

所別：產業經濟研究所碩士班 甲組 科目：經濟學原理

選擇題，共 50 題，每小題 2%，共 100%

- In the nation of Growvania, the citizens produce and consume only corn and wheat. If there is technological progress in the production of corn but no progress in the production of wheat, then which of these statements is FALSE?
  - Growvania can consume more corn but cannot consume more wheat.
  - Growvania can consume more corn and more wheat due to this event.
  - The opportunity cost of growing wheat most likely has gone up due to this event.
  - Along its new production possibility frontier, efficient production of corn means that is more corn is grown, then less wheat must be grown.
- Which of the following events will cause an inward shift of the production possibility frontier, towards the origin?
  - A recession results in massive unemployment and reduced output of all goods.
  - Robots replace workers in many firms, throwing them out of their jobs.
  - The government orders the killing of dairy cows, which results in bigger profits in the dairy industry.
  - All of the above.
- The nation of Poobah can produce the following combinations of Apples and Beans on its production possibility frontier: 1 Apple and 6 Beans, (or) 2 Apples and 3 Beans, (or) 3 Apples and 0 Beans. Over this range, Apples can be characterized as having:
  - Constant Costs.
  - Increasing Costs.
  - Decreasing Costs.
  - Zero Costs.
- People can fly from Raleigh to Charlotte in 1 hour or take the train, which takes 5 hours. The plane costs \$80 and the train costs \$40. Economists would expect:
  - Most people to take the train since it is cheaper.
  - People with lower opportunity cost of time to take the train rather than fly.
  - Plane fares to fall and train fares to rise.
  - Businessmen to take the train.
- The Law of Demand states that when the price of a good falls,
  - The quantity demanded of the good increases.
  - The demand curve for the good shifts right.
  - The quantity demanded of the good decreases.
  - The demand curve for the good shifts left.
- In which of these economies is the opportunity cost of goat cheese (in terms of foregone olives) the lowest? Prices are per pound.

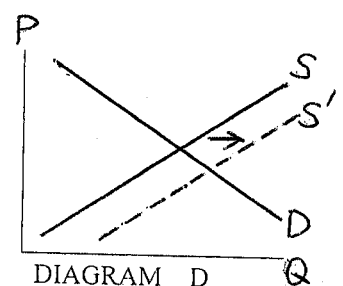
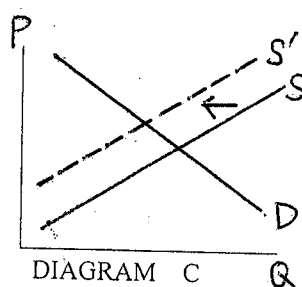
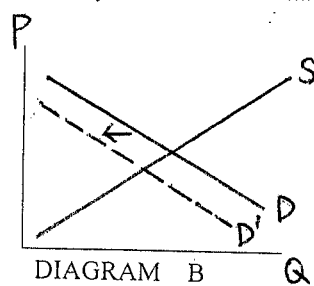
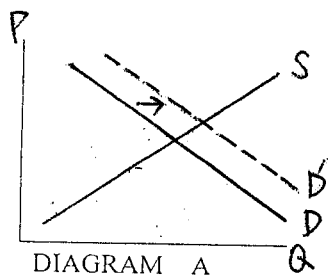
ECONOMY	PRICE OF GOAL CHEESE	PRICE OF OLIVES
A.	\$6.00	\$1.00
B.	3.00	1.00
C.	2.00	0.50
D.	4.00	4.00
- A shift in the demand curve for natural gas to the right and outward might be caused by:
  - New discoveries double the nation's supply of natural gas.
  - An increase in the price of oil (a substitute for natural gas).
  - A growing fear among consumers that using natural gas causes cancer, leading to lower prices of natural gas.
  - An increase in income when natural gas is an inferior good.
- If the market price is above the equilibrium price, there will be a tendency for the price to change, causing:
  - quantity demanded to fall and quantity supplied to rise.
  - quantity demanded to rise and quantity supplied to fall.
  - both quantity demanded and supplied to fall.
  - both quantity demanded and supplied to rise.

注意：背面有試題

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9. Placing an excise tax on cigarettes will definitely not have which of the following effects:
  - A. An upward shift in the supply curve by the amount of the tax.
  - B. An increase in the price of cigarettes to the customers that is less than the amount of the tax.
  - C. An increase in the output of cigarettes.
  - D. A reduction in the after-tax price to cigarette manufacturers.
  
10. If unions push up the wages of auto workers and, at the same time, a recession reduces nation income (and cars are a normal good), then:
  - A. The price of cars will rise and the quantity produced will fall.
  - B. The quantity of cars produced will fall but the effect on price is uncertain.
  - C. The price of cars will fall and the effect on the quantity produced will be uncertain.
  - D. The price of cars will rise and the quantity produced will rise.
  
11. In 1979, the quantity of American steel sold went down while its price fell. This is consistent with which of these events:
  - A. An increase in Supply.    B. A decrease in Supply.    C. An increase in Demand.    D. A decrease in Demand.
  
12. At a ticket price of \$15, Boy George finds his concerts bring in \$150,000 each. At a ticket price of \$20, Boy finds his concerts bring in \$120,000 each. Over this range of prices, we can say that the price elasticity of demand for a Boy George concert is:
  - A. Elastic    B. Unit Elastic    C. Inelastic    D. Zero
  
13. Ticket scalping is the selling of a ticket for an entertainment event at a price above the price printed on the ticket. Ticket scalping occurs because:
  - A. The printed price is below the equilibrium price.    B. The supply of tickets is fixed at the capacity of the auditorium.
  - C. Some fans place a high value on being able to see the event.    D. All of the above.
  
14. Assume that the demand for widgets is price inelastic. As a consequence, when the price of widgets falls due to a reduction in the cost of producing widgets, total revenues from widget sales will \_\_\_ and widget output will \_\_\_. Indicate correct answer.
  - A. rise, rise    B. rise, fall    C. fall, fall    D. fall, rise

Use the following diagrams to answer Questions 15-19. The dashed line indicates the effect of the event. Indicate the letter of the diagram that best illustrates the likely effect of the event.



15. Event: The price of oil falls. The effect on the market for gasoline (which is made from oil).
16. Event: The price of corn rises. Effect on tobacco market, assuming that tobacco farmers can raise either corn or tobacco.
17. Event: The price of computer software falls. The effect on the market for computers (which is a complementary good with computer software).
18. Event: The demand for leather accessories (such as leather boots) increases. Effect of the market for beef steaks (leather and beef steaks are produced jointly together).
19. Event: Assume that fishing rods are an inferior good. The effect on the fishing rod market of a recession.

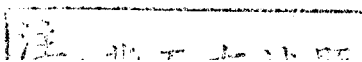
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20. Which of these goods most likely has the highest price elasticity?  
 A. Food B. Wheat C. Bread D. Big Star Brand White Bread
21. The State of North Carolina decides to put a tax of \$1 a bottle on beer. Consumers of beer will pay the largest share of this tax when:  
 A. the supply of beer is elastic. B. the demand for beer is inelastic. C. the supply of beer is inelastic. D. A and B combined.
22. A firm's marginal cost curve is below its average cost curve at 50 units of output; if the firm's cost curves follow the usual pattern of cost curves presented in the text, then:  
 A. The firm's marginal cost curve will raise if it produces 51 units.  
 B. The firm should produce more than 50 units.  
 C. The firm's total fixed costs will increase if it produces 51 units.  
 D. The firm's average cost will fall if it produces 51 units of output.
23. A competitive firm should shut down in the short run whenever:  
 A. Price is less than its minimum average variable cost. B. The price is above its average cost at all levels of output.  
 C. Total revenue falls short of total cost at all level of output. D. Average variable costs fail to cover average fixed costs.
24. The fact that the physical constraints (size of building, number of machines, etc.) of a plant are more binding over a month's time than over a six-month period explains why:  
 A. It is less costly to increase output rapidly than slowly.  
 B. The price elasticity of supply is greater in the long run than in the short run.  
 C. The long-run average cost curve is U-shaped.  
 D. Firms face diseconomies of scale.
25. At 50 units of output, Axel Corporation has a profit of \$50, a total revenue of \$120 and a total cost of \$70. At 51 units of output, Axel has a profit of \$52 and a marginal cost of \$4. What is its marginal revenue at 51 units?  
 A. \$9 B. \$6 C. \$2 D. \$7

Use the following information to answer questions 26-28. The table shows the cost figures for Sam's Widget Shop. Sam sells widgets in a perfectly competitive market. (Q is output, AVC is average variable cost, AFC is average fixed cost, ATC is average total cost, and MC is marginal cost).

Q	AVC	AFC	ATC	MC
1	\$24	\$60	\$84	\$24
2	18	30	48	12
3	14	20	34	6
4	13	15	28	10
5	14	12	26	18
6	16	10	26	26
7	18	8.57	26.57	30
8	20	7.50	27.50	34
9	22	6.67	28.67	38

26. What is the lowest price at which Sam will still sell widgets at rather than shut down?  
 A. \$26.00 B. \$ 6.67 C. \$13.00 D. \$ 6.00



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27. If the price of a widget is \$20, Sam will optimally produce:  
A. 8 machines. B. 0 machines. C. 5 machines. D. 6 machines.
28. If this table represents the long run optimal scale, then the long-run price of widgets will be:  
A. \$10.00 B. \$26.00 C. \$ 6.00 D. \$13.00
29. A company currently owns an UNIVAC computer which was bought for \$50 million dollars but which produces cost savings worth \$70 million. A new IBM computer will costs \$30 million and would produce savings worth \$80 million if it replaced its UNIVAC. The firm should \_\_ buy the new IBM because it change its net benefits by \_\_.  
A. Definitely, +\$30 billion. B. Not, -\$10 billion. C. Not, -\$20 billion. D. Definitely, +\$50 billion.
30. A monopolist at its current level of output has a marginal revenue of \$6, a marginal cost of \$8, an average variable cost of \$4, and a price of output equalling \$10. It should:  
A. raise its price and output  
B. lower its price and raise its output  
C. raise its price and lower its output  
D. lower its price and output
31. Which of the following, observed at the firm's optimal level of output, indicates that the firm is a monopoly rather than a perfect competitor?  
A.  $MR = \$8$  and  $MC = \$8$  B.  $P = \$10$  and  $MC = \$4$  C.  $P = \$10$  and  $ATC = \$6$  D.  $MR = \$10$  and  $ATC = \$6$
32. A new requirement that firms install a certain type pollution control bubble over their plants represents a large fixed cost. Assume that this cost, if imposed upon a monopolist, will not put the monopolist out of business. This requirement will reduce the output of:  
A. only a competitive industry. B. only a monopolist.  
C. both a competitive industry and a monopolist. D. neither a competitive industry nor a monopolist.
33. Willie Sutton, when asked why he robbed only banks, answered "Because that's where the money is". Which of the following principles of taxation uses this principle:  
A. Vertical Equity B. Horizontal Equity C. The Benefits Principle D. The Ability-To-Pay Principle
34. The existence of external benefits from the consumption of deoderant suggests that the market demand curve reflects \_\_ than the true value of deoderant and that the production of deoderant would have to be \_\_ so as to achieve the socially optimum output.  
A. less, subsidized B. more, subsidized C. less, taxed D. more, taxed
35. In The Westside Apartments, all utilities (including heat and water) are included in the rent and all tenants pay the same rent. This makes the social marginal cost of utilities \_\_ their private marginal costs, resulting in too \_\_ being consumed.  
A. less than, much B. more than, much C. less than, little D. more than, little
36. In 1970, Westphalia's nominal GNP was 800 while its real GNP was 1200. The GNP deflator for 1970 was:  
A. 120.0 B. 33.3 C. 150.0 D. 66.7

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37. Data from the 1981-82 recession shows that the price level fell along with real output. This suggests that the primary cause of the recession was an:
- A. inward (to the left) shift in the aggregate demand curve.
  - B. outward (to the right) shift in the aggregate demand curve.
  - C. outward shift in the aggregate supply curve.
  - D. inward shift in the aggregate supply curve.
38. Between 1929 and 1933, the money supply fell by third. Using the quantity theory, this would be represented on the aggregate demand and supply curves as an:
- A. inward shift in the aggregate demand curve.
  - B. outward shift in the aggregate demand curve.
  - C. outward shift in the aggregate supply curve.
  - D. inward shift in the aggregate supply curve.
39. Which of these persons will be hurt by an unanticipated increase in the inflation rate?
- A. Savers who own 20 year bonds paying a fixed yield.
  - B. Workers whose wages are adjusted for inflation.
  - C. The rich.
  - D. Farmers who have large fixed rate mortgages on their farms.
40. In Apexulon, people want to hold 10% of their income in money holdings. The money supply is \$5000. Real output is 25000 units. The price of each unit will be:
- A. \$0.02
  - B. \$5.00
  - C. \$50.00
  - D. \$2.00
41. Both Nation X and Y have an 8% growth rate in their money supplies. But Nation X has a 5% rate of inflation while Nation Y has a 10% rate of inflation. Which pair of reasons could each explain this difference:
- Reason I. Real GNP is growing faster in Nation X.      Reason II. Real GNP is growing faster in Nation Y.  
Reason III. "k" is growing faster in Nation X.      Reason IV. "k" is growing faster in Nation Y.
- Select Best Pair:
- A. I and III
  - B. II and III
  - C. I and IV
  - D. II and IV
42. The money supply is currently growing at 8%. Output is growing at 2% and k is growing at 3%. (These are all annual rates). If this persists, then we'd expect the rate of inflation to be:
- A. 7%
  - B. 13%
  - C. 3%
  - D. 8%
43. Suppose the Fed increases the growth rate of the money supply. Once people become adjusted to a higher growth rate in the money supply, we'd expect in the long run that:
- A. The real money supply will be larger.
  - B. The nominal interest rate will be higher.
  - C. The real rate of interest will be higher.
  - D. All of the above.
44. A noted public official predicted that next year's inflation rate will be 5%. If the money supply grows at 9% and k decreases at 3%, we'd expect output (using the quantity theory) to grow at:
- A. 7%
  - B. 1%
  - C. 9%
  - D. 5%
45. A one-year note promises to pay \$1000 in one year from now. If the current interest rate is 20%, the note should sell for about which amount:
- A. \$833
  - B. \$1200
  - C. \$200
  - D. \$980

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46. Plowboy Magazine offers its subscribers two deals: (1) Subscribe for one year at \$20 and then (if you want) resubscribe for the second year at \$22 or (2) Subscribe for 2 years at \$34. If your discount rate is 10%, you should choose \_\_\_ and be better off by \_\_\_ if you definitely want 2 years of Plowboy Magazine.  
A. 1, \$6 B. 1, \$8 C. 2, \$8 D. 2, \$6
47. Assume that labor is the only input needed to produce rum and flour. In Country X, one hour of labor produces 1 bottle of rum or 3 pounds of flour. In Country Y, one hour of labor produces 2 bottles of rum or 4 pounds of flour. According to the theory of Comparative Advantage, if these are the only two goods these nations produce and consume, then  
A. Country X should export rum and import flour. B. Country X should import rum and export flour.  
C. Country X should import rum and import flour. D. Country X should export rum and export flour.
48. Suppose the U.S. imports oil from Mexico and exports steel to Mexico. Assume these are the only two goods traded. If Mexico cuts the price of oil (relative to the price of steel), then the U.S. :  
A. will be able to consume more oil but less steel.  
B. will be able to consume less oil but more steel.  
C. will be able to consume more oil and steel.  
D. will have to consume less oil and steel.
49. If Korea, because of lower labor costs, can make all goods at a lower cost than U.S. manufactures can, then:  
A. Korea will export to the U.S. but not buy any imports from the U.S.  
B. Korea will neither export to nor import from the U.S.  
C. Korea will import from the U.S. but not export to the U.S.  
D. Korea will export to and import from the U.S.
50. A shortage will occur when:  
A. A price floor is set above the equilibrium price.  
B. A price ceiling is set below the equilibrium price.  
C. The supply of a good decreases dramatically.  
D. All of the above.