

系所組別：經濟學系

考試科目：總體經濟學

考試日期：0224，節次：3

※ 考生請注意：本試題不可使用計算機

本試卷共兩部分，總分 100 分。第一部分選擇題，42 分；第二部分問答題，58 分。

第一部分：選擇題。共十四題，每題 3 分，共 42 分。答案請寫在答案紙上，並請標明題號。

- 1) The Keynesian economists do not believe that a cut in the marginal income tax rate will have strong effects on aggregate supply because they
 - A) do not believe that business investment will respond strongly to changes in the after-tax rate of return to capital.
 - B) do not believe that labor supply will respond strongly to changes in the after-tax real wage.
 - C) do not believe that labor demand will respond strongly to a change in the after-tax real wage.
 - D) believe monetary policy will be too restrictive to allow strong output growth.

- 2) In the steady state of Solow growth model, an increase in the savings rate
 - A) decreases output per worker and increases capital per worker.
 - B) decreases output per worker and decreases capital per worker.
 - C) increases output per worker and decreases capital per worker.
 - D) increases output per worker and increases capital per worker.

- 3) In the Keynesian sticky wage model, the aggregate supply curve is upward sloping because, at the fixed nominal wage, an increase in the price level
 - A) increases the real wage and increases labor supply.
 - B) decreases the real wage and increases labor demand.
 - C) increases the real wage and increases labor demand.
 - D) decreases the real wage and increases labor supply.

- 4) Assuming an decrease in money demand, then to keep interest rates constant the Central Bank must
 - A) keep the money supply constant.
 - B) reduce the required reserve ratio.
 - C) conduct an open market sale of bonds.
 - D) both b and c.
 - E) none of the above.

- 5) In the efficiency wage model, changes in total factor productivity that have no effect on the costs of monitoring employees cannot fully explain the typical business cycle because the model
 - A) wrongly predicts that the real wage is acyclical.
 - B) wrongly predicts that the real wage is procyclical.
 - C) can make no predictions about the cyclical behavior of the real wage.
 - D) wrongly predicts that the real wage is countercyclical.

- 6) The "Lucas critique" is that
 - A) policy changes affect expectations, which in turn affect the impact of the policy.
 - B) macro data based on government surveys is inaccurate.
 - C) in the medium run, output always returns to its natural level.
 - D) policy changes can affect the economy only when they are expected.
 - E) increasing unemployment to reduce inflation is more costly to society than economists traditionally think.

- 7) If the tax function is $T = t_0 + t_1 Y$ where t_1 equals $1/3$, and if the marginal propensity to consume out of disposable income is $3/4$, then the change in GDP per unit change in t_0 ($\Delta Y / \Delta t_0$) will be

A) -1	B) +1	C) +1.5	D) -1.5	E) +2
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(背面仍有題目,請繼續作答)

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- 8) Assume that there is a simultaneous increase in government spending and monetary contraction. In a flexible exchange rate regime, we know with certainty that such a policy mix will cause which of the following?
- A) an increase in the domestic interest rate
 - B) an increase in the exchange rate
 - C) a reduction in net exports
 - D) all of the above
 - E) only A and C
- 9) An important reason why Ricardian equivalence may fail is if
- A) state and local governments also engage in debt finance.
 - B) some consumers are borrowers, while other consumers are lenders.
 - C) government debt incurred today may not be paid off until after some current consumers are deceased.
 - D) borrowing and lending is done through intermediaries.
- 10) Assume the interest parity condition holds and that initially $i = i^*$. A reduction in the foreign interest rate (i^*) will cause:
- A) an expected depreciation of the domestic currency
 - B) an increase in the demand for the domestic currency
 - C) an increase in domestic foreign reserves
 - D) none of the above
- 11) Suppose policy makers implement a fiscal expansion that is NOT fully anticipated by financial market participants. We know that this will
- A) tend to cause stock prices to rise if the LM curve is very flat.
 - B) tend to cause stock prices to rise if the LM curve is vertical.
 - C) always cause stock prices to rise.
 - D) always cause stock prices to fall.
- 12) The higher the marginal income tax rate, the
- A) higher the MPC out of disposable income.
 - B) higher the autonomous expenditure multiplier.
 - C) lower the MPC out of disposable income.
 - D) lower the autonomous expenditure multiplier.
 - E) None of the above.
- 13) An essentially classical feature in the supply-side perception of the saving-investment process is an emphasis on
- A) income and, therefore, on aggregate demand.
 - B) the importance of rates of return as influences on the rates of saving, investment, and thus capital formation.
 - C) the inflation rate.
 - D) money neutrality.
 - E) both b and d.

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- 14) Assuming that the central bank is following a money stock targeted, an exogenous rise in investment demand
- A) causes income to rise but the money stock has to be increased to accommodate the expansion.
 - B) has to be accommodated with open market purchases to expand the money stock.
 - C) increases income, money demand, and lowers the interest rate.
 - D) increases income and money demand and lowers the interest rate.
 - E) none of the above.

第二部分：問答題，共三題，計 58 分，每題計分如各題題末所示。答案請標明題號。

15. You are a research associate of a consulting firm providing forecast service.

Suppose a shock hits the economy, which you think is a temporary adverse supply shock.

You are asked to provide forecast of the real wage rate, employment, output, the real interest rate, consumption, investment, and the price level. Use graphs to assist your analysis and answer the following questions:

- a. What are your forecasts for each of the variables listed above (rise, fall, no change)? **(15%)**
- b. What if the shock was really due to people's reduced expectations about their future income? How would you change your forecasts in (a.) of this question? Explain. **(10%)**

16. Illustrate your answer in this question with the aids of graphs:

- a. Explain the effectiveness of monetary and fiscal policy when the interest elasticity of money demand is high. **(8%)**
- b. Does targeting the money supply become more or less effective if money demand is highly interest rate elastic? **(10%)**

17. a. If policy irrelevance holds in the new classical model, does that mean that monetary and fiscal policy can never impact output? Under what conditions could it impact output? Explain. **(7%)**
- b. "Keynesians do not worry about the macroeconomic impact of budget deficits." Is this statement true or false? Explain. **(8%)**