

元智大學 108 學年度 碩士班 招生試題卷

系(所)別：管理學院財務金融暨會計碩士班 組別：財務金融碩士學程

科目：經濟學

用紙第 / 頁共 4 頁

● 可使用現行『國家考試電子計算器規格標準』規定第一類之計算機

I. Multiple Choice (60% 每題三分).

Table 1

The following table provides information on the price, quantity, and average total cost for a monopoly.

Price	Quantity	Average Total Cost
\$24	0	---
\$18	5	\$14.00
\$12	10	\$11.00
\$6	15	\$10.67
\$0	20	\$11.00

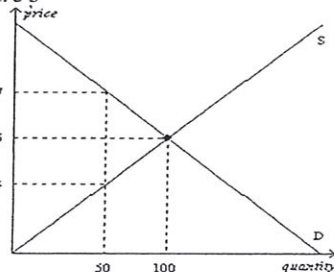
1. Refer to Table 1. What is the additional cost to the firm when the monopolist lowers the price from \$18 to \$12?
- a. The firm saves \$15. b. \$15 c. \$30 d. \$40

Figure 2. Two companies, ABC and QRS, are sellers in the same market. Each company decides whether to charge a high price or a low price. In the figure, the dollar amounts are payoffs and they represent annual profits for the two companies.

		ABC's Decision	
		High price	Low price
QRS's Decision	High price	ABC's profit = \$10 million QRS's profit = \$10 million	ABC's profit = \$14 million QRS's profit = \$4 million
	Low price	ABC's profit = \$4 million QRS's profit = \$14 million	ABC's profit = \$6.5 million QRS's profit = \$6.5 million

2. Refer to Figure 2. Suppose the outcome of the game is one in which ABC's profit is \$4 million and QRS's profit is \$14 million. The most likely explanation for this outcome is that
- a. each company pursued its dominant strategy.
b. each company's objective was to maximize the sum of the two companies' profits.
c. the two companies reached an agreement on what price to charge, and ABC subsequently cheated.
d. the two companies reached an agreement on what price to charge, and QRS subsequently cheated.
3. The minimum wage is an example of a
- a. price ceiling. b. price floor. c. wage subsidy. d. tax.
4. You receive a paycheck from your employer, and your pay stub indicates that \$300 was deducted to pay the FICA (Social Security/Medicare) tax. Which of the following statements is correct?
- a. The \$300 that you paid is not necessarily the true burden of the tax that falls on you, the employee.
b. Your employer is required by law to pay \$300 to match the \$300 deducted from your check.
c. This type of tax is an example of a payroll tax.
d. All of the above are correct.

Figure 3



5. Refer to Figure 3. Suppose a tax of \$2 per unit is imposed on this market. Which of the following is correct?

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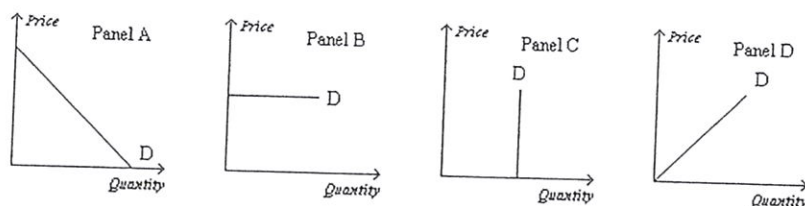
科目：經濟學

用紙第 2 頁共 4 頁

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- a. One-fourth of the burden of the tax will fall on buyers, and three-fourths of the burden of the tax will fall on sellers.
- b. One-third of the burden of the tax will fall on buyers, and two-thirds of the burden of the tax will fall on sellers.
- c. One-half of the burden of the tax will fall on buyers, and one-half of the burden of the tax will fall on sellers.
- d. Two-thirds of the burden of the tax will fall on buyers, and one-third of the burden of the tax will fall on sellers.

Figure 4



6. Refer to Figure 4. Which panel could represent the demand curve facing a local cable television provider if that firm is a monopolist?
 - a. Panel A
 - b. Panel B
 - c. Panel C
 - d. Panel D
7. When existing firms in a competitive market are profitable, an incentive exists for
 - a. new firms to seek government subsidies that would allow them to enter the market.
 - b. new firms to enter the market, even without government subsidies.
 - c. existing firms to raise prices.
 - d. existing firms to increase production.
8. For a monopolist, when the output effect is greater than the price effect, marginal revenue is
 - a. positive.
 - b. negative.
 - c. zero.
 - d. maximized.

Table 5

Price	Total Revenue
\$5	\$70
\$6	\$78
\$7	\$84
\$8	\$88
\$9	\$90
\$10	\$90

9. Refer to Table 5. Demand is unit elastic when quantity demanded changes from
 - a. 9 to 8.
 - b. 10 to 9.
 - c. 10 to 11.
 - d. There is not enough information given to determine the correct answer.
10. The equation,

$$\text{Unemployment rate} = \text{Natural rate of unemployment} - a \times (\text{Actual inflation} - \text{Expected inflation}),$$
 - a. is the equation of the short-run Phillips curve.
 - b. implies there can be no stable short-run Phillips curve.
 - c. reflects the reasoning of Friedman and Phelps.
 - d. All of the above are correct.
11. When inflation rises, people tend to go to the bank
 - a. more often, giving rise to menu costs.
 - b. more often, giving rise to shoeleather costs.
 - c. less often, giving rise to redistribution costs.
 - d. less often, thereby lessening the severity of the inflation tax.
12. Suppose expected inflation and actual inflation are both relatively high, and unemployment is at its natural rate. If the Fed then pursues a contractionary monetary policy, which of the following results would be expected in the short run?
 - a. Expected inflation would exceed actual inflation, and unemployment would exceed its natural rate.
 - b. Expected inflation would exceed actual inflation, and unemployment would be below its natural rate.
 - c. Actual inflation would exceed expected inflation, and unemployment would exceed its natural rate.

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- d. Actual inflation would exceed expected inflation, and unemployment would be below its natural rate.
13. A country has domestic investment of \$200 billion. Its citizens purchase \$600 of foreign assets and foreign citizens purchase \$300 of its assets. What is national saving?
- \$400 billion
 - \$500 billion
 - \$600 billion
 - \$800 billion
14. In 2016 the Bureau of Labor Statistics reported that there were 57.1 million people over age 25 whose highest level of education was some college or an associate degree. Of these, 36.4 million were employed and 1.5 million were unemployed. What were the labor-force participation rate and the unemployment rate for this group?
- 66.4% and 2.6%
 - 66.4% and 4.0%
 - 63.7% and 2.6%
 - 63.7% and 4.0%
15. The Fisher effect says that
- the nominal interest rate adjusts one for one with the inflation rate.
 - the growth rate of the money supply is negatively related to the velocity of money.
 - real variables are heavily influenced by the monetary system.
 - All of the above are correct.

Table 6

The table below pertains to Wrexington, an economy in which the typical consumer's basket consists of 20 pounds of meat and 10 toys.

Year	Price of Meat	Price of a Toy
2004	\$3 per pound	\$2
2005	\$1 per pound	\$7
2006	\$4 per pound	\$3

16. Refer to Table 6. If the base year is 2004, then the inflation rate in 2006 was
- 44.4%.
 - 50%.
 - 62.5%.
 - 80%.
17. Which of the following is included in the investment component of GDP?
- spending on new business equipment such as power tools and spending on stocks and bonds
 - spending on new business equipment such as power tools but not spending on stocks and bonds
 - spending on stocks and bonds but not spending on new business equipment such as power tools
 - neither spending on new business equipment such as power tools nor spending on stocks and bonds
18. Banks are able to create money only when
- interest rates are above 2%.
 - the Fed sells U.S. government bonds.
 - the reserve ratio is 100%.
 - only a fraction of deposits are held in reserve.
19. Suppose the banking system currently has \$400 billion in reserves, the reserve requirement is 8 percent, and excess reserves amount to \$5 billion. What is the level of deposits?
- \$5,000 billion
 - \$4,937.5 billion
 - \$5,062.5 billion
 - \$4,995 billion

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Financial Crisis

Suppose that banks are less able to raise funds and so lend less. Consequently, because people and households are less able to borrow, they spend less at any given price level than they would otherwise. The crisis is persistent so lending should remain depressed for some time.

20. Refer to Financial Crisis. What happens to the price level and real GDP in the short run?
- both the price level and real GDP rise
 - the price level rises and real GDP falls
 - the price level falls and real GDP rises
 - both the price level and real GDP fall

II. Problem (40% 每題十分)

1. Two home-improvement stores (Lopes and HomeMax) in a growing urban area are interested in expanding their market share. Both are interested in expanding the size of their store and parking lot to accommodate potential growth in their customer base. The following game depicts the strategic outcomes that result from the game. Increases in annual profits of the two home-improvement stores are shown in the table below.

		Lopes	
		Increase the size of store and parking lot	Do not increase the size of store and parking lot
HomeMax	Increase the size of store and parking lot	Lopes = \$1.0 million HomeMax = \$1.5 million	Lopes = \$0.4 million HomeMax = \$3.4 million
	Do not increase the size of store and parking lot	Lopes = \$3.2 million HomeMax = \$0.6 million	Lopes = \$2.0 million HomeMax = \$2.5 million

- What is Nash Equilibrium in this game?(5%)
- Suppose the owners of Lopes and HomeMax meet for a friendly game of golf one afternoon and happen to discuss a strategy to optimize growth related profit. What should be their agreement?(5%)
- Assume that a person consumes two goods, Coke and Snickers. Use a graph to demonstrate how the consumer adjusts his/her optimal consumption bundle when the price of Coke decreases. Carefully label all curves and axes. What will happen to consumption if Coke is a normal good? What will happen to consumption if Coke is an inferior good?
- Suppose a boom in stock market prices helps make people feel wealthier. Using the model of aggregate demand and aggregate supply, identify the curves that are affected, and which way these curves would shift.
- Some economists argue that policymakers can use monetary and fiscal policy to reduce the severity of economic fluctuations. What are some things policymakers can do to boost the economy when aggregate demand is inadequate to ensure full employment?