

選擇題或是非題每小題 2.5 分

一、選擇題

1. Dick owning the dog is worth \$500 to Dick and that Jane bears a cost of \$700 from the barking. A possible private solution to this problem is that

- a. Jane pays Dick \$450 to get rid of the dog.
- b. Dick pays Jane \$650 for her inconvenience.
- c. Jane pays Dick \$650 to get rid of the dog.
- d. There is no private solution that would improve this situation.

2. Since natural monopolies have a declining average cost curve, regulating natural monopolies by setting price equal to marginal cost would

- a. result in a less than optimal total surplus.
- b. maximize producer surplus.
- c. cause the monopolist to operate at a loss.
- d. All of the above.

Income	Quantities Purchased		
	Good X	Good Y	Good Z
\$30,000	2	20	4
50,000	5	10	5

3. Refer to the table above. What is the income elasticity of good Y?

- a. -0.75
- b. 0.75
- c. 1.33
- d. -1.33
- e. zero

4. Refer to the table above. Good Z is

- a. a normal good.
- b. an inferior good.
- c. a necessity good.
- d. Both (a) and (c) are correct.

5. What type of costs have no impact on the firm's production decision?

- a. sunk costs
- b. opportunity costs
- c. explicit costs
- d. None of the above.

6. When firms have tacit agreements among themselves on the quantity to produce and the price to sell output they are organized

- a. as a Nash arrangement.
- b. on a competitive scale.
- c. as competitive oligopolists.
- d. as a cartel.

7. When two goods are perfect substitutes, the marginal rate of substitution is
- increasing as abundance of one commodity increases.
 - increasing as scarcity of one commodity increases.
 - decreasing as the scarcity of one commodity increases.
 - constant.
8. Caitlin would be willing to pay \$50 to see Le Miserables, but buys a ticket for only \$30. Caitlin values the performance at _____ and her consumer surplus is _____.
- \$30, \$50
 - \$50, \$30
 - \$50, \$20
 - \$30, \$20
9. For a perfectly competitive firm,
- market price is equal to average revenue.
 - average revenue is equal to marginal revenue.
 - average revenue is always equal to average variable cost.
- both (i) and (iii)
 - both (i) and (ii)
 - both (ii) and (iii)
 - (i) only
10. Positive statements are
- prescriptive, making a claim about how the world ought to be.
 - descriptive, making a claim about how the world is.
 - optimistic, putting the best possible interpretation on things.
 - affirmative, justifying existing economic policy.
11. If the supply curve shifts to the left, there will be
- an increase in consumer surplus.
 - an increase in consumers valuation of the good.
 - a decrease in consumer surplus.
 - no change in consumer surplus.
12. A tax levied on the supplier of a product shifts the supply curve _____. A tax levied on the buyers of a product shifts the demand curve _____.
- upward or to the left; downward or to the left
 - upward or to the left; upward or to the right
 - downward or to the right; downward or to the left
 - downward or to the right; upward or to the right
13. When factor demand is said to be a derived demand, this implies that
- factor demand is derived from a production function.
 - factor demand exists as a subset of factor supply.
 - a firm's demand for a resource is derived from its decision to supply goods in an output market.
 - equilibrium in the factor market is independent of factor supply.

14. The ownership of human capital
- is not generally transferable.
 - is easily transferable to multiple individuals.
 - is typically embodied in related physical capital.
 - may be subject to government restrictions on transferability.
15. The major difference between tariffs and import quotas is that
- tariffs create deadweight losses, but import quotas do not.
 - tariffs help domestic consumers, and import quotas help domestic producers.
 - tariffs raise revenue for the government, but import quotas create a surplus for import license holders.
 - all of the above are correct
16. Total income and total expenditure in an economy
- are seldom equal because of the dynamic changes which occur in an economy.
 - are equal only when all goods and services produced are sold.
 - are always equal because every transaction has both a buyer and a seller.
 - are always equal because of accounting rules.
17. The producer price index measures
- the cost of a basket of goods and services bought by firms.
 - the cost of a basket of goods and services sold by producers.
 - the cost of a basket of goods and services typical of those produced in the economy.
 - the cost of a basket of goods and services produced for a typical consumer.
18. The catch-up effect is the idea that
- it is easier for a country to grow fast if it starts out relatively poor.
 - other countries aid relatively poor countries so as to "catch them up."
 - savings will always "catch-up" with investment spending
 - if investment spending is low, increased savings will help investment to "catch-up."
19. If the current market interest rate for loanable funds is below the equilibrium level, then
- the quantity of loanable funds demanded will exceed the quantity of loanable funds supplied.
 - the quantity of loanable funds supplied will exceed the quantity of loanable funds demanded.
 - the interest rate for loanable funds will fall.
 - the equilibrium interest rate for loanable funds will rise.
20. According to the Ricardian equivalence theory, what would happen if government were to cut taxes without changing its spending?
- Public and national saving would fall.
 - Public and national saving would rise.
 - Public and national saving would not change.
 - Private saving would rise, public saving would fall, and national saving would be unaffected.

21. Which of the following equations is correct?
- Labor force = number of employed + number of unemployed.
 - Unemployment Rate = $\frac{\text{number of unemployed}}{\text{population}} \times 100$.
 - Labor force = population - number of unemployed.
 - Unemployment Rate = $\frac{\text{number of employed}}{\text{labor force}} \times 100$.
22. If the reserve ratio is 10 percent and a bank receives a new deposit of \$100, this bank
- must increase its required reserves by \$10.
 - will initially see its total reserves increase by \$100.
 - will be able to make a new loan of \$90
 - all of the above are true.
23. As the price level increases,
- people will want to hold less money.
 - people will use more money as a medium of exchange.
 - people will want to hold more money as a medium of exchange.
 - both b and c are correct
24. Positive net exports signals that
- the country sells more goods abroad than it buys from other countries.
 - the country buys more goods from other countries than it sells to other countries.
 - the country has a closed economy.
 - the country's tariffs are too low.
25. An import quota _____ imports, _____ net foreign investment, and _____ net exports.
- reduces, reduces, reduces
 - reduces, does not affect, increases
 - reduces, increases, does not affect
 - reduces, does not affect, does not affect
 - none of the above
26. According to classical economic theory, changes in the money supply
- affect nominal variables, but not real variables.
 - affect exogenous variables, but not endogenous variables.
 - affect nominal variables and real variables.
 - affect real variables, but not nominal variables.
27. In the long-run, the actual inflation rate depends primarily on
- the expected inflation rate.
 - the Phillips curve tradeoff.
 - the rate of growth of the quantity of money.
 - the unemployment rate.

28. Supply-side economists believe that a cut in tax rates will
- decrease government tax revenue.
 - shift the AS curve to the right.
 - provide an incentive for people to work less.
 - all of the above are correct
29. A change in monetary policy that aims to expand aggregate demand can be described either as _____ the money supply or as _____ the interest rate.
- increasing, raising
 - increasing, lowering
 - decreasing, lowering
 - decreasing, raising
30. Disinflation is defined as
- a zero rate of inflation.
 - a constant rate of inflation.
 - deflation.
 - a reduction in the rate of inflation.

二、是非題

- Taxes on necessities will create a smaller deadweight loss than will the same tax on luxuries, *ceteris paribus*.
- Market failure refers to a situation in which the market does not allocate resources efficiently.
- The Phillips Curve shows the short-run tradeoff between inflation and economic growth.
- When each person specializes in producing the good for which he or she has a comparative advantage, each person can gain from trade, but total production in the economy is unchanged.
- Price discrimination can raise overall economic welfare.
- The combination of rising unemployment and rising price level is called stagflation.
- If imports are zero, a country is said to have balanced trade.
- Economists believe that at the very least, the government can encourage economic growth by maintaining property rights and political stability.
- Countries that devote a large share of GDP to investment tend to have high growth rates.
- A French company owns a hat store in New York. The profits from the hat store are included in U.S. GDP and in French GNP.