1. Some time ago the government of China required many highly skilled technicians and scientists to engage in unskilled agricultural labor in order to develop "proper social attitudes". This policy probably caused China to produce

A) at an inappropriate point along its production possibilities frontier.
B) outside its production possibilities frontier with respect to food, but inside with respect to high-technology goods.
C) inside its production possibilities frontier with respect to food, but outside with respect to high-technology goods.
D) inside its production possibilities frontier.

2. For consumers, goods A and B are complementary goods. The cost of a resource used in the production of A decreases. As a result,

A) the equilibrium price of B will fall and the equilibrium price of A will rise.
B) the equilibrium price of B will rise and the equilibrium price of A will fall.
C) the equilibrium prices of both A and B will rise.
D) the equilibrium prices of both A and B will fall.

3. The air route from Dallas to Mexico City is served by more than one airline. The demand for tickets from American Airlines for that route is probably

A) inelastic but more elastic than the demand for all tickets for that route.
B) elastic and more elastic than the demand for all tickets for that route.
C) inelastic and less elastic than the demand for all tickets for that route.
D) elastic but less elastic than the demand for all tickets for that route.

4. Gina is eating two slices of pizza. Which of the following statements is true?

A) Gina's marginal benefit from the second slice of pizza is equal to the sum of the benefit from the first slice plus the benefit from the second slice.
B) Gina's marginal benefit from the second slice of pizza equals the maximum she is willing to pay for the second slice.
C) Gina can not have any consumer surplus from the second slice of pizza.
D) Gina must have some consumer surplus from the second slice of pizza.

5. Joe is the owner-operator of Joe's Haircuts Unlimited. Last year he earned $100,000 in total revenues and paid $55,000 to his employees and suppliers. During the course of the year, he received three offers to work for other barbers, with the highest offer being $40,000 per year. What are Joe's economic profits?
A) $25,000
6. Economics is the study of
   A) the distribution of surplus goods to those in need.
   B) affluence in a morally bankrupt world.
   C) the choices we make because of scarcity.
   D) ways to reduce wants to eliminate the problem of scarcity.

7. Which of the following statements is true?
   A) The marginal and average product curves intersect at the maximum level of output.
   B) At every output level the marginal product curve lies above the average product curve.
   C) The marginal product and average product curves intersect when average product is at its maximum.
   D) The marginal product curve always has a positive slope.

8. A key difference between a monopoly and a perfectly competitive firm is that the monopolist
   A) does not face fixed costs in the short run.
   B) has a marginal revenue curve that lies below its demand curve.
   C) has no marginal cost curve.
   D) faces a perfectly elastic demand for its product.

9. In the long run, a monopolistically competitive firm’s price equals
   A) its average total cost and its marginal cost.
   B) its average total cost but not its marginal cost.
   C) its marginal cost but not its average total cost.
   D) neither marginal cost nor its average total cost.

10. A currency drain
    A) leads to an increase in excess reserves.
    B) decreases the size of the money multiplier.
    C) results in an increase in deposits.
    D) results in an increase in required reserves.

11. Exports of U.S. goods creates a
    A) demand for dollars with no effect on markets for foreign currencies.
    B) supply of foreign currency with no effect on the market for dollars.
    C) supply of foreign currency and demand for dollars.
D) demand for foreign currency and supply of dollars.

12. Libertyville has two optometrists, Dr. Smith and Dr. Jones. Each optometrist can choose to advertise his service or not. The incomes of each optometrist, in thousands of dollars, are given in the payoff matrix below.

<table>
<thead>
<tr>
<th></th>
<th>Dr. Smith</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertise</td>
<td></td>
<td>Don’t advertise</td>
</tr>
<tr>
<td>Dr. Jones</td>
<td>S: $80; J: $70</td>
<td>S: $60; J: $110</td>
</tr>
<tr>
<td>Don’t advertise</td>
<td>S: $120; J: $60</td>
<td>S: $100; J: $90</td>
</tr>
</tbody>
</table>

Which of the following statements correctly describes Dr. Smith’s strategy given what Dr. Jones may do?

A) Dr. Smith should advertise no matter what Dr. Jones does.
B) Dr. Smith should not advertise no matter what Dr. Jones does.
C) Dr. Smith should advertise only if Dr. Jones doesn’t advertise.
D) Dr. Smith should advertise only if Dr. Jones advertises.

13. Which of the following is NOT an example of why the CPI is biased toward overstating the inflation rate?

A) The change in consumption patterns as households purchase DVD players instead of VHS tape players.
B) The rising cost of automobile insurance due to higher accident rates.
C) The increasing market share of low-price self-service gas stations and the disappearance of full service stations.
D) The introduction of higher quality automobile safety devices such as airbags.

14. If aggregate planned expenditures are less than the level of real GDP,

A) real GDP and income will increase.
B) real GDP and income remain unchanged.
C) real GDP and income will either decrease or remain unchanged, depending on the MPC.
D) inventories will increase above their target level and real GDP will decrease.

15. When two firms collude to maximize profit the total quantity produced by both firms taken together is determined at the quantity where

A) excess capacity is minimized.
B) industry marginal cost equals industry marginal revenue.
C) the price equals the industry’s marginal cost.
D) excess capacity is as large as possible zero.
2 解釋名詞 (15%)

1. Consumer surplus (3%).
2. Ricardo-Barro equivalence (3%).
3. Perfect price discrimination (3%).
4. Minimum efficient scale (3%).
5. Inflationary gap (3%).

3 是非不定評論題 (請寫出理由，僅回答是非或不定者，不予計分。)(15%)

1. The slope of a production possibilities frontier that displays increasing opportunity cost is steeper near the vertical intercept than near the horizontal intercept. (3%)
2. A sales tax is divided so that buyers pay the full amount if supply has unitary elasticity. (3%)
3. The balanced budget multiplier is the magnification effect on aggregate demand of a simultaneous change in government expenditure and taxes that leaves the budget balance unchanged. Therefore, its value is always one. (3%)
4. The monetary policy will be more effective if people keep more money in cash than in saving account. (3%)
5. The kinked demand curve model can explain the rigidity of price. (3%)

4 問答題 (請以詳細文字敘述或搭配經濟學圖形) (40%)

1. 電力產業常需投入鉅額的固定成本，試問此種產業最容易形成那種市場結構？請作圖解釋為什麼該種市場結構優於其他市場結構。(7%)

2. 假設古代的中國及南洋的茶葉及香料價格如下:

<table>
<thead>
<tr>
<th></th>
<th>中國</th>
<th>南洋</th>
</tr>
</thead>
<tbody>
<tr>
<td>茶葉</td>
<td>12 壹兩</td>
<td>15 個寶</td>
</tr>
<tr>
<td>香料</td>
<td>24 節銀</td>
<td>20 個寶</td>
</tr>
</tbody>
</table>

中國及南洋各自具有比較利益的商品為何？並請說明理由。若有蘇州商人往返中國與南洋之間，他應該如何做買賣才能賺錢？並請計算他的報酬率。(為簡化計算，可做一些必要假設) (8%)

3. 中國人強調勤儉持家的美德，但凱因斯理論則有「節省的矛盾」(paradox of thrift) 的說法，試說明並評論之。 (10%)

4. 試論政府發放消費券對於總體經濟的影響，並評估其可能效果。(15%)

4