

國立嘉義大學 95 學年度
【日間學制】轉學生招生考試試題

科目：經濟學

〈請將答案寫在答案卷上〉

選擇題 (每題 2 分，共 100 分)

- Opportunity cost means
 - the accounting cost minus the marginal cost.
 - the highest-valued alternative forgone.
 - the accounting cost minus the marginal benefit.
 - the monetary costs of an activity.
- Marginal benefit is the benefit
 - that your activity provides to someone else.
 - of an activity that exceeds its cost.
 - that arises from the secondary effects of an activity.
 - that arises from an increase in an activity.
- Tom takes 20 minutes to burn a CD and 5 minutes to make a sandwich. Jerry takes 15 minutes to burn a CD and 3 minutes to make a sandwich. Both individuals will be better off if
 - Tom trades sandwiches in exchange for CDs.
 - Jerry trades sandwiches in exchange for CDs.
 - they trade, no matter who trades sandwiches and who CDs.
 - they don't trade.
- Suppose that in one week Alice can produce 5 pairs of shoes or 4 bookshelves while Roger can produce 10 pairs of shoes or 6 bookshelves. Then Alice has a(n) ____ advantage in producing ____.
 - absolute; shoes
 - comparative; shoes
 - absolute; bookshelves
 - comparative; bookshelves
- If the supply of spring water decreases and at the same time the demand for spring water increases, the equilibrium price ____ and the equilibrium quantity ____.
 - might rise, fall, or stay the same; decreases
 - might rise, fall, or stay the same; increases
 - falls; increases
 - rises; might increase, decrease, or stay the same
- If the demand for hamburgers decreases, the equilibrium price
 - rises and the equilibrium quantity increases.
 - falls and the equilibrium quantity increases.
 - rises and the equilibrium quantity decreases.
 - falls and the equilibrium quantity decreases.
- In *The General Theory of Employment, Interest, and Money*, John Maynard Keynes argued that to eliminate a depression governments should spend
 - more to offset insufficient private spending.
 - more to offset excessive private spending.
 - less to offset excessive private spending.
 - less to offset insufficient private spending.
- Potential GDP is
 - the maximum GDP that an economy actually achieves throughout its entire history.
 - the level of GDP achieved during periods when 100 percent of the labor force is employed.
 - a goal that can never be achieved by the economy.
 - the value of production when all the nation's resources are fully employed.
- Real GDP is
 - the best measure we have for total production, though it does have some flaws.
 - the worst measure we have of total production because it misses much of what is produced.
 - the best measure we have for total production because it doesn't miss anything.
 - ignored as a measure of total production because it does not take account of inflation.
- In years with inflation, nominal GDP increases ____ real GDP.
 - faster than
 - slower than
 - at the same rate as
 - sometimes faster, sometimes slower, and sometimes at the same rate as

Component	Number of people
Total population	2600
Working-age population	2000
Not in labor force	500
Employed	1300

11. Using the information in the table above, calculate the number of people in the labor force.
A) 2500 B) 2100 C) 1500 D) 800
12. Using the information in the table above, calculate the unemployment rate.
A) 53.3 percent. B) 30.8 percent. C) 13.3 percent. D) 7.7 percent.
13. The duration of a spell of unemployment
A) falls during a recession and rises during an expansion.
B) falls during both recessions and expansions.
C) rises during a recession and falls during an expansion.
D) rises during both recessions and expansions.
14. Structural unemployment
A) falls during the expansion phase of the business cycle.
B) falls as the pace of technological progress increases.
C) generally lasts longer than frictional unemployment.
D) falls when the government provides more generous unemployment compensation benefits.
15. The short-run aggregate supply curve
A) is vertical.
B) shows the impact changes in the price level have on the quantity of real GDP when resource prices are constant.
C) illustrates the level of potential real GDP.
D) shifts because of changes in the price level.
16. An increase in the price level decreases net exports, thereby decreasing the amount of real goods and services purchased in the United States. This phenomenon as
A) the wealth effect. B) the barter effect. C) a substitution effect. D) the GDP effect.
17. A rise in the expected future inflation rate
A) increases aggregate demand.
B) increases the aggregate quantity demanded.
C) decreases the aggregate quantity demanded.
D) decreases aggregate demand.
18. Which of the following shifts the investment demand curve leftward?
A) A fall in the real interest rate.
B) The economy enters the expansion phase of a business cycle.
C) A decrease in the taxes paid by the business.
D) A decrease in the expected profit rate.
19. Which of the following influences household saving? I) The real interest rate. II) Disposable income. III) Expected future income.
A) I. B) I and II. C) I and III. D) I, II, and III.
20. Economics became known as the “Dismal Science” because of the
A) tendency of competitive markets to keep prices and profits low.
B) classical growth theory prediction of subsistence wages in the long run.
C) neoclassical growth theory prediction that growth would not persist in the long run.
D) trouble students have earning good grades in their Introductory Economics classes.
21. A higher saving rate leads to faster growth because
A) more saving produces greater additions to capital per hour of labor, raising output per person.
B) capital would wear out faster.
C) people would consume more of an economy’s output.
D) population growth would accelerate.
22. M1 is a measure of
A) money and includes both currency and checking deposits.
B) liquidity and in which the most liquid asset is money.
C) money and includes both savings deposits and currency.
D) money and includes both savings deposits and money market mutual funds.
23. Liquidity is the
A) speed with which the price of an asset changes as its intrinsic value changes.
B) inverse of the velocity of money.
C) same as the velocity of money.
D) ease with which an asset can be converted into money.

24. If the Fed carries out an open market operation and buys U.S. government securities, the interest rate
- falls and the quantity of money increases.
 - rises and the quantity of money increases.
 - falls and the quantity of money decreases.
 - rises and the quantity of money decreases.
25. If the Fed decreases the quantity of money so that the exchange rate value of the dollar rises, then imports _____ and exports _____.
- increase; increase
 - increase; decrease
 - decrease; increase
 - decrease; decrease
26. When the Fed increases the quantity of money,
- consumption expenditures decrease.
 - the dollar increases in value on foreign exchange markets.
 - net exports decrease.
 - investment expenditures increase.
27. Suppose that the price level was 100 in 2001, 110 in 2002, 120 in 2003, and 130 in 2004. Over these three years,
- the inflation rate accelerated.
 - inflation did not occur.
 - prices were stable.
 - the inflation rate was positive.
28. The main sources of cost-push inflation are
- money wage rates and the cost of raw materials.
 - real wage rates and the cost of raw materials.
 - money wage rates and increases in aggregate demand.
 - increases in aggregate demand and real wage rates.
29. The real interest rate equals the
- nominal interest rate minus the expected inflation rate.
 - nominal interest rate plus the expected inflation rate.
 - nominal interest rate minus the Fed discount rate.
 - rate that banks lend to its best customers.
30. A rise in the price of cabbage from \$14 to \$18 per bushel, caused by a shift of the demand curve, increases the quantity supplied from 4,000 to 6,000 bushels. The elasticity of supply is
- 0.6
 - 0.8
 - 1.0
 - 1.6
31. If the elasticity of supply of a good is zero, then its
- supply curve is vertical.
 - supply curve is horizontal.
 - demand curve must be vertical.
 - supply curve is positively sloped.
32. The value of a good is the
- maximum price you are willing to pay for it.
 - price that you actually pay for it.
 - price you actually pay for it minus the maximum you are willing to pay for it.
 - maximum you are willing to pay for it minus the price you actually pay for it.
33. When the competitive market is using its resources efficiently, the
- total amount of consumer surplus is maximized.
 - total amount of producer surplus is maximized.
 - sum of the total amount of consumer surplus plus the total amount of producer surplus are maximized.
 - sum of the total amount of consumer surplus plus the total amount of producer surplus equals zero.
34. A rent ceiling set above the equilibrium rent
- restricts the quantity demanded but not the quantity supplied.
 - restricts the quantity supplied but not the quantity demanded.
 - restricts both the quantity demanded and the quantity supplied.
 - has no effect.
35. The ability of workers to freely enter and leave the low-skilled labor market makes the
- short-run supply elastic.
 - long-run supply elastic.
 - short-run supply inelastic.
 - long-run supply inelastic.
36. An effective minimum wage is a price
- ceiling that results in a shortage of low-skilled labor.
 - ceiling that results in a surplus of low-skilled labor.
 - floor that results in a shortage of low-skilled labor.
 - floor that results in a surplus of low-skilled labor.

37. Utility is best defined as
- the amount one is willing to pay for a good.
 - the price of a good.
 - the satisfaction from consuming a good.
 - the practical usefulness of a good.
38. Teddy buys only chocolate chip cookies and hot chocolate and spends all of his income on the two items. Suppose the price of a cookie rises. According to marginal utility theory, Teddy will buy
- more cookies.
 - fewer cookies.
 - more hot chocolate.
 - an equal amount of cookies and hot chocolate.
39. An indifference curve shows all combinations of two goods
- that can be purchased with a given income.
 - that can be purchased if relative prices are constant.
 - among which the consumer is indifferent.
 - that have the same marginal rate of substitution.
40. At the best affordable point, consumers equate their marginal rates of substitution to
- their money income.
 - their real income.
 - relative prices.
 - relative quantities.
41. The most important goal of the firm is to
- maximize its revenues.
 - maximize its sales volume.
 - maximize its profits.
 - minimize its costs.
42. Economic profits are calculated as total revenue minus
- explicit costs.
 - opportunity costs.
 - labor costs.
 - capital costs.
43. Monopolistic competition and monopoly are ____ market types in that firms in ____.
- similar; both market types have products that are identical to those of their competitors.
 - similar; both market types have many competitors.
 - different; monopoly are protected by barriers to entry.
 - different; monopolistic competition have only a few competitors.
44. A market structure in which one firm produces a good or service that has no close substitutes is called
- perfect competition.
 - monopolistic competition.
 - oligopoly.
 - monopoly.
45. If an industry has a four-firm concentration ratio equal to one hundred percent, then it can safely be concluded that
- the industry is a monopoly.
 - the industry is perfectly competitive.
 - the industry is monopolistically competitive.
 - the industry is either a monopoly or an oligopoly.
46. The law of diminishing returns states that as
- the size of a plant increases, the firm's fixed cost decreases.
 - the size of a plant increases, the firm's fixed cost increases.
 - a firm uses more of a variable input, given the quantity of fixed inputs, the marginal product of the variable input eventually diminishes.
 - a firm uses more of a variable input, given the quantity of fixed inputs, the firm's average total cost will decrease eventually.
47. Which of the following statements is true for any marginal and average?
- When the marginal is greater than the average, the average rises.
 - When the marginal is less than the average, the average rises.
 - When the marginal is rising, the average is rising.
 - When the marginal is equal to the average, the average falls.
48. When economies of scale are present, the *LRAC* curve touches each short-run *ATC* curve
- to the left of the *ATC* curve's minimum point.
 - to the right of the *ATC* curve's minimum point.
 - at the *ATC* curve's minimum point.
 - at no points.
49. A perfectly competitive firm is producing at the point where its marginal cost equals its marginal revenue. If the firm boosts its output, its revenue will
- rise and its total variable cost will rise even more.
 - rise and its total variable cost will rise, but not by as much.
 - fall but its total variable cost will rise.
 - fall and its total variable cost will fall, but not by as much.
50. The firm's supply curve is its
- marginal cost curve, at all points above the minimum average variable cost curve.
 - marginal cost curve, at all points above the minimum average fixed cost curve.
 - marginal revenue curve, at all points above the minimum average revenue curve.
 - marginal revenue curve, at all points above the minimum average total cost curve.