(一)是非題(10%;每題2分)
1. The demand curve facing a price searcher is not horizontal.
2. Firms possessing market power tend to produce more output than is socially desirable.
3. Ronald Coase argued that as long as bargaining costs are high, an efficient solution to the problem of economists will be achieved by assigning property rights.
4. Monetarist economists and classical economists are described as nonactivists, but Keynesian economists are seen as activists.
5. The GATT replaced the World Trade Organization(WTO).

(二)選擇題(20%;單選;每題2分)
1. Sometimes the unrestrained operation of markets has undesirable results. The role of government in the market includes:
   (a) establishing and enforcing the rules of the game.
   (b) regulating natural monopolies.
   (c) dealing with externalities.
   (d) promoting full employment, price stability, and economic growth
   (e) all of the above
2. Problems with the Consumer Price Index(CPI) are:
   (a) It assumes that quality remains relatively constant over time and thus tends to overstate the true extent of inflation
   (b) It ignores the relative prices change over time in the market basket, and thus tends to understate the true extent of inflation.
   (c) The low price of goods sold at discount retailers are not translated into a reduction in the cost of living by government statisticians, and thus CPI tends to underestimate the true extent of information.
   (d) None of the above
3. If the coefficient of supply elasticity is 2, what must happen to housing prices to cause builders to expend the quantity of housing supplied by 30%?
   (a) Housing prices must rise by 60%
   (b) Housing prices must rise by 15%
   (c) Housing prices must fall by 15%
   (d) Housing prices must rise by 6%

4. If policymakers desire to reduce the quantity of water demand by 20%, and water has an elasticity coefficient of 0.5, then the price of water must be
   (a) increased by 10%
   (b) increased by 20%
   (c) reduced by 10%
   (d) increased by 40%

5. Which of the following statements is not true?
   (a) Dumping is selling a commodity abroad at a price that is below its cost of production or below the price charged in the home market.
   (b) If dumping is persistent, the lower price may increase consumer surplus by an amount that will more than offset losses to domestic producers.
   (c) Predatory dumping allows consumers to buy imports for a temporary low price. Thus, there is no role for the government to apply a tariff to raise the price of dumped goods.

6.

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<th>Firm Y’s price strategies</th>
<th>Firm X’s price strategies</th>
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<td>$10</td>
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<td>$10</td>
<td>Each firm earns a</td>
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A Nash equilibrium would result if
   (a) firm X selected a price of $15 and Y selected $10.
   (b) firm Y selected a price of $10 and X selected $15.
   (c) both firms selected the $10 price.
   (d) both firms selected the $15 price.

7. Which of the following would be most likely to reduce frictional unemployment?
   (a) programs to assist in the retraining of workers.
   (b) an increase in the amount of radio and television advertising of job openings.
   (c) an increase in the level of financial support for elementary and secondary education.
   (d) a program of subsidized day care, so that welfare mothers could join the labor
force more easily.

8. Which of the following statements about the views of the classical economists is false?
   (a) They believed that any involuntary unemployment had to be a short-term phenomenon.
   (b) They believed that lower interest rates would encourage investment spending.
   (c) They supported an expended role for government in combating unemployment when it arose.
   (d) They believed that the appearance of labor surpluses would cause wages to fall.

9. The 'crowding out' phenomenon refer to the fact that
   (a) increased government spending can lead to higher interest rates and thereby reduce investment.
   (b) higher tax rates can lead to lower consumption spending by households and a lower level of equilibrium income.
   (c) the multiplier effect is smaller for increases in government spending that for increases in investment spending.
   (d) businesses now provide many of the services households once provided for themselves.

10. Assume that the reserve requirement is 20%. If the Windsor Bank initially has no excess reserves, how much can it expend loans if one of its customers deposits $1,000 in currency in a checking account?
    (a) $1,000.
    (b) $200.
    (c) $15,000.
    (d) $800.

(三)解釋名詞 (20%; 請先翻譯成中文再解釋之; 每題 4 分)
1. The law of comparative advantage
2. Price floor
3. Leading economic indicators
4. The law of diminishing marginal utility
5. Common pool problem

(四)問答題 (50%; 每題 10 分)
1. 為了解經貿問題，經濟學者使用一套據有理論基礎的研究方法，此方法被稱為是「科學的研究方法」，請說明此研究方法的主要四個步驟。
2. 經濟的成長可由提高勞動生產力(labor productivity)來著手，請說明提高勞動生產力的方法，並以圖形輔助說明之。
3. 檢查消費邊際消費傾向 (marginal propensity to consume) 是 0.8，邊際進口傾向 (marginal propensity to import) 是 0.5，最近李總統發表兩國論，造成股價大跌，
政府為了護盤而進場干預，假設因此增加了政府支出 NTS100 億，
(a) 請問支出乘數 (The spending multiplier) 是多少?
(b) 請說明此 NTS100 億的政府支出可能促使平衡點上實質 GDP 的改變多少?

4. 請比較獨占與完全競爭市場的產業結構在長期裡所產生社會福利的異同：
   (a) 畫圖輔助說明之
   (b) 並非所有的經濟學者都認為獨占的產業結構是較沒有效率的，請說明您的看法。

5. 如果中華民國是採用固定匯率 (Fixed exchange rates)，並將對美元匯率定在
   US$1=NTS32 上下 2%之範圍，近日因兩國論，人們對新台幣失去信心，而
   對美元需求增加，請問中華民國的中央銀行要如何干預外匯市場，方可使
   台幣對美元匯率保持在鎖定的範圍內。試繪圖輔助說明之。

試題完