

選擇題/Choice questions: (32%)

1. Recessions are periods when real GDP:
(A) increases slowly
(B) increases rapidly
(C) decreases mildly
(D) decreases severely
2. The inflation rate measures:
(A) how the total income of the economy is growing
(B) how unemployment in the economy is increasing
(C) how prices in the economy are rising
(D) the number of jobs in the economy is expanding
3. The market value of all final goods and services produced within an economy in a given period of time is called:
(A) industrial production
(B) gross domestic product
(C) the GDP deflator
(D) general durable purchases
4. In the long run, the level of national income in an economy is determined by its:
(A) factors of production and production function
(B) real and nominal interest rate
(C) government budget surplus or deficit
(D) rate of economic and accounting profit
5. If bread is produced by using a constant returns to scale production function, then if the:
(A) number of workers is doubled, twice as much bread will be produced
(B) amount of equipment is doubled, twice as much bread will be produced
(C) amounts of equipment and workers are both doubled, twice as much bread will be produced
(D) amounts of equipment and workers are both doubled, four times as much bread will be produced
6. A competitive firm:
(A) is small relative to the market in which it trades
(B) has to charge a lower price when it wants to sell more goods
(C) has several large competitors with whom it engages in fierce competition
(D) can set the wage at which it hires workers
7. The real wage is the return to labor measured in:
(A) dollars
(B) units of labor
(C) units of capital
(D) units of output
8. In a Cobb-Douglas production function the marginal product of labor will increase if:
(A) the quantity of labor increases
(B) the quantity of capital increases
(C) capital's share of output increases
(D) average labor productivity decreases
9. In a closed economy, the components of GDP are:
(A) consumption, investment, government purchases, and exports
(B) consumption, investment, government purchases, and net exports
(C) consumption, investment, and government purchases
(D) consumption and investment
10. Investment goods as measured in the GDP are purchased by:
(A) business firms, households, and governments
(B) business firms and households
(C) households alone
(D) business firms alone

11. The *nominal* interest rate is the:
 - (A) rate of interest that investors pay to borrow money
 - (B) same as the real interest rate
 - (C) rate of inflation minus the real rate of interest
 - (D) real rate of interest minus the rate of inflation
12. The factor that makes national saving equal investment, in equilibrium, is:
 - (A) private saving
 - (B) public saving
 - (C) fiscal policy
 - (D) the interest rate
13. The classical dichotomy:
 - (A) cannot hold if money is "neutral."
 - (B) fully describes the world in which we live, especially in the short run
 - (C) arises because money depends on the nominal interest rate
 - (D) is said to hold when the values of real variables can be determined without any reference to nominal variables or the existence of money
14. The lower the real exchange rate is, the _____ expensive domestic goods are relative to foreign goods, and the _____ the demand is for net exports:
 - (A) more; greater
 - (B) more; smaller
 - (C) less; greater
 - (D) less; smaller
15. In a steady state:
 - (A) no hiring or firings are occurring
 - (B) the number of people finding jobs equals the number of people losing jobs
 - (C) the number of people finding jobs exceeds the number of people losing jobs
 - (D) the number of people losing jobs exceeds the number of people finding jobs
16. The consumption function in the Solow model assumes that society saves a:
 - (A) constant proportion of income
 - (B) smaller proportion of income as it becomes richer
 - (C) larger proportion of income as it becomes richer
 - (D) larger proportion of income when the interest rate is higher

簡答題/Briefly answer the following questions: (18%)

1. When a firm sells a product out of inventory, how GDP, investment expenditures and consumption expenditures change? (increase/decrease/not change) (6%)
2. If $Y = AK^{0.5}L^{0.5}$ and A , K , and L are all 100, the marginal product of capital is? (6%)
3. If income is 4,800, consumption is 3,500, government spending is 1,000, and tax revenues are 800, private saving is? (6%)

問答題(50%)

1. 何謂古典不一致(classical inconsistency)? 請說明其形成的原因。(10%)
2. 請說明在其他的情況不變下，當勞動者預期物價水準上升，總合供給曲線如何移動?請解釋為何未預料到的貨幣供給增加可以使產出水準上升?(15%)
3. 在其他情況不變之下，能夠讓國際收支平衡的所有產出與利率的組合稱之為BP 線。請問BP 線的斜率為何?請說明在何種情況下BP 線為一水平線?(15%)
4. 請說明實施貨幣政策的產出效果在固定匯率下較大或是在浮動匯率下較大?(10%)