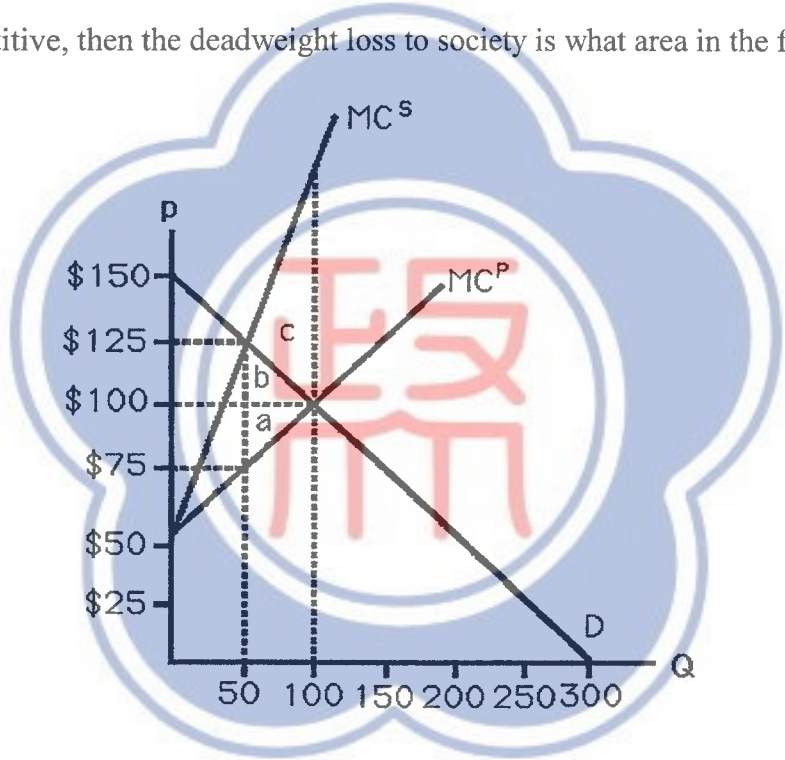
- A) the head of the central bank be chosen by election.
- B) the central bank implement expansionary monetary policy prior to election years.
- C) elected officials should have a direct influence on the implementation of monetary policy.
- D) all of the above
- E) none of the above

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II. 非選擇題 (60 分)

1. The figure below shows the market for steel ingots. Answer the following questions. (20 分，一題 5 分)

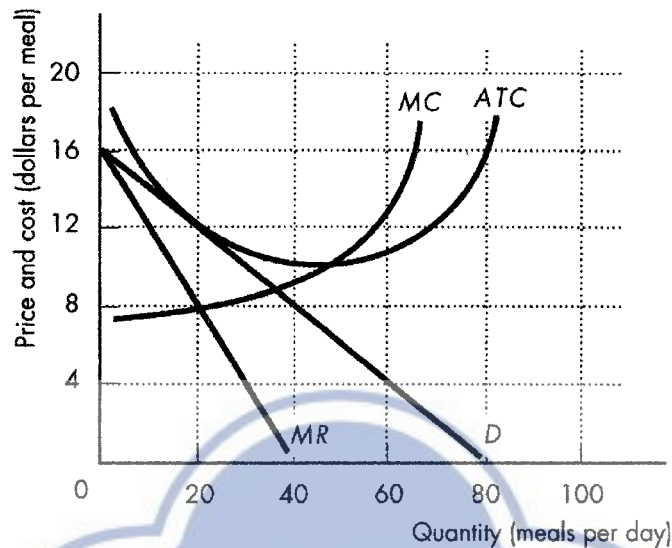
- (a) If the market is competitive, then what amount of steel will be produced?
- (b) What is the socially optimal quantity of steel?
- (c) Indicate the issue that exist in the above figure and explain what characteristics in the figure support your answer?
- (d) If the market is competitive, then the deadweight loss to society is what area in the figure?



2. The figure below represents a restaurant operating in monopolistic competition. (20 分，一題 4 分)

- a) What is the profit-maximizing level of output?
- b) What price will the firm charge?
- c) What is the firm's economic profit (or loss)?
- d) Is this a long-run equilibrium? Why or why not?
- e) Is this firm producing its capacity output?

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3. The table below shows the demand and supply schedules for the market for coffee in Roastville. A tax on coffee of 75 cents per pound is proposed and the local government asks you to examine the effects of the tax. (20分，一題4分)
- Draw the demand and supply curves. Assuming no tax on coffee, what is the price and quantity of coffee sold?
  - With the tax, what is the price that consumers pay? What is the price that sellers receive? How many pounds of coffee are sold?
  - What is the government's total tax revenue? How much of the 75¢ per pound tax is paid by buyers? How much is paid by sellers?
  - If there are no external costs and benefits, what is the efficient level of coffee production?
  - If the tax is imposed, will the level of production be efficient? Why or why not?

Price (dollars per pound)	Quantity demanded (pounds per day)	Quantity supplied (pounds per day)
1	480	0
2	360	0
3	240	240
4	120	480
5	0	720

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註

- 作答於試題上者，不予計分。
- 試題請隨卷繳交。