一、是非題 (20%) 每題 2 分

1. ( ) The Consumer Price Index (CPI) is a weighted average of all the prices paid by households for goods and services.

2. ( ) An increase in government spending can lead to a decrease in GDP if the interest rate changes enough.

3. ( ) If unemployment is below the natural rate, GDP is below potential output.

4. ( ) The lower the price of a foreign currency, the more expensive that foreign country's goods an services are to individuals in the domestic economy.

5. ( ) An increase in the corporate profits tax would shift the demand for loanable funds curve to the left.

6. ( ) Everything else equal, as increase in investment in physical and human capital will mean lower living standards in the present, because the opportunity cost of investment is foregone consumer goods.

7. ( ) Higher productivity is the most direct route to higher living standards.


9. ( ) In the long run, if the inflation rate is positive, a currency depreciates to maintain purchasing power parity.

10. ( ) A monopoly firm has no supply curve that is independent of the demand curve for its product.

二、選擇題 (50%) 每題 2 分 (每題皆為單選)

1. ( ) Structural unemployment
   a. arises from a mismatch between available jobs and workers' skills or geographic location
   b. is short-term joblessness experienced by those re-entering the labor force after a long absence
   c. occurs because of changes in seasons, tourist patterns, and similar factors
   d. does not occur when the economy is at full employment

2. ( ) The labor demand curve slopes downward because
   a. firms wish to hire fewer workers as the wage rate increases
   b. household wish to hire fewer workers as the wage rate decreases
   c. firms wish to hire more workers as the wage rate increases
   d. firms wish to supply workers as the wage rate increases

3. ( ) The Federal Reserve's open market operations involve
   a. buying and selling of government bonds
   b. changes of the discount rate
   c. setting the required reserve ratio
   d. collection of tax revenues

4. ( ) For any value of the required reserve ratio (RRR), the demand deposit multiplier is
   a. 1/RRR
   b. 1/(1/(RRR))
   c. RRR multiplied by the change in reserves
   d. 1-RRR

5. ( ) Which of the following would be most likely to increase the quantity of money demanded?
   a. an increase in the price level
b. a decrease in real income
c. an increase in the interest rate
d. a decrease in the cost of converting other assets into money

6. The AD-AS model implies that, in the long run,
a. the economy adjusts very quickly to demand shocks
b. changes in government spending have no effect on GDP
c. the price level never changes
d. a mixture of fiscal and monetary policy is necessary to achieve full employment

7. A rise in U.S. real GDP would cause
a. leftward shifts of the demand curves for foreign currencies
b. rightward shifts of the demand curves for foreign currencies
c. rightward monements along the demand curves for foreign currencies
d. no change in the demand curves for foreign currencies

8. The kinked demand curve model predicts that
a. price increases will be greater than cost increases.
b. price will be sticky.
c. firms will increase output in response to a cost change.
d. firms will collude.

9. A cartel is a
a. form of tacit collusion.
b. group of firms that gets together and makes joint price and output decisions to maximize joint profits.
c. type of oligopoly in which the demand curve is 'Kinked.'
d. duopoly.

10. An externality is most likely to occur when
a. trade between two parties affects nobody else.
b. property rights are not well established.
c. the marginal social cost of an activity equals zero.
d. All of the above.

11. Natural monopoly occurs when there are
a. large economies of scale.
b. firm joining together to limit output and raise prices.
c. different prices for different consumers or groups of consumers.
d. input markets that have only one buyer.

12. In game theory, the result of all players playing their best strategy given what their competitors are doing is called a
a. Nash equilibrium.
b. payoff matrix.
c. dominant strategy.
d. maximin strategy.

13. In game theory, a strategy that is the best thing for a firm to do no matter what the other firm does is termed a
   a. dominant strategy.
   b. Nash equilibrium.
   c. cartel.
   d. rivalry.

14. The Coase theorem
   a. states that under certain conditions, when externalities are present, private parties can arrive at the efficient solution without government intervention.
   b. holds for large groups as well as individuals.
   c. argues that the government must be involved in every case of externalities.
   d. is used to judge 'willingness to pay.'

15. If the required reserve ratio is 0.2, and a bank has $100 million in demand deposits and $40 million in property and buildings, it must hold reserves of at least
   a. $8 million
   b. $26 million
   c. $20 million
   d. $12 million

16. The aggregate demand curve
   a. represents the relationship between prices and quantities of all goods produced in an economy
   b. is derived from equilibrium conditions in the labor and money markets
   c. gives the equilibrium level of real GDP corresponding to a given price level
   d. is the sum of an economy's individual demand curves

17. A downward movement along the AD curve is caused by
   a. a rightward shift of the money demand curve
   b. falling consumer confidence
   c. a decrease price level
   d. expansionary open market transactions by the Fed

18. In the long run, a monopolist
   a. is constrained by fixed factor just like a perfectly competitive firm.
   b. earning positive profits will attract entry and those profits will be competed away.
   c. earning positive profits will neither expand nor contract the number of competitors.
   d. that is breaking even will go out of business.

19. Monopolistic competition differs from perfect competition in that
   a. there are many firms.
   b. there are no barriers to entry.
c. firms can differentiate their products.
d. good substitutes are available.

20. ( ) Full employment occurs when
a. everyone has a job
b. everyone who wants a job has one
c. there is no frictional unemployment
d. there is no cyclical unemployment

21. ( ) Which of the following policies would most likely increase the money supply?
a. selling government bonds
b. raising the discount rate
c. lowering tax rates
d. lowering the required reserve ratio

22. ( ) The money supply curve is vertical because
a. real income does not influence the quantity of money supplied
b. the price level does not influence the level of spending
c. only the interest rate influences the quantity of money supplied
d. the Federal Reserve sets the money supply

23. ( ) Which of the following statements is true?
a. Exports tend to decrease economic efficiency
b. A nation should specialize in producing a good in which it has an absolute advantage
c. A nation should specialize in producing a good only when it has both an absolute and a comparative advantage
d. A nation should specialize in producing a good in which it has a comparative advantage

24. ( ) Monopolistically competitive firms achieve whatever degree of market power they command through
a. size.
b. barriers to entry.
c. collusion.
d. product differentiation

25. ( ) A good is nonrival in consumption when it
a. has spillover effects.
b. is priced at its marginal social cost.
c. is sold at auction.
d. can be enjoyed by one person without that enjoyment interfering with another's consumption.