

國立臺灣大學九十五學年度轉學生入學考試試題

科目：經濟學原理

題號：30

共 4 頁之第 / 頁

※注意：請於答案卷上「選擇題作答區」作答。

Choose the one alternatives that best answers the question. Four points for each question.

1. If a drought destroyed half of the U.S. garlic crop at a time when the health benefits of garlic were being well publicized, economists would expect that in the market for garlic
 - (a) price would rise but the change in quantity exchanged is uncertain without further information.
 - (b) quantity exchanged would rise but the change in price is uncertain without further information.
 - (c) both price and quantity exchanged would rise.
 - (d) price would rise and quantity exchanged would fall.
2. Assume that the government sets a ceiling on the interest rate that banks charge on loans. If the ceiling is set below the market equilibrium interest rate, the result will be
 - (a) quantity supplied of credit is greater than quantity demanded of credit.
 - (b) a shortage of credit.
 - (c) greater profits for banks issuing credit.
 - (d) a perfectly inelastic supply of credit in the market place.
3. Suppose demand for electricity is perfectly inelastic. A tax on electricity will be
 - (a) split between producers and consumers in equal shares.
 - (b) paid only by producers.
 - (c) paid only by consumers.
 - (d) split between producers and consumers in unequal shares.
4. A fisherman at Hardin Lake can catch 20 fish per day, provided he has the lake to himself. Two fishermen can catch 19 fish apiece per day, and three can catch 18 fish apiece per day. Other numbers are given by the table.

number of fisherman	fish per day per fisherman
1	20
2	19
3	18
4	17
5	15
6	13
7	10
8	7

The opportunity cost of a day at the lake is 8 fish (that is, the alternative activity is as valuable as 7 fish). How many fishermen come to the lake?

- (a) 4. (b) 5. (c) 6. (d) 7.
5. From Table 1, what is the socially optimal number of fishermen at the lake?
 - (a) 4. (b) 5. (c) 6. (d) 7.
 6. If the United States imports shoes in a free-trade situation, we can infer that
 - (a) the domestic production of shoes in a no-trade situation is lower than if there is free trade.
 - (b) domestic consumption of shoes is higher in a no-trade situation than if there is free trade.
 - (c) the domestic price of shoes in a no-trade situation is higher than the free-trade world price.
 - (d) the domestic price of shoes in a no-trade situation is lower than the free-trade world price.

國立臺灣大學九十五學年度轉學生入學考試試題

題號：30

科目：經濟學原理

共 4 頁之第 2 頁

- 5
7. A dentist shared an office building with a radio station. The electrical current from the dentist's drill causes static in the radio broadcast, causing the radio station to lose \$10,000 in discounted future profits. The radio station could put up a shield at a cost of \$30,000; the dentist could buy a new drill that causes less interference for \$6,000. Either would restore the radio station's lost profits. What is the economically efficient outcome?
- (a) The radio station does not put up a shield and the dentist does not buy a new drill.
 - (b) The radio station puts up a shield, which it pays for.
 - (c) The radio station puts up a shield, which the dentist pays for.
 - (d) The dentist gets a new drill and it does not matter who pays for it.
8. If Franco's Pizza Parlor knows that the marginal cost of the 500th pizza is \$3.00 and that the average total cost of making 499 pizzas is \$3.30, then
- (a) average costs are rising at $Q = 500$.
 - (b) average costs are falling at $Q = 500$.
 - (c) total costs are falling at $Q = 500$.
 - (d) average variable costs must be falling.
9. Carla's Candy Store is maximizing profits by producing 1,000 pounds of candy per day. If Carla's fixed costs unexpectedly increase and the market price remains constant, then the profit-maximizing level of output
- (a) is less than 1,000 pounds.
 - (b) is still 1,000 pounds.
 - (c) is more than 1,000 pounds.
 - (d) becomes zero.
10. Tommy's Tires operates in a perfectly competitive market. If tires sell for \$50 each and average total cost $ATC = \$40$ per tire at the profit-maximizing output level, then in the long run
- (a) more firms will enter the market.
 - (b) some firms will exit from the market.
 - (c) the equilibrium price per tire will rise.
 - (d) average total costs will fall.
11. There will be a greater tendency for cheating to take place with a cartel if
- (a) the number of firms in the market is relatively small.
 - (b) the firms produce standardized products.
 - (c) the costs of production differ among firms.
 - (d) economic profits are being earned by the cartel.
12. Suppose potatoes were produced in Canada by many, many firms in perfect competition. In Belgium, only one firm produces potatoes for the Belgium market. Suppose further that for the competitive firms and the monopoly firm, minimum average total cost (ATC) is the same. We would expect that in Belgium the price of potatoes is _____ and _____ potatoes are produced and sold than in Canada.
- (a) higher; more
 - (b) lower; more
 - (c) higher; fewer
 - (d) lower; fewer
13. Most markets are not monopolies in the real world because
- (a) firms usually face downward-sloping demand curves.
 - (b) supply curves slope upward.
 - (c) price is usually set equal to marginal cost by firms.
 - (d) there are reasonable substitutes for most goods.
- 10
- 15
- 20
- 25

國立臺灣大學九十五學年度轉學生入學考試試題

科目：經濟學原理

題號：30

共 4 頁之第 3 頁

14. If a country made an illegal activity such as drug sales legal, then other things the same, GDP
- (a) necessarily decreases.
 - (b) necessarily increases.
 - (c) doesn't change because both legal and illegal production are included in GDP.
 - (d) doesn't change because these activities are never included in GDP.
15. Which of the following is counted in Taiwan's GDP?
- (a) final goods and services purchased by the government.
 - (b) goods and services produced by Taiwanese citizens working in the U.S..
 - (c) both the apple used by a bakery to make apple pies and the apple pies.
 - (d) None of the above are correct.
16. In Goofyland, the CPI in 2000 was 120 and the CPI in 2001 was 132. Goofy, a resident of Goofyland, borrowed money in 2000 and repaid the loan in 2001. If the nominal interest rate on the loan was 12 percent, then the real interest rate was
- (a) 12 percent.
 - (b) 10 percent.
 - (c) 2 percent.
 - (d) impossible to determine without knowing the base year for the CPI.
17. Suppose a representative agent lives for two periods only. The agent receives real endowments y_1 in period 1 and y_2 in period 2. Suppose that the real interest rate is r . The agent's permanent income is
- (a) $\frac{y_1}{1+r} + y_2$.
 - (b) $y_1 + \frac{y_2}{1+r}$.
 - (c) $\frac{1+r}{2+r}(y_1 + y_2)$.
 - (d) $\frac{1+r}{2+r}(y_1 + \frac{y_2}{1+r})$.
18. The opportunity cost of holding money
- (a) increases when the interest rate decreases, so people desire to hold more of it.
 - (b) increases when the interest rate decreases, so people desire to hold less of it.
 - (c) decreases when the interest rate decreases, so people desire to hold more of it.
 - (d) decreases when the interest rate decreases, so people desire to hold less of it.
19. Given the foreign interest rate unchanged, an increase in Taiwan's interest rate induces
- (a) Taiwanese to buy more foreign assets, which increases Taiwan's net capital outflow.
 - (b) Taiwanese to buy more foreign assets, which reduces Taiwan's net capital outflow.
 - (c) foreigners to buy more Taiwanese assets, which increases Taiwan's net capital outflow.
 - (d) foreigners to buy more Taiwanese assets, which reduces Taiwan's net capital outflow.
20. Which of the following is NOT a sufficient condition for foreign reserve accumulation in Taiwan?
- (a) central bank's purchases of foreign exchange.
 - (b) the interest income of the foreign reserve assets.
 - (c) huge trade surplus.
 - (d) all of the above are sufficient conditions.

國立臺灣大學九十五學年度轉學生入學考試試題

題號：30

科目：經濟學原理

共 4 頁之第 4 頁

21. Who is the current Chairman of the U.S. Federal Reserve?
- (a) Joe Stiglitz
 - (b) Alan Greenspan
 - (c) Ben Bernanke
 - (d) Greg Mankiw
22. Suppose that the central bank raises interest rates. Other things the same, this implies
- (a) a tightened monetary policy because they were concerned about unemployment.
 - (b) a tightened monetary policy because they were concerned about inflation.
 - (c) an expansionary monetary policy because they were concerned about unemployment.
 - (d) an expansionary monetary policy because they were concerned about inflation.
23. A U.S. firm buys laptops from Taiwan with U.S. currency. The Taiwanese firm then uses this money to buy equipment from a U.S. firm. Which of the following increases?
- (a) Taiwan net capital outflow and Taiwan net exports.
 - (b) only Taiwan net exports.
 - (c) only Taiwan net capital outflow.
 - (d) neither Taiwan net exports nor Taiwan capital outflow.
24. An inflation rate calculated using the CPI shows the rate of change of
- (a) all prices.
 - (b) the prices of all final goods and services.
 - (c) the prices of all consumer goods.
 - (d) the prices of some consumer goods.
25. The following figure plots a macroeconomic variable using Taiwanese data from 1960 to 2005. This variable is most likely the
- (a) nominal interest rate.
 - (b) inflation rate.
 - (c) unemployment rate.
 - (d) NT dollar/ US dollar exchange rate.

